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

FORM 10-K

(Mark One)
☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
for the fiscal year ended December 31, 2015

or

☐ **TRANSACTION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

for the transition period from _____to _____

COMMISSION FILE NUMBER: 000-26399

INVENTERGY GLOBAL, INC.
(Exact name of registrant as specified in its charter)

Delaware	**62-1482176**
(State or other jurisdiction of organization)	(IRS Employer Identification)

900 E. Hamilton Avenue #180
Campbell, CA 95008
(408) 389-3510
(Address, including zip code, and telephone number,
including area code, of registrants principal executive offices)

Securities registered under Section 12(b) of the Exchange Act:

Title of Each Class:	**Name of Each Exchange on Which Registered:**
Common Stock, par value $0.001 per share	The Nasdaq Stock Market LLC

Securities registered under Section 12(g) of the Exchange Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes ☐ No ☒

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 ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Date File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Section 232.405 of the chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ 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. ☐

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.

(Check one):

Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 126-2 of the act): Yes ☐ No ☒

The aggregate market value of the shares of common stock outstanding, other than shares held by persons who may be deemed affiliates of the Registrant, computed by reference to the closing sales price for the Registrant's common stock on June 30, 2015, as reported on the Nasdaq Capital Market, was $8,329,282.

As of March 30, 2016, 4,212,220 shares of common stock, $0.001 par value per share, were outstanding.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain information set forth in this Annual Report on Form 10-K, including in Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere herein may address or relate to future events and expectations and as such constitutes "forward-looking statements" within the meaning of within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Section 27A of the Securities Act of 1933, as amended (the "Securities Act"). Statements which are not historical reflect our current expectations and projections about our future results, performance, liquidity, financial condition, prospects and opportunities and are based upon information currently available to us and our management and their interpretation of what is believed to be significant factors affecting our business, including many assumptions regarding future events. Such forward-looking statements include statements regarding, among other things:

- anticipated growth and growth strategies;
- the need for additional capital and the availability of financing;
- the ability to secure additional patents;
- the ability to monetize patents or recoup our investment;
- the ability to protect intellectual property rights;
- new legislation, regulations or court rulings related to enforcing patents and/or obligations regarding standards essential patents that could harm our business and operating results;
- expansion plans and opportunities;
- our ability to attract and retain key members of our management team;
- our anticipated needs for working capital;
- our ability to continue as a going concern;
- the anticipated trends in our industry;
- our ability to expand operational capabilities; and
- competition existing today or that will likely arise in the future.

Forward-looking statements, which involve assumptions and describe our future plans, strategies, and expectations, are generally identifiable by use of the words "may," "should," "would," "could," "scheduled," "expect," "anticipate," "estimate," "believe," "intend," "seek," or "project" or the negative of these words or other variations on these words or comparable terminology. Actual results, performance, liquidity, financial condition and results of operations, prospects and opportunities could differ materially and perhaps substantially from those expressed in, or implied by, these forward-looking statements as a result of various risks, uncertainties and other factors.

In light of these risks and uncertainties there can be no assurance that the forward-looking statements contained herein will in fact occur. Readers should not place undue reliance on any forward-looking statements. Except as expressly required by the federal securities laws, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, changed circumstances or any other reason. We advise you to carefully review the reports and documents we file from time to time with the Securities and Exchange Commission (the "SEC").

PART I

ITEM 1. BUSINESS

Overview

Inventergy Global, Inc. (the "Company," "we," "us," or "our") is an intellectual property ("IP") investment and licensing company that helps technology-leading corporations attain greater value from their IP assets in support of their business objectives and corporate brands. Inventergy, Inc., our wholly-owned subsidiary ("Inventergy"), was initially organized as a Delaware limited liability company under the name Silicon Turbine Systems, LLC in January 2012. It subsequently changed its name to Inventergy, LLC in March 2012 and it was converted from a limited liability company into a Delaware corporation in February 2013. On June 6, 2014, a subsidiary of the Company merged with and into Inventergy becoming a wholly-owned subsidiary of the Company (the "Merger"). In connection with the Merger, the Company changed its name to "Inventergy Global, Inc."

The Company works to develop long-term relationships with significant, technology-leading companies, which the Company refers to as clients, seeking to strategically realize appropriate returns for selected portfolios of their IP assets, in which they have invested significant research and development (IP value creation). The Company offers clients a professional corporate licensing model for IP value creation that provides both short term returns and attractive, long-term licensing revenue. The Company has focused initially on developing relationships with telecommunications companies, but its business purpose is not limited to this industry. The Company aspires to be a market-leader in IP value creation across various technology and market segments.

The core strategy of the Company is to acquire significant patent portfolios from Global Fortune 500 companies who are leaders or major players in their industries and then generate reasonable value from these portfolios through licensing or sales of these patents. The Company typically purchases patents for an upfront fee as well as a percentage of net revenue (i.e. revenue generated from the relevant portfolio, usually after deduction of litigation or other related monetization costs, if any). This percentage is low enough so that, together with the outright acquisition of the IP assets, there is not actual or implied direct control of the actions of the Company in its IP value creation efforts. As a result, the Company remains independent of these clients. The Company typically gains full ownership of the portfolios including the rights to past damages and has the sole right to determine the best strategy to derive value from the portfolios.

The Company is headquartered in Campbell, California. In addition to its employees, the Company engages third party resources including technical experts, reverse engineering firms, valuation experts, market research firms and law firms specializing in intellectual property law and litigation. If and when the Company acquires additional large patent portfolios, we may hire two to three additional employees in the areas of business, technical or legal to assist in IP value creation for those new assets.

Business Strategy

Key elements of our strategy include:

- Targeting a select number of market- and technology-leading companies whose product and service revenue or internal IP monetization efforts may not be yielding appropriate value for their IP assets.
- Leveraging our management's expertise to select, value and out-license patent assets to create additional IP value for these clients in relationship-based, fair and substantial licensing programs.
- Expanding our approach across other technologies and businesses.

Competitive Strengths

- Our directors and officers have significant experience creating value from IP assets and are recognized leaders in their fields (for more details please see "Item 10. Directors, Executive Officers and Corporate Governance" below).

- We believe that the talent, experience and skill sets of our management team are key differentiators for the Company, and establish it among the very best of its peers.

- Our management team's contacts across many IP-dependent industries provide key sourcing capability.

    - The Company's officers and directors are well-known across IP and technical industries, with significant and important relationships with prospective target clients as well as potential out-licensing customers. The Company leverages its reputation and relationships to achieve fair and reasonable value and to complete transactions in a timely manner.

- We expect that the development of long-term relationships with our clients will help ensure on-going revenue streams built on key asset portfolios from existing clients.

    - We expect that long-term relationships with clients will provide a continual potential source of new assets and support continuing revenue growth opportunities.

- We believe that the Company's professional corporate out-licensing model will enable timely value-creation from client portfolio assets as well as on-going revenue streams.

    - Management believes it can drive an efficient process for delivering value and concluding appropriate, fair and reasonable transactions in a timely manner below the industry average.

Industry Overview

According to recent data from Ocean Tomo, an intellectual property merchant bank, 84% of the value of companies in the S&P 500 was based in intangible assets, as of January 2015. In many cases, product and service revenue based on patent assets can leave substantial amounts of untapped value in a company's IP, either because the IP is in areas that are no longer as strategically important to the IP holder or it is too time-consuming for the asset holders to pursue. As a result, companies may not realize appropriate value from the results of their investments in research and development ("R&D"). In addition, many companies cannot capture the full value of the IP assets themselves as they do not possess the necessary resources and personnel or because the pursuit of value involves a higher degree of risk than may be acceptable to the IP holder.

Industry Focus

The three initial patent portfolios the Company has acquired are portfolios in the telecommunications industry in the segments covering (a) core network infrastructure (IP Multimedia Subsystems -IMS and Voice over IP -VOIP) and (b) mobile broadband communications (3G & 4G protocols -WCDMA/HSPA/LTE). Over time, the Company may acquire additional portfolios in this industry as well as other market segments. An overview of the telecommunications industry and the Company's three initial portfolios are described in more detail below.

General Perspectives on the Telecommunication Industry

The telecommunications industry is global in nature and the technologies deployed are largely defined and developed by cooperative standard-setting "working groups" established between the various market participants. One such body is "3GPP", or 3rd Generation Partnership Project, which is a collaboration among groups of telecom associations, covering radio, core network and service architecture technologies.

A number of other voluntary standard setting bodies exist, with the overall objective to ensure interoperability between networks and devices. According to the Global mobile Suppliers Association ("GSA") organization (a 3GPP industry organization), in the second quarter of 2015 there were 6.64 billion subscriptions globally using 3GPP systems (covering 2G -GSM, 3G-WCDMA & HSPA, and 4G-LTE protocols). This included 1.99 billion 3G and 755 million 4G subscribers.

From an intellectual property commercialization perspective, the Company believes that the continued development and deployment of standards-compliant telecommunications equipment and systems, creates large, global addressable markets wherein market participants must comply with both declared and de facto industry standards in order to remain competitive. In many cases, these providers may not have developed the standards themselves nor do they own or are licensed to key patents that relate to these standards. In addition, in this highly competitive industry, the Company believes market participants will also race to adopt key improvements above and in addition to standards-based technology.

The Company believes that the continued and accelerated deployment, as well as the continuous upgrading of technologies that can handle richer content to mobile devices, faster and more reliable connections, quicker data speeds and more services delivered over networks, fixed and mobile, present significant opportunities for the Company. These trends accelerate the need for IMS and 3G & 4G technologies and protocols – areas in which the Company has significant patent portfolios. The Company's focus is to acquire patent portfolios that contain a mixture of both standards declared patents as well as patents that cover important improvements to standards-based technologies.

The IMS and VOIP Segment – The primary focus of the Huawei and Nokia portfolios

IP Multimedia Subsystem (IMS) is an architectural framework for delivering IP multimedia services and voice applications from wireless and wireline devices. It was originally designed by 3GPP. IMS is intended to aid the access of multimedia and voice applications from wireless and wire line terminals, to help establish fixed-mobile convergence.

IMS technology is already deployed by more than 100 service providers around the world as well as through cable companies to offer services such as the popular "bundles" of voice, TV and Internet. A driving force behind the deployment of LTE (Long-Term Evolution) among service providers is the ability to offer Voice over LTE (VoLTE). The Company estimates based on data from Infonetics (published in their first quarter 2016 report) and internal analysis that the overall size of this market related to the service provider segment, which could benefit from the Company's patented technologies, is $25-$30 billion cumulative over the next five years (2016 – 2020).

VOIP solutions are also extensively deployed in the corporate sector as companies are addressing the needs of an increasingly mobile workforce through so-called "unified communications" offerings that packet data networks help enable.

The Mobile Broadband Infrastructure Segment – The primary focus of the Panasonic portfolio

Mobile broadband is a term that encompasses 2G, 3G and 4G cellular technologies based on standards that are developed and managed by the 3GPP organization and covers the radio, core network and service architectures that enable broadband communication between base stations and devices (such as cell phones and tablets, wireless enabled computers).

In the "Ericsson Mobility Report" from November 2015, Ericsson estimates the 3G and 4G mobile broadband subscription market will grow 5% annually from 2014-2020 for 3G and 25% for 4G (LTE). By the end of 2021, Ericsson estimates there will be a total of 9.1 billion mobile subscriptions, including 4.1 billion LTE and 3.2 billion 3G subscriptions.

In North America, the 3G/LTE share of mobile subscriptions is already at 100%. In Western Europe the share is currently approximately 85%, and is expected to grow to 100% by 2021 according to Ericsson. In the Asia Pacific region, the 3G/LTE share is currently approximately 50% and is expected to grow to 85% by 2021, according to the same report. Recent GSA data shows that 3,745 user devices have been launched from 339 suppliers as of November 2015, an increase of over 1,500 since October 2014. Of this, 58.7% are LTE smartphones, with 98.3% of the smartphones handling both 3G and LTE.

Our Business Model

Obtaining Assets

Client Business Model

The Company's initially focused on developing relationships in the information technology and telecommunications industries and expanding from there into other adjunct or distinct new industry segments. The Company seeks to enable clients to generate higher potential value from their portfolio of patent assets. Clients are generally sourced through management's significant industry contacts. The Company seeks to partner with leading companies who have demonstrated early technology development, backed by strong R&D investments protected through substantial patent portfolios, but who lack expertise in IP monetization. Preferred clients include those that may be moving out of a market or have more assets in a segment than are needed to support their ongoing business.

Many key technology-leading companies have significant patent asset portfolios in areas that are no longer of strategic value to the client but have clearly been adopted and built upon by other market participants. Our preferred asset portfolios are in strong-margin, high-growth segments of particular industry sectors. The Company's acquisition teams study patents of prospective clients and evaluate overall patent strength, the size of the appropriate addressable market(s), the reasonably probable revenue that might be generated from a successful licensing program, and how the remaining lifespan of a particular portfolio matches the expected trajectory of the target market(s).

Typically, the Company will seek to structure an acquisition with the original asset owner that includes a combination of an initial cash payment and a revenue share arrangement on future income, however the exact structure of an acquisition may vary depending on the particular patent portfolio or the negotiations with a patent owner. The combination of fixed payment and ongoing revenue return is intended to appropriately reflect the inherent riskiness of patent asset licensing, the expected significant costs of licensing campaigns, and appropriate returns for such investments. Such arrangements help each client balance cash flow and the risk and reward potential of ongoing R&D and patent operations.

Following our acquisition of a patent portfolio, the client may receive a non-exclusive license to continue to make, have made, and sell products and services under the transferred patent assets to ensure continuity of their ongoing businesses. The original asset holder will have no continuing control over the Company's licensing and enforcement programs, but in certain cases the assets acquired may be subject to existing licenses, existing business relationships and standards organization obligations (including in certain cases, fair, reasonable and non-discriminatory (FRAND) licensing obligations). The Company acquires patent asset portfolios cognizant of these potential existing encumbrances and factors these issues into the final arrangements.

The Company seeks to cultivate long-term relationships with its clients with the goal of acquiring additional asset portfolios from them in the future.

Referral Agreements

The Company also periodically enters into referral agreements with unaffiliated third parties for the provision of commercial and/or technical assistance to facilitate completion of designated acquisitions of assets. The agreements contain confidentiality provisions, may continue indefinitely and are terminable by either party upon notice. To date the Company has entered into three such agreements, one with a German consulting firm, one with a California consulting firm and one with a Japanese consulting firm, each with technology expertise related to the assets being evaluated for acquisition or with important local relationships with the clients owning the assets. The Company may enter into other such referral agreements in the future. Compensation under such agreements are subject to negotiations between the parties and may be based on a relatively low percentage of the purchase price of the assets payable in cash or equity upon closing the transaction or periodically over time, depending on negotiations and on the Company's specific needs.

Generating Value from the Assets

The Patent Management Triad—The Company's Internal Business System

The Company's internal out-licensing campaign teams are typically managed by three leads, together with their respective internal and external teams—(1) Technical, (2) Legal, and (3) Business. Ultimately, the three teams collaborate to comprehend the addressable market space(s), the relevance of the patent assets, the mapping of patent assets to applicable standards and the products and services of other market participants, and technical and industrial value.

Technical Lead and Team

The Technical Lead and associated group works to understand the science and/or technology behind the patents of a particular portfolio, under the review of the Legal Lead and in support of the Business team –This group coordinates the work of third party technology consultants, including technical external resources such as technical experts, reverse engineering consultancies, and other providers, to deliver consolidated inputs to the Legal and Business teams.

Legal Lead and Team

This group manages the existing patent asset portfolio from a global perspective and also manages further prosecution of continuing patent cases to help maximize value in ongoing licensing efforts. Prior to a potential acquisition and continuing after the acquisition, the Legal Lead and associated group reviews the patent assets and, together with the Technical team, helps analyze the products and services of prospective licensees. In particular, this group analyzes patent claims and determines how these claims relate to products, services and industry standards, prepares claim charts and licensing packages and supervises the Technical Lead and the technology efforts from a legal perspective.

The Legal Lead also is responsible for the legal structure and legal documents of any license or negotiated settlement with prospective licensees. The Legal Lead and team also manage external legal providers, including patent prosecution, licensing and, if needed, litigation resources for effectively managing the life of each patent portfolio and providing consolidated services in support of business objectives. They also manage, if required, any assertions or litigation matters related to patent assets.

Business Lead and Team

This group has overall financial responsibility for each licensing campaign. In order to determine the business terms of license agreements and acquire new portfolios, the Business group gathers the technical and legal inputs and identifies companies that have products and/or services in areas that may be impacted by relevant patent assets.

The Business Lead, with input from the Technical and Legal teams, assesses the relevant addressable market for patent assets and establishes an achievable licensing campaign structure and process. The Business group then leads the development of marketing and licensing materials and packages, and drives the engagements with prospective licensing targets. The Business group also determines, with input from the Legal team, the structure and terms of proposed licenses, and helps set value for portfolios by setting a realistic, objective and achievable valuation of portfolios with respect to the particular market segments and products and services of target licensees.

The Company's Professional Corporate Out-Licensing Model

Once the Company acquires an asset portfolio and analyzes the addressable market and existing and projected products and services using patented technology of the portfolio, the Company then develops an appropriate engagement campaign and process. Following a structured approach, the Company will contact key decision-makers of relevant market participants and seek further engagement. The Company anticipates structuring licenses in a flexible way to match the specific character and use of patented technology by its licensees.

Management believes that the Company's approximately 718 currently active patents and patent applications are fundamental to the telecommunications industry. The technologies are utilized in, among other areas, the following markets:

- Telecommunications core network (including IMS) infrastructure;
- Base stations;
- Communications service providers;
- End user communications devices (such as cell phones and tablets);
- Enterprise voice over IP (VoIP) networks; and
- Connected Automobiles.
- Routers and cellular modems.

The Company's licensing strategy depends upon other parties being reasonable and willing to work out a fair licensing arrangement. A potential licensee's willingness and ability to pay reasonable licensing fees or royalties may, in part, be affected by the number of patents infringed by a particular licensee product, the licensee's cost of licensing those patents and the value or profitability of infringing products and/or services. The Company believes reasonable licensing fees or royalties for its patent assets are best secured through negotiated license agreements which will allow the Company and its potential licensees to avoid the uncertainties, costs and delays of litigation. Obtaining reasonable value for the use of its patents is generally dependent upon:

- Demonstrating infringement of claimed inventions;
- Refuting arguments that its patents are supposedly invalid or unenforceable; and
- Providing data supporting the licensing value it is seeking.

Some of the companies that may be using the Company's patent assets may not voluntarily enter into license agreements. As a result, the Company has developed abilities to plan, execute and sustain enforcement campaigns to protect its patent portfolios. Litigation may be required to enforce and protect such intellectual property rights.

Since the acquisition of the first three patent portfolios (described further below), the Company has begun reaching out to various prospective licensees and engaging a number of them in discussions regarding licensing one or more of these patent assets. On February 11, 2015, the Company licensed its IMS portfolio to a mid-tier telecommunications infrastructure provider. The term of the license is five years and will result in approximately $2 million of revenue over the course of the license. During the year ended December 31, 2015, the Company settled one litigation matter. The Company currently has one litigation matter pending, which is in ongoing settlement negotiations.

Intellectual Property and Patent Rights

The Company's intellectual property consists primarily of asset portfolios acquired from clients for the purpose of monetizing and generating value from such patents under its corporate licensing approach.

In connection with an acquisition of assets, the Company may seek financing to enable it to pay fixed up front fees or cash purchase prices. Acquisitions or investments may be consummated through the use of cash, equity, seller financing, third party debt, earn out obligations, revenue sharing, profit sharing, or some combination of two or more of these forms of consideration.

Asset Portfolios

IMS and VOIP portfolios

The Company has acquired two complementary portfolios from telecommunication industry leaders Huawei and Nokia. These two portfolios total approximately 280 patents including approximately 115 patents considered relevant to standards.

The portfolios cover the core network of the so-called "Next Generation Networks" enabling such functionality as Mobile Video delivery and Mobile High Definition Audio as well as enabling services like "triple play" (phone, television and data) offered by fixed line/cable operators and enterprise VOIP solutions.

The patents cover a broad range of functional aspects, including advanced call features, network security, interoperability, system performance and network reliability.

The Company believes the portfolios to be particularly relevant as mobile network operators, cable operators and equipment manufacturers roll out new features and content rich services for both mobile and fixed networks. The Company has identified over 125 companies within four primary licensee market segments, namely, IMS systems, enterprise networking equipment (VOIP), legacy mobile systems and telecommunications service providers that it intends to approach to monetize the IMS IP assets. Currently there are over 100 mobile network operators worldwide offering services based on the IMS standard and most cable companies that already offer "triple play bundles" do this on the IMS standard, so use of IMS is reasonably expected to increase substantially. The Company also estimates that there are already about 30 equipment manufacturers offering solutions relevant to this patent portfolio, and the company has already closed its first license with a mid-tier equipment manufacturer.

Mobile Broadband, (3G, 4G/LTE Portfolio)

Panasonic is among the most prolific patent filers and patent owners in the world. According to a recently released report from the World Intellectual Property Organization, Panasonic was the number 1 filer of PCT patent applications in the world in 2013. In 2013, Panasonic was issued the 6th most patents in the United States according to IFI Claims. Panasonic has since moved out of several business areas and divested both businesses and patents over the past few years.

One such technology area is 3G (WCDMA & HSPA) and 4G (LTE) mobile infrastructure, where Panasonic, through its relationship with NTT Docomo (a leading Japanese mobile operator), was an early innovator and pioneer. The Company has worked with Panasonic to select a comprehensive portfolio of patent assets totaling 473 in the 3G and 4G technology domains. Under the terms of the Company's Patent Purchase Agreement with Panasonic, as amended (the "Panasonic Agreement"), the Company has full ownership of the portfolio including the right to past damages and has the sole right to determine the best strategy to derive value from the portfolio.

The portfolio consists of approximately 340 3G patent assets and 240 4G patent assets. Approximately 179 of the patent assets are potentially standards relevant, which means that such patents may be infringed upon by companies, end-users or others that adhere to the optional or mandatory features of one or more operating standards adopted by industry, governmental or other organizations operating in the telecommunications industry. The main technical focus of the portfolio concerns base station equipment communication with mobile devices, specifically the radio aspects of such communications. The 3G/4G standards are widely adopted by telecom operators, infrastructure manufacturers and mobile device manufacturers around the world as the enabling standard for mobile broadband. According to data from GSA, there were 2.3 billion mobile broadband (3G/4G) subscriptions worldwide in Q4 2014, and 4.4 billion user devices, including 2.7 billion smart phones connected to LTE as of February 2016.

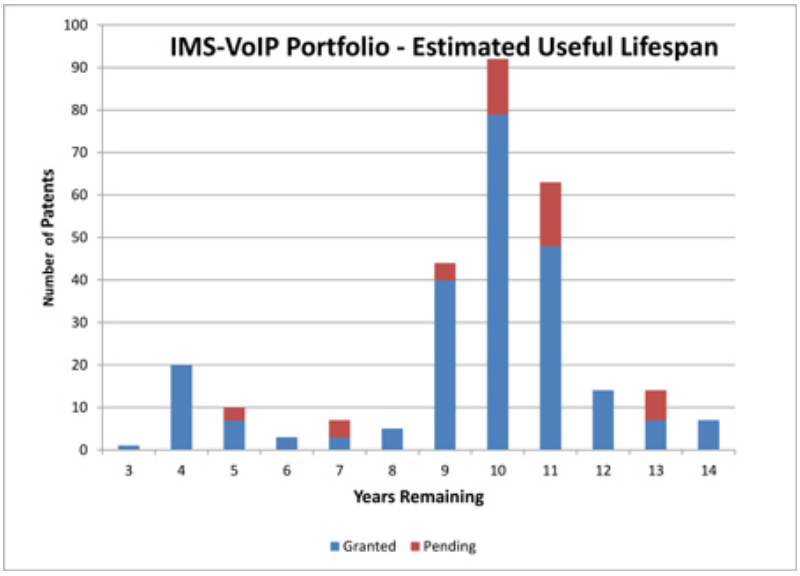
The Company views the Panasonic portfolio as complementary to the Huawei and Nokia IMS portfolios where, even though a few of the target licensee companies may be the same, the relevant revenue streams are different. The Company believes that such complementary coverage may offer operational and marketing efficiencies and it is exploring other opportunities that may add further synergies.

Patent Portfolios

The Company originally acquired an aggregate of approximately 755 currently active patents and patent applications from Huawei, Nokia, and Panasonic outright, including the general right to recover damages for past infringement. In June 2015, the Company sold 26 patents in a commercial transaction. The Company owns approximately 742 patents and patent applications, 7 US and 17 non-US patents have expired and no patent applications have been denied. The 718 active patents have an average remaining life of 6.9 years. Approximately 294 of the active patents are potentially standards relevant and the overall portfolio is subject to limited prior license encumbrances.

IMS & VOIP Portfolio

The chart below indicates, with respect to the Company's 280 active patents and pending applications from Huawei and Nokia in the IMS & VOIP category, the estimated useful remaining lives of such patents as of the date of this Annual Report. Pending applications indicate applications for patents that could, if granted, become enforceable patents in relevant geographies. More than 92% of the Company's IMS/VOIP patents have more than five years remaining and 67% have 10 years or more remaining:

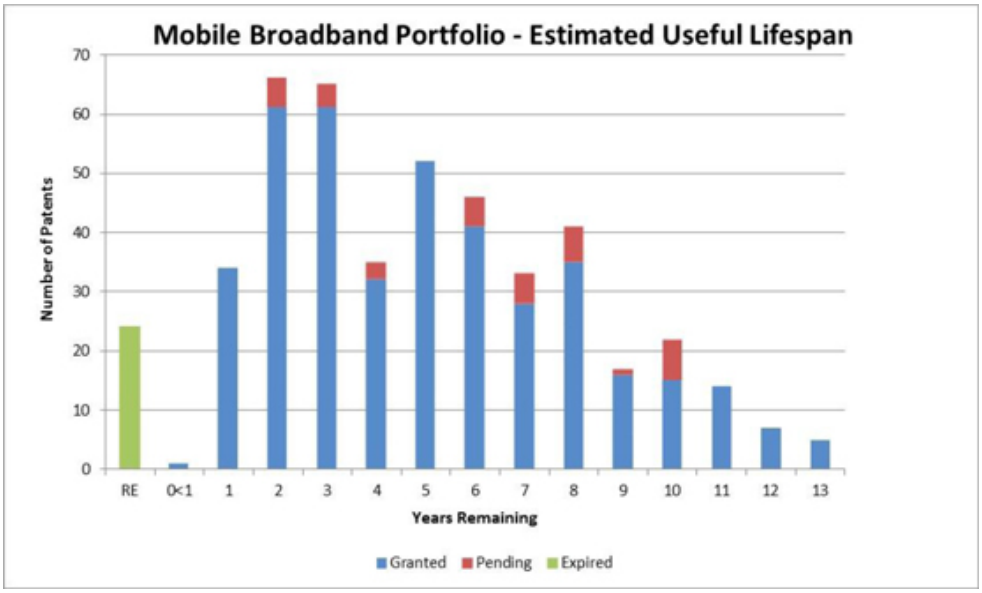


The below table reflects the data contained in the above chart.

Years Remaining	Granted	Pending	Grand Total
3	1	0	1
4	20	0	20
5	7	3	10
6	3	0	3
7	3	4	7
8	5	0	5
9	40	4	44
10	79	13	92
11	48	15	63
12	14	0	14
13	7	7	14
14	7	0	7
Grand Total	**234**	**46**	**280**

Mobile Broadband Portfolio

With respect to the Company's 462 mobile broadband patents, the chart below indicates granted patents, pending applications or recently expired patents in the mobile broadband category acquired from Panasonic, including the estimated useful remaining lives of such patents as of the date of this Annual Report. Though several patents recently expired (noted below as "RE"), key jurisdictions for these patents can still provide an ability to recover for past damages, hence the patents have been included in the table below. Pending applications indicate applications for patents that could, if granted, become enforceable patents in relevant geographies. Over 50% of the Company's mobile broadband patents have between 5 and 13 years remaining and approximately 47% have between two and five years remaining.



The below table reflects the data contained in the above chart.

Years Remaining	Granted	Pending	Expired	Grand Total
RE	0	0	24	24
0<1	1	0	0	1
1	34	0	0	34
2	61	5	0	66
3	61	4	0	65
4	32	3	0	35
5	52	0	0	52
6	41	5	0	46
7	28	5	0	33
8	35	6	0	41
9	16	1	0	17
10	15	7	0	22
11	14	0	0	14
12	7	0	0	7
13	5	0	0	5
Grand Total	**402**	**36**	**24**	**462**

RE: Recently Expired

Portfolio Prosecution

The Company spends significant resources enhancing portfolio value through patent prosecution. This is the process of responding to USPTO actions which challenge or request information regarding pending patents to allow the patents to be granted and the process of broadening a portfolio through patent continuations, divisionals and reissues. Through the prosecution process, the patent portfolio can be fine-tuned for relevancy and clarity. Portfolio enhancement through patent prosecution requires substantial technical and legal expertise.

Since acquiring the portfolios, 15 patents have granted to the Company, including five US grants, three European grants which were perfected in 13 European countries, two grants in China including one divisional grant, and one grant each in Brazil, Thailand and Indonesia. Additionally six patent continuations have been filed along with the filing of five patent reissues.

The Company has also received notice of allowance of three European patents which we expect to be granted in the first half of 2016.

eOn Communications Systems, Inc.

eOn Communications Systems, Inc. (“ECS”), our wholly-owned subsidiary, previously sold a line of Ethernet enabled biometric locks (see below) and also provides sales, marketing and technical support services to partners in the security products and services industry. The Company acquired ECS as part of the Merger.

On March 17, 2015, the Company announced operational restructuring and process improvements for the product-based businesses of ECS, to strategically position the Company to increase earnings, reduce costs, improve cash flow and build shareholder value. ECS is managed by its President Stephen Swartz.

The ECS business now has two service lines:

a) A royalty bearing agreement with a third party for use of a private branch exchange (PBX) business which they had purchased from eOn Communications Corporation; and

b) A new business that provides outsourced sales, marketing and technical support services to business partners in the security products and services industry.

ECS stopped selling biometric security and access control products, with the final sale of such products in December 2015.

Competition

The Company faces significant competition from others seeking to acquire and monetize intellectual property assets, including competitors seeking to acquire the same or similar patents and technologies that we may try to acquire. Other companies may develop competing technologies that offer better or less expensive alternatives to patented technologies that the Company may acquire and/or license. In addition, many potential competitors may have significantly greater resources than the resources the Company possesses. Technological advances or entirely different approaches developed by one or more of our competitors could render obsolete and/or uneconomical certain of the technologies owned or controlled by us.

Entities such as Intellectual Ventures Management, LLC, Acacia Research Corporation, InterDigital, Inc., Rambus, Inc., Marathon Patent Group, Spherix, Inc., Tessera Technologies, Inc., Vringo, Inc., VirnetX Holding Corporation, Wi-LAN Inc. and others presently market themselves as being in the business of creating, acquiring, licensing or leveraging the value of intellectual property assets. Many of our competitors have longer operating histories and significantly greater financial resources than we do.

Employees

As of December 31, 2015, the Company had eight full-time employees (one of whom is an employee of the ECS subsidiary). None of the Company's employees are subject to a collective bargaining agreement and the Company believes its employee relations to be good.

The Company uses the services of various consultants and contractors to manage its business, technical, accounting and legal operations. The Company believes selective use of such consultants allows it to achieve its business objectives in a flexible, cost-effective manner.

ITEM 1A. RISK FACTORS.

Risks Related to the Company's Business and Operations

Our independent registered public accounting firm has issued a "going concern" opinion.

Our ability to continue as a going concern is dependent upon our ability to generate profitable operations in the future and/or obtain the necessary financing we need to meet our obligations and repay our liabilities arising from normal business operations when they come due. We plan to continue to provide for our capital requirements by issuing additional equity and or debt. No assurance can be given that additional capital will be available when required or on terms acceptable to us. We also cannot give assurance that we will achieve sufficient revenues in the future to achieve profitability and cash flow positive operations. The outcome of these matters cannot be predicted at this time and there are no assurances that, if achieved, we will have sufficient funds to execute our business plan or to generate positive operating results. Our independent registered public accounting firm has indicated that these matters, among others, raise substantial doubt about our ability to continue as a going concern.

The Company's limited operating history makes it difficult to evaluate its current business and future prospects and its inability to execute on its current business plan may adversely affect its results of operations and prospects.

The Company has generated minimal revenues to date. The Company not only has a very limited operating history, but also a limited track record in executing its business model which includes, among other things, acquiring, licensing, litigating or otherwise monetizing our patent assets. The Company's limited operating history makes it difficult to evaluate its current business model and future prospects.

In light of the costs, uncertainties, delays and difficulties frequently encountered by companies with a limited operating history in the early stages of development, there is a significant risk that the Company will not be able to:

- implement or execute its current business plan, or demonstrate that its business plan is sound; and/or
- raise sufficient funds in the capital markets to fund acquisitions of additional patent portfolios or the costs of litigation or otherwise to effectuate its long-term business plan.

The Company's inability to execute any one of the foregoing or similar matters may adversely affect its results of operations and prospects.

The Company has incurred net losses and negative cash flows from operations since inception and has relied on external financing to support its operations. In the event the Company does not generate revenue from operations or obtain additional financing, its commercialization efforts will be delayed or curtailed.

Since inception, the Company has incurred net losses and negative cash flows from operations and has accumulated a deficit. The Company will need to generate revenue from operations or will require additional equity and/or debt financing to fund the Company's ongoing activities. There are no assurances that additional financing will be available to the Company at a cost acceptable to the Company, or at all.

Our future capital needs are uncertain and we will need to raise additional funds, which may not be available on acceptable terms or at all. Moreover, additional financing may have an adverse effect on the value of the equity instruments held by the Company's stockholders.

Assuming certain payables are deferred and expenses are managed efficiently, we believe our existing cash balances will be sufficient to meet our anticipated cash needs to conduct our planned operations for less than three months. We will need significant additional capital and/or patent monetization revenues to continue to monetize our current patent portfolios and we will need significant additional capital to purchase any new patent portfolios. Based on our internal planning for 2016, which anticipates certain cash inflows and revenue from our patent sales and licensing pipeline which are expected to close during 2016, we believe our cash expenditures for operating expenses will be approximately $6.2 million for the next twelve months, consisting of approximately $1.9 million in employee related costs, $0.8 million in patent maintenance and prosecution fees, and $3.5 million in other operational costs. In addition, we anticipate making $7.5 million of payments relating to the acquisition of our patent portfolios, $2.2 million of which are fixed payments and $5.3 million are variable based on assumed patent monetization revenues. Also, our debt servicing fees payable to Fortress Investment Group, LLC and its affiliates ("Fortress") will be approximately $5.8 million.

We will seek to raise additional capital through, among other things, public and private equity offerings and debt financings (to the extent such financings are permissible pursuant to our agreements with Fortress), including through takedowns from our shelf registration statement on Form S-3 and the issuance of additional promissory notes to Fortress pursuant to the terms of our agreements with Fortress. We may also seek additional funds through arrangements with collaborators or other third parties. Our future capital requirements will depend on many factors, including our levels of net sales and licensing and the timing and extent of expenditures to support our patent infringement litigation, if any. Additional funds may not be available on terms acceptable to us, or at all. Furthermore, if we issue equity or convertible debt securities to raise additional funds, our existing stockholders may experience dilution, and the new equity or debt securities may have rights, preferences, and privileges senior to those of our existing stockholders. If we incur additional debt, it may increase our leverage relative to our earnings or to our equity capitalization which could impact our business operations.

If adequate working capital is not available when needed, we may be required to significantly modify our business model and operations to reduce spending to a sustainable level. It could cause us to be unable to execute our business plan, take advantage of future opportunities, or respond to competitive pressures. It may also cause us to reduce or cease operations altogether.

We may not be able to incur any additional indebtedness as a result of our agreements with Fortress. Our inability to incur additional indebtedness may prevent us from raising additional funds on acceptable terms or at all.

Our agreements with Fortress limit our ability to raise additional indebtedness. Pursuant to the these agreements, we may only incur indebtedness (i) in respect to our obligations to Fortress, (ii) on unsecured trade payables that are not evidenced by a promissory note and are incurred in the ordinary course of business, (iii) if such indebtedness is unsecured and subordinated to the rights of the Fortress debt, and only then if Fortress provides its consent and (iv) if such indebtedness is secured by patent assets acquired after the Fortress transaction was consummated, and only then if such indebtedness is subordinated to the Fortress debt, Fortress provides its consent and Fortress is afforded a right of first refusal to issue the new debt. These limitations could substantially impact our ability to raise additional funds on acceptable terms or at all. If we cannot raise additional funds, it could cause us to be unable to execute our business plan, take advantage of future opportunities, or respond to competitive pressures. It may also cause us to delay, scale back or eliminate some or all of our research and development programs, reduce our operations, enable Fortress to foreclose on our patent assets or cause us to cease operations altogether. For a complete description of our agreements with Fortress, please see Note 6, "Borrowing Arrangements" contained in Item 8.

We have incurred a material amount of indebtedness to fund our operations, the terms of which require that we pledge all of our assets as security and that we agree to share certain patent monetization revenues that may accrue in the future. Our level of indebtedness and the terms of such indebtedness, could adversely affect our operations and liquidity.

We have incurred debt secured by all of our assets under the terms of our agreements with Fortress and related transaction documents. Our obligations under the these agreements are secured by a first priority security interest in all of the Company's currently owned patent assets and all proceeds thereof, as well as a general security interest in all of the assets of the Company and its subsidiaries (though not in any future patent purchases by the Company). Additionally, our agreements with Fortress contain customary representations, warranties and indemnification provisions, as well as affirmative and negative covenants that, among other things, restrict our ability to incur additional indebtedness or guarantees, incur liens, sell our patent assets or permit a change in control of our Company.

Our agreements with Fortress and the notes issued pursuant thereto (the "Fortress Notes") also include customary event of default provisions and if we were to default under the terms of our agreements with Fortress and were unable to obtain a waiver for such a default, interest on the obligations would accrue at an increased rate. In the case of a default, Fortress could accelerate our obligations under such agreements and exercise their right to foreclose on their security interests, which could force us to cease operations.

Incurrence and maintenance of this debt has material consequences on the Company, such as:

- requiring us to dedicate a material portion of our cash flow from operations and other capital resources to debt service, thereby reducing our ability to fund working capital, capital expenditures, and other cash requirements;
- limiting our flexibility in planning for, or reacting to, changes and opportunities in, our business and industry, which may place us at a competitive disadvantage;
- limiting our ability to incur additional debt on acceptable terms, if at all; and
- limiting our ability to dispose of patent assets to generate revenue.

Our agreements with Fortress further provide, among other things, that an affiliate of Fortress is entitled to share in certain monetization revenues that we may derive in the future related to our current patent portfolios even after our indebtedness to Fortress is paid in full. There can be no assurance that we will be successful in securing revenues, and we may expend resources in pursuit of monetization revenues that may not result in any benefit to us. Moreover, the revenue sharing obligation will reduce the benefit we receive from any monetization transactions, which will adversely affect our operating results.

The Company may not be able to successfully monetize the patents it has acquired from Huawei, Nokia or Panasonic or which it may hereafter acquire and thus the Company may fail to realize the anticipated benefits of any such acquisition which would have a material adverse effect on its business and results of operations.

There is no assurance that the Company will be able to successfully monetize the patent portfolios that it acquires. The patents the Company acquires could fail to produce anticipated benefits, or could have other adverse effects that the Company currently does not foresee. Failure to successfully monetize these patent assets would have a material adverse effect on the Company's business, financial condition and results of operations.

In addition, the acquisition of patent portfolios is subject to a number of risks, including, but not limited to the following:

- There is a significant time lag between acquiring a patent portfolio and recognizing revenue from those patent assets, if at all. During that time lag, material costs (such as patent prosecution, maintenance, legal, financial and technical reviews, and potential reverse engineering) are likely to be incurred that would have a negative effect on the Company's results of operations, cash flows and financial position, lagging any potential revenues generated by such activity.

- The out-licensing of a patent portfolio is a time consuming and expensive process. If the Company's efforts are not successful, the Company's results of operations could be harmed. In addition, the Company may not achieve anticipated licensing results or other benefits from such acquisitions.

- If the Company initiates a patent infringement suit against potential infringers or potential licensees initiate a declaratory judgment action or administrative review action against the Company, such potential infringers and/or licensees may successfully invalidate the Company's patents or a fact finder may find that the potential infringer's products do not infringe the Company's patents. Thus, the Company may not successfully monetize the patents. These activities are inherently risky, time consuming and costly.

The Company has, to date, entered into only one licensing arrangement. Accordingly, there is no assurance that the Company will be able to monetize its patent portfolios and recoup its full investment.

New legislation, regulations or court rulings related to enforcing patents could harm the Company's business and operating results.

If Congress, the United States Patent and Trademark Office (the "USPTO") or courts implement new legislation, regulations or rulings that impact the patent enforcement process or the rights of patent holders, these changes could negatively affect the Company's business model. For example, limitations on the ability to bring patent enforcement claims, limitations on potential liability for patent infringement, lower evidentiary standards for invalidating patents, increases in the cost to resolve patent disputes and other similar developments could negatively affect the Company's ability to license or assert the Company's patent or other intellectual property rights.

In addition, on September 16, 2011, the Leahy-Smith America Invents Act (the "AIA") was signed into law. The AIA includes a number of significant changes to the United States patent law. These changes include provisions that affect the way patent applications are prosecuted and may also affect patent litigation. As the regulations and procedures to govern administration of the AIA, especially the contested cases provisions (Inter-Partes Review ("IPR") and Post-Grant Review ("PGR") were only recently fully effective, it is too early to tell what, if any, impact the AIA will have on the operation of the Company's business. However, the AIA and its implementation could increase the uncertainties and costs surrounding the prosecution of patent applications and the enforcement or defense of patents acquired by the Company, all of which could have a material adverse effect on the Company's business and financial condition.

The United States government has placed restrictions on NASA, the National Science Foundation and the Commerce and Justice departments from buying information technology (in particular from Huawei) that has been "produced, manufactured or assembled" by companies with ties to the Chinese government unless the FBI or a similar agency first determines the purchase would be in the national interest. We believe these restrictions impose no limitations on the Company's ability to license or enforce the patent assets that the Company has currently purchased or may purchase in the future from Huawei. Because we understand these restrictions apply solely to purchases of actual hardware and equipment, we believe the patent assets and rights which the Company has purchased from Huawei, with respect to those restrictions, include valid rights within the geographical United States which remain enforceable against all potential infringers. However, the United States government may try to apply other restrictions to prohibit its departments from licensing Huawei-related intellectual property rights, in which case we may be unable to consensually license patent assets purchased from Huawei to the U.S. government. Such interpretation of the prohibition, and other changes in United States law, regulation or practice as it relates to the license or enforcement of patent assets acquired from Huawei, could result in a material adverse impact on the Company's business and financial condition.

New legislation has been introduced into the House of Representatives and the Senate, seeking to curb so-called "Litigation Abuses." These bills include potential provisions for, among other things, expanded pleading requirements for patent litigations, patent-specific discovery and case management rules, disclosure obligations for parties having a financial interest in a patent case, certain provisions regarding so-called "customer suits" in favor of manufacturers. These bills have not yet been voted upon or amended and it is uncertain what, if any, new legislation will issue from the United States Congress, and what if any impact such legislation would have on the Company's business and operations.

Furthermore, in various pending litigation and appeals in the United States Federal courts, various arguments and legal theories are being advanced to potentially limit the scope of damages that a patent licensing company such as us might be entitled to. Any one of these pending cases could result in new legal doctrines.

In September 2013, the Federal Trade Commission announced that it is planning to gather information from approximately 25 companies that are in the business of buying and asserting patents in order to develop a better understanding of how those companies do business and impact innovation and competition. Both the Federal Trade Commission and European Commission are actively considering what the appropriate restrictions are on the ability of owners of patents declared to technical standards to receive both injunctions and royalties.

In addition, the U.S. Department of Justice ("DOJ") has conducted reviews of the patent system to evaluate the impact of patent assertion entities on industries in which those patents relate. It is possible that the findings and recommendations of the DOJ could impact the ability to effectively license and enforce standards-essential patents and could increase the uncertainties and costs surrounding the enforcement of any such patented technologies.

Further, the leadership changes in the European Commission ("EC") make it challenging to predict whether and how the EC will shift its focus from its prior stances regarding the enforcement of intellectual property rights and the relationship between such rights and European competition law.

Additionally, there are numerous initiatives being pursued in multiple countries including India and Brazil, regarding when and how intellectual property rights should be enforced as well as the relationship between enforcement and other laws, including relevant anti-trust or competition law. It is too early to state with any degree of certainty the impact that such initiatives may have on our business.

Additionally, the political and legal climate in China appears to have changed and may cause significant challenges for foreign companies that attempt to enforce their intellectual property rights against Chinese business whether such rights are enforced in China or elsewhere in the world. At this time, it is unclear what if any impact this change in climate will have on our business.

Further, and in general, it is impossible to determine the extent of the impact of any new laws, regulations or initiatives that may be proposed, or whether any of the proposals will become enacted as laws. Compliance with any new or existing laws or regulations could be difficult and expensive, affect the manner in which the Company conducts its business and negatively impact the Company's business, prospects, financial condition and results of operations.

Current litigation and contemplated regulatory developments may render the Company's business model less profitable and may have a material adverse effect on its results of operations.

The Company negotiates with leading technology companies to invest in, aggregate and acquire or in-license portfolios of patents and other intellectual property. Recent regulatory developments, as well as other pending litigation that is continuing to establish new laws and rules for the licensing and/or assertion of patents, may make this business model more difficult to execute, more risky and/or less profitable. As noted, new draft legislation proposed in Congress, if passed, might place more significant hurdles to the enforcement of the Company's patent rights, allow defendants increased opportunities to challenge the Company's patents in court and in the USPTO, introduce potentially expanded fee shifting for prevailing parties in litigation, and increase the risks and costs of patent litigation for all parties, including the Company. These changes and risks could decrease the value of the Company's intellectual property portfolio, as well as increase the risk of unlicensed infringement of such portfolio.

In addition, in various pending litigation and appeals in the United States Federal courts, various arguments and legal theories are being advanced to potentially limit the scope of damages a patent licensing company such as the Company might be entitled to. While the Company rejects many of these arguments as improperly limiting the rights granted to legitimate patent holders under the Constitution and US patent laws, any one of these pending cases could result in new legal doctrines that could make the Company's patent portfolios less valuable or more costly to enforce.

In addition, competition authorities in various countries and regions, as well as judicial actions in the United States and abroad are examining the rights and obligations of holders of standards essential patents (SEPs), and in some cases imposing restrictions and further obligations on the licensing and enforcement of SEPs. These changes in law and/or regulation may make the Company's licensing programs more difficult, may render some or all SEP patents held by Company unenforceable, or impose other restrictions, costs, impediments or harm to the Company's patent portfolios.

We commenced legal proceedings against security and communications companies, and we expect such proceedings to be time-consuming and costly, which may adversely affect our financial condition and our ability to operate our business.

To license or otherwise monetize the patent assets that we own, we commenced legal proceedings against two companies, pursuant to which we allege that such companies infringe on one or more of our patents. One of these proceedings was settled in October 2015. As with all litigation, there is a risk that we may be unable to achieve the results we desire from such litigation, failure from which would harm our business to a great degree. In addition, the defendants in these litigations may have more resources than we do, which could make our litigation efforts more difficult.

We anticipate that legal proceedings may continue for several years and may require significant expenditures for legal fees and other expenses. Disputes regarding the assertion of patents and other intellectual property rights are highly complex and technical. Once initiated, we may be forced to litigate against other parties in addition to the originally named defendants. Our adversaries may allege defenses and/or file counterclaims for, among other things, revocation of our patents or file collateral litigations or initiate investigations in the United States or elsewhere in an effort to avoid or limit liability and damages for patent infringement. If such actions are successful, they may preclude our ability to derive licensing revenue from the patents currently being asserted.

Additionally, we anticipate that our legal fees and other expenses will be material and will negatively impact our financial condition and results of operations and may result in our inability to continue our business unless we are able to raise significant new capital or are successful in the licensing or sales of our patent portfolios. We estimate that our legal fees over the next twelve months will be significant for these enforcement actions. Expenses thereafter are dependent on the outcome of the status of the litigation. Our failure to monetize our patent assets would significantly harm our business.

It is difficult to predict the outcome of patent enforcement litigation at the trial level. It is often difficult for juries and trial judges to understand complex, patented technologies and, as a result, there is a higher rate of successful appeals in patent enforcement litigation than more standard business litigation. Such appeals are expensive and time consuming, resulting in increased costs and delayed revenue. Although we diligently pursue enforcement litigation, we cannot predict with significant reliability the decisions that may be made by juries and trial courts.

Further, should we be deemed the losing party in certain of our litigations, we may be liable for some or all of our opponents' legal fees.

Federal courts are becoming more crowded and, as a result, patent enforcement litigation is taking longer.

Our patent enforcement actions are almost exclusively prosecuted in federal court. Federal trial courts that hear our patent enforcement actions also hear criminal cases. Criminal cases always take priority over our actions. As a result, it is difficult to predict the length of time it will take to complete an enforcement action. Moreover, we believe there is a trend in increasing numbers of civil lawsuits and criminal proceedings before federal judges and, as a result, we believe that the risk of delays in our patent enforcement actions will have a greater effect on our business in the future unless this trend changes.

Acquisitions of additional patent assets may be time consuming, complex and costly, which could adversely affect the Company's operating results.

Acquisitions of patent or other intellectual property assets are often time consuming, complex and costly to consummate. The Company may utilize many different transaction structures in its acquisitions and the terms of such acquisition agreements tend to be heavily negotiated. As a result, if the Company seeks out new acquisition opportunities, the Company expects to incur significant operating expenses and will likely be required to raise additional financing during the negotiations if any particular acquisition is ultimately consummated. Even if the Company is able to acquire particular patent assets, there is no guarantee that the Company will generate sufficient revenue related to those patent assets to offset the acquisition costs. While the Company will seek to conduct reasonable due diligence on the patent assets it is considering for acquisition, the Company may acquire patent assets from a seller who does not have proper title to those assets or the assets may prove invalid, or unenforceable in subsequent litigation. In those cases, the Company may be required to spend significant resources to defend the interests in its patent assets and, if the Company is not successful, the Company's acquisition may be rendered effectively in part, or wholly, unusable, in which case the Company could lose part or all of its investment in the assets. Moreover, the Company may pay more to acquire a patent portfolio than it generates in future revenues. In addition, the Company could make an error in its due diligence or fail to uncover an important fact before acquiring a patent portfolio, thereby acquiring patents that are invalid or unenforceable.

The Company may also identify patent or other intellectual property assets that cost more than it is prepared to spend with its own capital resources. The Company may incur significant costs to organize and negotiate a structured acquisition that does not ultimately result in an acquisition of any patent assets or, if consummated, proves to be unprofitable for us. These higher costs could adversely affect the Company's operating results, and if the Company incurs losses, the value of the Company's securities may decline.

In addition, the Company may acquire patents and technologies that are in the early stages of adoption in the telecommunications and information technology markets. Demand for some of these technologies may likely be untested and may be subject to fluctuation based upon the rate at which the Company's licensees will adopt the Company's patents and technologies in their products and services. As a result, there can be no assurance as to whether technologies the Company acquires or develops will have value that the Company can monetize.

In certain acquisitions of patent assets, the Company may seek to defer payment or finance a portion of the acquisition price. This approach may put us at a competitive disadvantage to other parties pursuing the same assets and could result in harm to the Company's business.

The Company has limited capital and may seek to negotiate acquisitions of patent or other intellectual property assets where the Company can defer payments or finance a portion of the acquisition price from the seller. These types of debt financing or deferred payment arrangements may not be as attractive to sellers of patent assets as receiving the full purchase price for those assets in cash at the closing of the acquisition. As a result, the Company might not compete effectively against other companies in the market for acquiring patent assets, some of whom have greater cash resources than the Company has.

Any failure to maintain or protect the Company's patent assets or other intellectual property rights could significantly impair the Company's return on investment from such assets and harm the Company's brand, business and operating results.

The Company's ability to operate its business and compete in the intellectual property market largely depends on the superiority and value of its patent assets and other intellectual property. To protect the Company's proprietary rights, the Company relies and will rely on a combination of patent, trademark, copyright, and confidentiality agreements with the Company's employees and third parties and other protective contractual provisions. No assurances can be given that any of the measures the Company undertakes to protect and maintain the Company's assets will have any measure of success.

Despite the Company's efforts to protect its intellectual property rights, any of the following or similar occurrences may reduce the value of the Company's intellectual property:

- applications for patents, trademarks and copyrights may not be granted and, if granted, may be challenged or invalidated;
- issued trademarks, copyrights, or patents may not provide the Company with any commercially viable claims against potentially infringing parties;
- the Company's efforts to protect its intellectual property rights may not be effective in preventing misappropriation of the Company's IP assets; or
- the Company's efforts may not prevent the development and design by others of products or technologies similar to or competitive with, or superior to those covered by the Company's IP.

Moreover, the Company may not be able to effectively protect its intellectual property rights in certain foreign countries from which potential licensees or infringers may operate. If the Company fails to maintain, defend or prosecute its patent assets properly, the value of those assets would be reduced or eliminated, and the Company's business would be harmed.

Following its acquisition of IP, the Company needs to spend significant time and resources maintaining and defending such assets which could cause it to incur significant costs and divert management attention from its core business which could adversely affect its prospects.

Following the acquisition of patent assets, the Company needs to spend significant time and resources to maintain the effectiveness of those assets by paying maintenance fees and making filings with the USPTO and non-US equivalent government bodies. The Company acquired patent assets, including patent applications, which require us to spend resources to prosecute the applications with the USPTO and non-US equivalent government bodies. Further, there is a material risk that patent related claims (such as, for example, infringement claims (and/or claims for indemnification resulting therefrom), unenforceability claims, or invalidity claims) will be asserted or prosecuted against us, and such assertions or prosecutions could materially and adversely affect the Company's business. Regardless of whether any such claims are valid or can be successfully asserted, defending such claims could cause the Company to incur significant costs and could divert resources away from its core business activities which could adversely affect its prospects.

The Company seeks to process pending patent applications for acquired and related intellectual property which takes time and is costly. Moreover, the failure to obtain or maintain intellectual property rights for such inventions would lead to the loss of the Company's investments in such activities.

Members of the Company's management team have experience as inventors. As such, part of the Company's business may include the internal development of pending patent applications or other acquired intellectual property that the Company will seek to monetize. However, this aspect of the Company's business would likely require significant capital and would take time to achieve. Such activities could also distract the Company's management team from its present business initiatives, which could have a material and adverse effect on the Company's business. There is also the risk that the Company's initiatives in this regard would not yield any viable new intellectual property, which would lead to a loss of the Company's investments in time and resources in such activities.

In addition, even if the Company is able to internally develop new patents or further prosecute patentable subject matter already contained within existing acquired patent portfolio(s), in order for those patents to be viable and to compete effectively, the Company would need to develop and maintain, and they would heavily rely on, a proprietary position with respect to such inventions and intellectual property. However, there are significant risks associated with any such intellectual property the Company may develop, principally including the following:

- patent applications the Company may process may not result in issued patents or may take longer than the Company expects to result in issued patents;
- the Company may be subject to interference and/or derivation proceedings;
- the Company may be subject to opposition (including post-grant review and *ex parte* and *inter partes* reexamination) proceedings in the U.S. or foreign countries;
- any patents that are issued to it may not provide meaningful protection;
- other companies may challenge patents issued to it;
- other companies may have independently developed and/or patented (or may in the future independently develop and patent) similar or alternative technologies;
- other companies may design around patents the Company has processed; and
- enforcement of the Company's patents could be complex, uncertain and very expensive.

The Company cannot be certain that patents will be issued as a result of any future or pending applications or that any of such patents, once issued, will provide the Company with adequate coverage for licensing operations. For example, issued patents may be circumvented or challenged, declared invalid or unenforceable, or narrowed in scope. In addition, since publication of discoveries in scientific or patent literature often lags behind actual discoveries, the Company cannot be certain that the patent applications will be the first to have been filed covering those inventions. It is also possible that others may have or may obtain issued patents that could prevent the Company's potential licensees from commercializing their products or require them to obtain licenses requiring the payment of significant fees or royalties to others. This could make it more difficult for the Company to monetize its assets. As to those patents that the Company may license or otherwise monetize, the Company's rights will depend on maintaining the Company's obligations to the licensor under the applicable license agreement, and the Company may be unable to do so. The Company's failure to obtain or maintain intellectual property rights for the Company's inventions would lead to the loss of the Company's investments in such activities, which would have a material and adverse effect on the Company's business.

Moreover, patent application delays could cause delays in recognizing revenue from the Company's internally generated patents and could cause us to miss opportunities to license patents before other competing technologies are developed or introduced into the market.

Our confidential information may be disclosed by other parties.

We routinely enter into non-disclosure agreements with other parties, including but not limited to vendors, law firms, parties with whom we are engaged in negotiations, and employees. However, there exists a risk that those other parties will not honor their contractual obligations to not disclose our confidential information. This may include parties who breach such obligations in the context of confidential settlement offers and/or negotiations. In addition, there exists a risk that, upon such breach and subsequent dissemination of our confidential information, third parties and potential licensees may seek to use such confidential information to their advantage and/or to our disadvantage including in legal proceedings in which we are involved. Our ability to act against such third parties may be limited, as we may not be in privity of contract with such third parties.

Weak global economic conditions may cause infringing parties to delay entering into licensing agreements which could adversely affect the Company's financial condition and operating results.

The Company's business plan depends significantly on worldwide economic conditions and the economies of many countries are experiencing weak economic conditions. Uncertainty about global economic conditions poses a risk as businesses may postpone spending in response to tighter credit, negative financial news and declines in income or asset values. This response could have a material negative effect on the willingness of parties infringing on the Company's assets to enter into licensing or other revenue generating agreements voluntarily. Entering into such agreements is critical to the Company's business plan, and the Company's inability to do so could cause material harm to the Company's business.

The Company's business depends upon its ability to keep pace with the latest technological changes and the Company's failure to do so could make us less competitive which would adversely affect our prospects.

The markets addressed by the Company's intellectual property rights are characterized by rapid change and technological change, frequent new product innovations, changes in customer requirements and expectations and evolving industry standards. Products using new technologies or emerging industry standards could make the Company's patent portfolios less attractive or applicable. As a result, the Company's success will depend, in part, on the Company's ability to acquire, develop and out-license intellectual property in a timely manner with respect to the technological advances available to the Company's prospective out-licensees, evolving industry standards and changing preferences.

In the event that the Company must commence legal proceedings against patent infringers unwilling to license its acquired intellectual property, it expects such proceedings to be time-consuming and costly, which may adversely affect the Company's financial condition and its ability to operate its business.

In the event the Company is unable to successfully enter into out-licenses with infringing companies for patents the Company has acquired or in-licensed, the Company may have to bring a patent infringement action against such infringing companies. Such patent infringement litigation may continue for several years and may require significant expenditures for legal fees and other expenses. Disputes regarding the assertion of patents and other intellectual property rights are highly complex and technical. Once initiated, the Company may be forced to litigate against others to enforce or defend its intellectual property rights or to determine the validity and scope of other parties' proprietary rights. The defendants or other third parties involved in the lawsuits in which the Company may become involved may have substantially more resources than we do. Furthermore, such parties may allege defenses and/or file counterclaims in an effort to avoid or limit liability and damages for patent infringement. If such defenses or counterclaims are successful, they may preclude the Company's ability to derive licensing revenue from the patent portfolios. A negative outcome of any such litigation, or one or more claims contained within any such litigation, could materially and adversely impact the Company's business. Additionally, the Company anticipates that its legal fees and other expenses will be material and will negatively impact the Company's financial condition and results of operations and may result in its inability to continue its business plan. Expenses are also dependent on the outcome of such proceedings. The Company's failure to monetize its patent assets would significantly harm the Company's business and financial position.

The Company's future success depends, to a significant extent, upon the continued service of its key personnel and its ability to hire additional qualified personnel and its inability to attract, retain or hire personnel could have a material adverse effect on its business and results of operations.

There can be no assurance that the Company will be able to retain its key personnel or that it can attract, assimilate or retain other highly qualified personnel in the future. Additionally, the Company does not currently carry a key-man insurance policy. Although the Company has entered into letter agreements with its current officers, each of such employees serves as an "at will" employee whose employment is terminable in the discretion of the board of directors. In addition, the Company's anticipated growth will require it to recruit, hire and retain a number of new managerial, technical, operating and marketing personnel. The inability to retain, recruit and hire necessary personnel or the emergence of unexpected expansion difficulties could have a material adverse effect on the Company's business, financial condition or results of operations. Competition for qualified personnel is intense, and there can be no assurance that the Company will be able to retain existing personnel or identify or hire additional personnel.

The Company's operations are subject to all of the risks inherent in a growing business enterprise and there is no assurance that it will be successful.

The likelihood of the Company's success must be considered in light of the problems, expenses, difficulties and complications of an early stage company. The ability or inability of the Company to maintain current and potential clients, form new business relationships and partnerships, execute licensing programs, meet competition, and comply with applicable governmental regulations will also impact the growth and the profitability of the Company.

The Company's quarterly revenue and operating results are expected to be unpredictable and may fluctuate significantly from quarter to quarter due to factors outside the Company's control which could adversely affect its business and operating results.

The Company's revenues and operating results may vary significantly from quarter-to-quarter due to a number of factors, many of which are outside of its control and which will make period to period comparisons difficult. Generally, the timing and success of the Company's licensing and litigation efforts will be unpredictable and intermittent rather than steady, and can be expected to continue to be unpredictable. The primary factors that may affect its revenues and operating results include, but are not limited to, the following:

- the length and variability of the cycle for licensing the technology;
- the random timing of the outcome of any litigation we may commence and the unpredictability of the success of any litigation we may commence;
- the quality and degree of execution of our business strategy and operating plan, and the effectiveness of our sales and licensing programs; and
- timing of revenue recognition and the application of complex revenue recognition accounting rules to our licensing arrangements.

It can be difficult for the Company to predict the timing of licensing of its technology, and it is unable to control timing decisions made by potential licensees. As a result, the Company's quarterly operating results are difficult to predict even in the near term and a delay in an anticipated license past the end of a particular quarter may negatively impact its results of operations for that quarter, or in some cases, that year. Therefore, the Company believes that quarter-to-quarter comparisons of its operating results will be a poor indication of its future performance. If its revenue or operating results fall below the expectations of investors or securities analysts or below any guidance the Company may provide to the market, the price of the common stock could decline substantially.

If revenues for a particular quarter are below expectations, the Company would likely be unable to reduce costs and expenses proportionally for that quarter. Any such revenue shortfall would, therefore, have a significant effect on its operating results for that quarter.

Risks Related to the Telecommunications Industry

If the products or services that are marketed or sold by the Company's clients do not maintain market acceptance, the Company's ability to out-license the technologies that it acquires may be limited and its results of operations could be adversely affected.

Certain segments of the telecommunications industry are dependent on developing and marketing new products and services that respond to technological and competitive developments and changing customer needs. The Company cannot assure you that the IP assets it acquires that may be used in current or future products and services will gain or obtain increased market acceptance. The development of new or enhanced technologies could result in a loss of actual or potential market share by businesses utilizing our IP assets which may limit our ability to monetize our IP assets.

The regulatory framework and future changes in regulatory requirements under which telecommunications companies operate could require substantial time and resources for compliance by the Company's licensees which could make it more difficult and costly for it to monetize its IP assets.

In providing certain interstate and international telecommunications services, telecommunications companies must comply, or cause its customers or carriers to comply, with applicable telecommunications laws and regulations prescribed by the FCC and applicable foreign regulatory authorities. In offering services on an intrastate basis, such companies may also be subject to state laws and to regulation by state public utility commissions. International services may also be subject to regulation by foreign authorities and, in some markets, multinational authorities, such as the European Union. The costs of compliance with these regulations, including legal, operational and administrative expenses, can be expected to be substantial, and efforts and costs spent by potential licensees for these efforts may impede licensing negotiations with the Company, and could make it more difficult and costly for us to monetize our IP assets.

Risks Relating to Our Securities

The market price of our common stock is volatile, leading to the possibility of its value being depressed at a time when our stockholders want to sell their holdings.

The market price of our common stock has in the past been, and may in the future continue to be, volatile. For instance, from June 6, 2014 through March 30, 2016, the closing price of our common stock has ranged between $49.80 and $1.00 per share (amounts restated to reflect to a 1:10 reverse stock split which was effected on December 8, 2015) . A variety of events may cause the market price of our common stock to fluctuate significantly, including but not necessarily limited to:

- quarter to quarter variations in operating results;
- day traders;
- adverse or positive news reports or public announcements; and
- market conditions within our industry.

In addition, the stock market in recent years has experienced significant price and volume fluctuations. This volatility has had a substantial effect on the market prices of companies, at times for reasons unrelated to their operating performance. These market fluctuations may adversely affect the price of our common stock at a time when our stockholders want to sell their interest in us.

If we fail to meet the applicable continued listing requirements of Nasdaq Capital Market, Nasdaq may delist our common stock, in which case the liquidity and market price of our common stock could decline.

Our common stock is currently listed on the Nasdaq Capital Market ("Nasdaq"). In order to maintain that listing, we must satisfy certain continued listing requirements. If we are deficient in maintaining the necessary listing requirements, our common stock may be delisted.

On November 16, 2015, the Company received a written notice from Nasdaq's Listing Qualifications Department notifying the Company that it was not currently in compliance with Listing Rule 5550(b)(1), which requires the Company to maintain a minimum stockholders' equity of $2,500,000 for continued listing on Nasdaq.

The notice had no immediate effect on the listing of the Company's common stock on Nasdaq. Pursuant to Nasdaq rules, the Company had until December 31, 2015 to provide Nasdaq with a written plan to regain compliance with the minimum stockholders' equity requirement, which the Company timely submitted. The Company received notice on January 19, 2016 that Nasdaq accepted the Company's plan, and Nasdaq granted the Company an extension period of 180 days from the date of the Notice (until May 15, 2016) for the Company to regain compliance with the stockholders' equity requirement.

If Nasdaq delists our common stock from trading on its exchange and we are not able to list our securities on another national securities exchange, we expect our securities could be quoted on the OTCQB or the "pink sheets." If this occurs, we could face material adverse consequences, including:

- a limited availability of market quotations for our securities;
- reduced liquidity for our securities;
- a determination that our common stock is a "penny stock" which will require brokers trading in our common stock to adhere to more stringent rules and possibly result in a reduced level of trading activity in the secondary trading market for our securities;
- a limited amount of news and analyst coverage; and
- a decreased ability to issue additional securities or obtain additional financing in the future.

We do not anticipate declaring any dividends in the foreseeable future.

Other than a special cash dividend that we declared with respect to our common stock on June 9, 2014 in connection with the Merger, we have not declared any cash dividend to date and we do not anticipate declaring any further cash dividends on our common stock in the foreseeable future. For the time being, we intend to retain future earnings for use in the development of our business.

The application of the Securities and Exchange Commission's "penny stock" rules to our common stock could limit trading activity in the market, and our stockholders may find it more difficult to sell their stock.

Our common stock is trading at less than $5.00 per share. If our common stock is delisted from Nasdaq for any reason, our common stock would become subject to the SEC's penny stock rules. Penny stocks generally are equity securities with a price of less than $5.00. Penny stock rules require a broker-dealer, prior to a transaction in a penny stock not otherwise exempt from the rules, to deliver a standardized risk disclosure document that provides information about penny stocks and the risks in the penny stock market. The broker-dealer also must provide the customer with current bid and offer quotations for the penny stock, the compensation of the broker-dealer and its salesperson in the transaction, and monthly account statements showing the market value of each penny stock held in the customer's account. The broker-dealer must also make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written agreement to the transaction. These requirements may have the effect of reducing the level of trading activity, if any, in the secondary market for a security that becomes subject to the penny stock rules. The additional burdens imposed upon broker-dealers by such requirements may discourage broker-dealers from effecting transactions in our securities, which could severely limit their market price and liquidity of our securities. These requirements may restrict the ability of broker-dealers to sell our common stock and may affect your ability to resell our common stock.

Our stockholders' percentage of ownership may become diluted upon conversion of our Series C Preferred Stock, upon the exercise of currently outstanding warrants and/or options, or if we issue new shares of stock or other securities, including issuances to consultants as compensation pursuant to our referral agreements, additionally, issuances of additional preferred stock or other securities by us may further subordinate the rights of the holders of our common stock.

The holders of our Series C Preferred Stock may convert their shares of preferred stock into shares of common stock at any time. As of March 30, 2016, there are 2,500 shares of Series C preferred stock outstanding, which are initially convertible into 1,666,668 shares of common stock. After July 26, 2016, the conversion price will be equal to the lesser of (a) the conversion price then in effect or (b) 65% of the volume weighted average price of the Company's common stock for ten consecutive days prior to the applicable conversion date. Also, in addition to our outstanding shares of preferred stock, there are currently outstanding warrants to purchase 1,596,235 shares of the Company's common stock, and 245,593 outstanding options which may be exercised into an aggregate of 1,841,828 shares of common stock. A further 195,725 shares are available for grant pursuant to the Company's equity incentive plan. In addition, the Company may enter into additional referral agreements with unaffiliated third parties for the provision of commercial and/or technical assistance to facilitate completion of designated acquisitions of assets and compensation under such agreements may be payable in in equity. Further, our board of directors is authorized, without stockholder approval, subject to certain Nasdaq requirements, to cause us to issue additional shares of our common stock or to raise capital through the issuance of additional preferred stock (including equity or debt securities convertible into preferred stock or our common stock, subject to limitations set forth in the Fortress Agreement and in our fifth amended and restated certificate of incorporation), options, warrants and other rights, on such terms and for such consideration as our board of directors in its sole discretion may determine. Our board of directors is also authorized, without stockholder approval, to designate and issue one or more classes or series of preferred stock in addition to the Series C Preferred Stock. The conversion of our Series C Preferred Stock, the exercise of our outstanding warrants and options, the issuance of new securities or the creation of new series of preferred stock could result in significant dilution to existing stockholders. In addition, securities issued in connection with future financing activities or potential acquisitions may have rights and preferences senior to the rights and preferences of the common stock.

Because our directors and executive officers are among our largest stockholders, they can exert significant control over our business and affairs and have actual or potential interests that may depart from investors.

As of March 30, 2016, our directors and executive officers collectively and beneficially own 24.92% of outstanding common stock. Joseph Beyers, our Chief Executive Officer and Chairman of the Board, beneficially owns 17.41% of our outstanding common stock. Additionally, the holdings of our directors and executive officers may increase in the future upon vesting or other maturation of exercise rights under any of the options or warrants they may hold or in the future be granted or if they otherwise acquire additional shares of our common stock. The interests of such persons may differ from the interests of our other shareholders. As a result, in addition to their board seats and offices, such persons will have significant influence over and control all corporate actions requiring shareholder approval, irrespective of how our other shareholders may vote, including the following actions:

- to elect or defeat the election of our directors;
- to amend or prevent amendment of our Fifth Amended and Restated Certificate of Incorporation or Amended and Restated Bylaws;
- to effect or prevent a merger, sale of assets or other corporate transaction; and
- to control the outcome of any other matter submitted to our shareholders for vote.

Such persons' stock ownership may discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our company, which in turn could reduce our stock price or prevent our shareholders from realizing a premium over our stock price.

ITEM 1B. UNRESOLVED STAFF COMMENTS.

Not applicable.

ITEM 2. PROPERTIES.

The Company leases its principal executive offices at Campbell, CA pursuant to a non-cancelable thirty-eight month lease agreement for offices in Campbell, California commencing June 1, 2014 with escalating rent payments ranging from approximately $9,200 to $9,800 per month and one option to extend the lease term for an additional three years. Included in the lease agreement was a full rent abatement period of two months. Rent expense is recognized on a straight line basis. The Company paid a security deposit of $18,993 during the twelve months ended December 31, 2014. Management believes its facilities are adequate for its current and anticipated operations.

ITEM 3. LEGAL PROCEEDINGS.

On July 14, 2014, Inventergy, Inc., a wholly-owned subsidiary of the Company, filed a complaint in the Federal Court for the Eastern District of Texas, against Genband US LLC ("Genband") over the infringement of five patents owned by Inventergy, Inc. On October 27, 2015, Inventergy, Inc. entered into a settlement agreement with Genband pursuant to which, among other provisions, Genband paid an undisclosed settlement fee to Inventergy, Inc.

On January 23, 2015, Sonus Networks, Inc., filed a declaratory judgment complaint in the Northern District of California (the "California Action") naming the Company and Inventergy, Inc. as defendants and alleging non-infringement of seven patents from Inventergy, Inc.'s IMS/VOIP patent portfolio. The complaint was amended on March 10 and May 11, 2015, further alleging unfair competition, breach of contract and a RICO claim under 18 USC 1961. The Company and Inventergy, Inc. counterclaimed on August 6, 2015 for infringement of the same seven patents, which was answered by Sonus on August 31, 2015. Inventergy, Inc. also filed a complaint against Sonus in the Northern District of California on February 24, 2016 for infringement of an additional patent. The parties are currently engaged in court-ordered mediation discussions.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY.

Market Information

The Company's common stock began trading on the Nasdaq Capital Market ("Nasdaq") under the ticker symbol "EONC" on February 4, 2000. Prior to that date, there was no public market for our common stock. On June 6, 2014, upon consummation of the Merger, the Company's common stock began trading on Nasdaq under the ticker symbol "INVT." The following table sets forth, for the fiscal quarters indicated, the high and low sales prices of the Company's common stock as reported by Nasdaq (all amounts adjusted to reflect the 1:10 reverse split effected on December 8, 2015):

QUARTER ENDED	HIGH	LOW
December 31, 2015	$ 3.90	$ 0.71
September 30, 2015	$ 4.70	$ 2.30
June 30, 2015	$ 6.30	$ 2.50
March 31, 2015	$ 9.40	$ 3.90
December 31, 2014	$ 18.00	$ 5.10
September 30, 2014	$ 27.80	$ 14.70
June 30, 2014	$ 105.20	$ 26.50
March 31, 2014	$ 149.80	$ 47.20

On March 30, 2016, the Company's common stock closed at $1.94.

Holders of Common Stock

We have 155 record holders of our common stock as of March 30, 2016.

Dividends

Other than a special cash dividend that we declared with respect to our common stock on June 9, 2014 and paid to eOn Communications Corporation's shareholders at the time of the Merger, we have not declared any cash dividend to date and we do not anticipate declaring any further cash dividends on our common stock in the foreseeable future.

Recent Sales of Unregistered Securities

On October 6, 2015, the Company entered into an exchange agreement with certain holders of Series A-1 and Series A-2 preferred stock (the "Series A Exchange Agreement") and with holders of Series B preferred stock (the "Series B Exchange Agreement" and, together with the Series A Exchange Agreement, the "Exchange Agreements"). Pursuant to the Exchange Agreements, and subject to the terms and conditions contained therein, certain holders of the Series A-1, Series A-2 and Series B preferred stock of the Company (collectively, the "Preferred Stock") agreed to exchange all shares of Preferred Stock held by these stockholders for approximately 537,950 shares of the Company's common stock (the "Exchange Shares"). The Exchange Shares were issued by the Company pursuant to an exemption from registration afforded by Section 3(a)(9) of the Securities Act.

Securities Authorized for Issuance under Equity Compensation Plans.

The following table provides information as of December 31, 2015 with respect to the shares of our common stock that may be issued under our existing equity compensation plans.

	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plan approved by security holders – 2014 Stock Plan	368,387	$ 4.07	71,431
Equity compensation plan approved by security holders and assumed in Merger – 1999 Equity Incentive Plan	1,500	$ 143.00	-
Total	369,887		71,431

ITEM 6. SELECTED FINANCIAL DATA.

Not required for smaller reporting companies.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

The following discussion should be read in conjunction with the Company's financial statements and the notes thereto.

Overview

The Company is an IP investment and licensing company that works with technology-leading corporations in attaining greater value from their IP assets in support of their business objectives and corporate brands. Inventergy, our wholly-owned subsidiary, was initially organized as a Delaware limited liability company under the name Silicon Turbine Systems, LLC in January 2012. It subsequently changed its name to Inventergy, LLC in March 2012 and it was converted from a limited liability company into a Delaware corporation in February 2013. On June 6, 2014, a subsidiary of the Company merged with and into Inventergy with Inventergy becoming a wholly-owned subsidiary of the Company. As a result of the Merger, the Company changed its name to "Inventergy Global, Inc."

The Company works to develop long-term relationships with global companies seeking to strategically realize an appropriate return on IP assets, in which the companies have invested a significant amount of time, effort and money in research and development ("R&D"). We refer to that R&D effort as "IP value creation". The Company offers companies a professional corporate licensing model for IP value creation that provides both short term returns and attractive, long-term licensing revenue. Following the Merger, the Company has focused initially on developing relationships with companies in the telecommunications industry but our business purpose is by no means limited to that particular industry. We aspire to be a market-leader in IP value creation across various technology and market segments.

The core strategy of the Company is to acquire significant patent portfolios from Global Fortune 500 companies who are leaders or major players in their industries and to generate value from these portfolios through licensing or sales of these patents. The patents are generally purchased for a fee as well as a percentage of the net revenue (revenue after deduction of litigations costs, if any). As a result of such purchase agreements, the Company has full ownership of the patent portfolios, including the rights to past damages, and has the sole right to determine the best strategy to derive value from the portfolios. Accordingly, the Company remains independent of the clients from whom we have acquired the patent portfolios.

Critical Accounting Policies

See Note 2 of the Notes to Condensed Consolidated Financial Statements included in Item 8 of this Annual Report on Form 10-K for a summary of significant accounting policies and information on recently adopted accounting standards.

Results of Operations

For the Twelve Months Ended December 31, 2015 compared to the Twelve Months Ended December 31, 2014

Revenue

Revenue for the twelve months ended December 31, 2015 was $4,888,302 and consisted of $4,000,000 from a sale of two patent families, $603,571 from patent licensing and litigation settlement contracts, and $284,731 from our access control security product/service lines acquired in the Merger. Revenue for the twelve months ended December 31, 2014 was $719,267 and was entirely from our access control security product/service lines.

Cost of Revenue

Cost of revenue for the twelve months ended December 31, 2015 was $1,144,991, and consisted of $215,372 for cost of patents sold, $602,787 related to patent sale and licensing revenue, $213,832 of product costs related to access control security product/service lines and amortization of $113,000 for contracts acquired in the Merger. Cost of revenue for the twelve months ended December 31, 2014 was $732,213 and consisted of cost of products related to our access control security product/service lines of $507,646, fulfillment costs and services of $68,000, and amortization of $156,567 for contracts acquired in the Merger.

Patent Amortization Expense

Amortization expense of $1,530,110, and $1,400,540 for the twelve months ended December 31, 2015 and December 31, 2014, respectively, was for the amortization of patents acquired.

General and Administrative Expenses

General and administrative ("G&A") expenses for the twelve months ended December 31, 2015 were $7,532,240 compared to $11,728,973 for the twelve months ended December 31, 2014. G&A expenses for the twelve months ended December 31, 2015 included $832,870 and $314,504 of equity compensation expense for restricted stock awards and stock options for employees and non-employees, respectively, compared to $1,546,922 and $1,326,474 for the twelve months ended December 31, 2014. Salaries, wages and other personnel expenses were $2,809,749 and $3,137,989 for the twelve months ended December 31, 2015, and December 31, 2014, respectively, a decrease of $328,240 primarily as a result of the departure of six employees in the twelve months ended December 31, 2015. Investor relations expense was $585,436 and $690,885 for the twelve months ended December 31, 2015, and December 31, 2014, respectively, a decrease of $105,449 as a result of decreased costs for investor relations, communications, media and related services in 2015, compared to higher costs in these areas following the Merger in 2014. Patent fees were $806,522 and $1,603,846 for the twelve months ended December 31, 2015, and December 31, 2014, respectively, primarily as a result of lower patent research, renewal and consulting costs in 2015. Legal expenses were $906,410 for the twelve months ended December 31, 2015, compared to $1,825,177 for the twelve months ended December 31, 2014. This decrease of $918,767 was primarily due to eliminating an accrual for contingent legal fees as of June 30, 2015, partially offset by ongoing litigation matters. The Company's policy related to contingent legal fees is to recognize such fees in the period in which such fees are determined to be probable, usually when the related revenue is recognized. During the six months ended June 30, 2015, the Company discovered certain legal fees had been expensed in prior periods which were contingent in nature and whose probability had not yet been determined. Such fees, which were not material to the individual prior periods, were reversed in the six month period ended June 30, 2015, thus contributing to the overall decrease in legal expenses for the twelve months ended December 31, 2015. Other G&A expenses were $1,276,749 and $1,597,681 for the twelve months ended December 31, 2015, and December 31, 2014, respectively, representing a decrease of $320,932, primarily as a result of lower consulting fees, reduced business travel, lower liability insurance costs and other general expense savings.

Loss on Extinguishment of Notes Payable

In connection with the amended and restated revenue sharing and note purchase agreement (the "Amended Fortress Agreement") entered into between the Company, our wholly-owned subsidiary Inventergy, Inc. and certain affiliates of Fortress Investment Group, LLC related to the repayment of our outstanding debt (the "Fortress Notes"), the Company recorded a loss of $2,268,373 in the twelve month period ended December 31, 2015. See Note 6 to our financial statements contained in Item 8 herein.

Decrease in Fair Value of Derivative Liabilities

Decrease in fair value of derivatives liabilities was $67,439 and $783,129 for the twelve months ended December 31, 2015 and December 31, 2014, respectively. The change for the twelve months ended December 31, 2015 was entirely due to a decrease in the Company's common stock warrant value. The change for the twelve months ended December 30, 2014 was the result of the decrease in the fair value of the Secured Convertible Note derivative liability of $289,775, the Series A-1 Preferred Stock derivative liability of $56,926, and the common stock warrant value of $436,428. See Note 5 to our financial statements contained in Item 1 herein.

Interest Expense, Net

Interest expense, net, for the twelve months ended December 31, 2015 and December 31, 2014 was $4,229,754 and $1,393,109, respectively. For the twelve months ended December 31, 2015, this amount includes interest expense on patents purchased of $73,891 and interest expense and amortization of discount on Fortress Notes of $4,155,873, less interest income of $10. Of these amounts, $913,791 was paid in cash and the remaining amounts were accrued. Interest expense, net, for the twelve months ended December 31, 2014 includes the amortization of the Secured Convertible Notes (as defined in Note 7 in Item 8) discount of $185,474, interest expense on patents purchased of $349,343, interest expense and amortization of discount on Fortress Notes of $680,234, amortization of discount on notes payable of $979 and interest expense of $177,730, less interest income of $651.

Liquidity and Capital Resources

At December 31, 2015, the Company had an accumulated deficit since inception of $54,806,762 and had negative working capital of $9,604,568. As of March 30, 2016, we had remaining cash of $869,924. These factors raise substantial doubt about our ability to continue as a going concern, which is dependent on achieving additional licensing or sales revenue from our patent portfolios and/or obtaining additional financing on terms acceptable to us. Toward that end, the Company entered into its first licensing agreement in February 2015, received net proceeds from an additional drawdown from the Amended Fortress Agreement of $1,126,900, received net proceeds of $1,835,000 from the sale of common stock in April 2015, and received gross proceeds of $4,000,000 from the sale of two patent families in June 2015. In addition, on January 21, 2016 the Company received approximately $2,175,000 net proceeds through the private placement of 2,500 shares of Series C preferred stock. We will seek to continue our operations primarily with income received through our patent monetization efforts, including licensing revenues and patent sales, but we may need to seek additional financing through loans, which will be subject to the restrictions of the Fortress Agreement, and/or the sale of our securities. If we are required to raise additional capital, we cannot assure you that we will be able to obtain such capital on terms acceptable to us or at all.

The Company will need significant additional capital and/or patent monetization revenues to continue to monetize our current patent portfolios and we will need significant additional capital to purchase any new patent portfolios and execute our longer term business plan. Based on our internal planning for 2016, which anticipates certain cash inflows and revenue from our patent sales and licensing pipeline which are expected to close during 2016, we believe our cash expenditures for operating expenses will be approximately $6.2 million for the next twelve months, consisting of approximately $1.9 million in employee related costs, $0.8 million in patent maintenance and prosecution fees, and $3.5 million in other operational costs. In addition, we anticipate making $7.5 million of payments relating to the acquisition of our patent portfolios, $2.2 million of which are fixed payments and $5.3 million are variable based on assumed patent monetization revenues. Also, our debt servicing fees payable to Fortress Investment Group, LLC and its affiliates ("Fortress") will be approximately $5.8 million. These amounts payable to Fortress are in addition to any revenue sharing amounts expected to be paid from forecasted patent monetization revenues. Based on our existing cash balances, anticipated revenues from patent monetization activities, available financing opportunities, and proactive measures to reduce expenses and defer obligations where possible, management believes we have funds sufficient to meet our anticipated operating needs for approximately three months.

To date, the Company has acquired approximately 755 currently active patents and patent applications for aggregate purchase payments of $12,109,118. We will be required to pay $2,200,000 to a seller of the patents by July 2016 or pay a one percent per month late fee until paid. See Note 10 in the accompanying financial statements for further information regarding this payment.

On February 11, 2015, the Company entered into its first license agreement, in which we expect to receive an aggregate of $2,000,000 of proceeds over the course of the five-year license. In connection therewith, on February 25, 2015, the Company amended and restated the Fortress Agreement pursuant to which Fortress agreed to make available to the Company an additional $3,000,000 of credit between February 25, 2015 and December 31, 2015, which can be drawn down in the form of additional senior secured notes with the same terms and conditions as the Original Notes. On February 25, 2015, we drew down $1,199,500 from the Additional Available Credit, which after the payment of transaction-related fees and expenses, netted $1,126,900 in proceeds to the Company. The Company may seek to raise additional capital in the form of further draw downs on the remaining Additional Available Credit, which would require the Company to obtain Fortress' consent.

On June 25, 2015, the Company closed a sale of two of its patent families to an undisclosed third party for which we received gross proceeds of $4,000,000. Following expected payments to third parties and Fortress under revenue share agreements, the Company retained approximately $1,666,500, which was used to fund operating activities.

In addition to our capital needs over the next twelve months, which are detailed above, our future capital requirements will depend on many factors, including our levels of net sales and licensing revenues, as well as the timing and extent of expenditures to support our patent infringement litigation. If we issue equity or equity equivalents to raise additional funds, our existing stockholders could experience substantial dilution and the new holders of securities may have rights, preferences and privileges senior to those of our existing stockholders. If adequate capital is not available when needed, we will be required to significantly modify our business model and operations to reduce spending to a sustainable level. It could cause us to be unable to execute our business plan, take advantage of future opportunities or respond to competitive pressures or customer requirements. It may also cause us to delay, scale back or eliminate some or all of our research and development programs, to reduce or cease operations or to default under the Amended Fortress Agreement, which could lead to the repossession of our patent portfolios by Fortress.

As of December 31, 2015, the Company had cash and cash equivalents of $554,556. Also as of December 31, 2015, the Company had negative working capital of $9,604,568. The Company's net loss for the twelve months ended December 31, 2015 was $11,733,549 and our accumulated deficit amount was $54,806,762 as of December 31, 2015. Our cash and cash equivalents as of December 31, 2015 consisted primarily of funds remaining from the $4,000,000 proceeds from the sale of two patent families and net proceeds of $1,835,000 (after issuance costs of $315,000) received from the Registered Direct Offering, and patent licensing revenue received during the year, offset by expenditures for general operating purposes. A detailed description of the Registered Direct Offering is set forth in Note 7 of Item 8 herein.

As of December 31, 2015, the Company had cash and cash equivalents of $554,556 compared to $1,443,349 as of December 31, 2014. The decrease in cash and cash equivalents of $888,793 for the twelve months ended December 31, 2015 was attributable to net cash used in operating activities of $1,603,693, partially offset by net cash provided by financing activities of $714,900.

Cash Flows – Operating Activities

The Company's operating activities for the twelve months ended December 31, 2015 resulted in net cash used of $1,603,693. Net cash used in operating activities consisted of a net loss of $11,733,549, partially offset by non-cash expenses consisting of depreciation expense of $17,004, loss on extinguishment of notes payable of $2,268,373, amortization of discount on notes payable of $3,242,080, amortization of patents and acquired contracts of $1,643,110, accrued interest on patent purchase of $258,246, stock-based compensation of $1,147,374, and net cost of patents sold of $215,373. These non-cash expenses were partially offset by non-cash income from a decrease in fair value of derivative liabilities of $67,439. Changes in operating assets and liabilities provided cash of $1,665,521, from a decrease in accounts receivable of $227,108, a decrease in inventories of $302,739, a decrease in prepaid expenses and other current assets totaling $1,192, an increase in accounts payable of $344,965, and an increase in deferred revenue of $896,429, partially offset by an increase in deferred expenses of 78,292, and a decrease in accrued expenses and other current liabilities of $288,406.

The Company's operating activities for the twelve months ended December 31, 2014 resulted in net cash used of $8,371,167. Net cash used from operations consisted of a net loss of $20,084,554, partially offset by non-cash expenses of depreciation expense of $9,919, loss on extinguishment of notes payable of $5,643,607, amortization of discount on notes payable of $883,125, amortization of patents and acquired contracts of $1,557,107, stock-based compensation of $2,873,396, and fair value of new restricted stock issued of $225,001. These non-cash expenses were partially offset by non-cash income from a decrease in fair value of derivative liabilities of $783,128. Changes in operating assets and liabilities provided cash of $618,010, consisting of a decrease in inventories of $12,207, a decrease in deposits and other assets of $1,406, an increase in accounts payable of $906,835, and an increase in accrued expenses and other current liabilities of $114,971, partially offset by an increase in accounts receivable of $259,049, an increase in prepaid expenses and other current assets of $113,282, a decrease in accrued interest on notes payable of $6,935, and a decrease in warranty reserve of $38,143.

Cash Flows – Investing Activities

The Company had no investing activities during the twelve months ended December 31, 2015. For the twelve months ended December 31, 2014, investing activities resulted in net cash used of $2,262,014, which consisted of purchases of property and equipment of $52,186, the issuance of a short-term note receivable to a related party of $3,000,000, partially offset by cash and other assets received in the Merger of $790,172.

Cash Flows – Financing Activities

The Company's financing activities for the twelve months ended December 31, 2015 resulted in net cash received of $714,900, consisting of $1,835,000 received from the sale of common stock (net of $315,000 of issuance costs) and $1,126,900 from issuance of notes payable, partially offset by repayments of Fortress notes of $2,147,000 and repayments of $100,000 of short-term notes payable to a related party.

The Company's financing activities for the twelve months ended December 31, 2014 resulted in net cash received of $10,557,846. Net cash was provided by net proceeds of $6,021,144 from issuance of common stock, net cash proceeds of $3,371,834 from issuance of Secured Convertible Notes, net proceeds from issuance of notes payable of $9,964,868 and proceeds from related party note payable of $300,000, offset by the repayment of a note to a related party of $100,000, repayments of convertible notes of $8,000,000, and payments on guaranteed payment liability of $1,000,000.

The Company will require additional financing for the purchase of additional patent portfolios and to fund its monetization efforts if new attractive opportunities are found. If the Company acquires additional large patent portfolios, in addition to the cost of the upfront purchase fee (if any) it is likely that additional resources (business, technical or legal) may need to be hired to effectively monetize the portfolio. Resources to analyze new portfolios are already part of the current staffing of the Company. Litigation costs are based primarily on a contingent fee structure (expected to average less than 20% of license revenue for a portfolio) and as such does not scale significantly with the acquisition of new portfolios. Acquisitions or investments may be consummated through the use of cash, equity, seller financing, third party debt, earn-out obligations, revenue sharing, profit sharing, or some combination of two or more of these types of consideration. Due to the dynamic credit market, the Company is not able to predict with any certainty whether it could obtain debt or equity financing to provide additional sources of liquidity at favorable rates should the need arise.

Off Balance Sheet Arrangements

None.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

Not required for smaller reporting companies.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Audit Committee of the
Board of Directors and Shareholders of
Inventergy Global, Inc.

We have audited the accompanying consolidated balance sheets of Inventergy Global, Inc. (the "Company") as of December 31, 2015 and 2014, and the related consolidated statements of operations, stockholders' equity and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Inventergy Global, Inc., as of December 31, 2015 and 2014, and the consolidated results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the consolidated financial statements, the Company has incurred losses since inception and does not have sufficient liquidity to fund its presently anticipated operations. These conditions raise substantial doubt about the Company's ability to continue as a going concern. Management's plan in regard to these matters is also described in Note 2. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ Marcum llp

Marcum llp
San Francisco, CA
April 4, 2016

INVENTERGY GLOBAL, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	December 31, 2015	December 31, 2014
ASSETS		
Current assets		
Cash and cash equivalents	$ 554,556	$ 1,443,349
Accounts receivable, net	31,941	259,049
Inventories	-	302,739
Prepaid expenses and other current assets	211,088	212,280
Deferred expenses, current	78,292	3,000,000
Total current assets	**875,877**	**5,217,417**
Property and equipment, net	25,263	42,267
Deferred expenses, patents	-	12,094,420
Patents, net	8,669,921	10,415,404
Intangible assets, net	386,083	499,083
Goodwill	8,858,504	8,858,504
Debt issuance costs	516,767	729,498
Deposits and other assets	18,993	18,993
Total assets	**$ 19,351,408**	**$ 37,875,586**
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
Current liabilities		
Accounts payable	$ 1,846,903	$ 1,501,938
Accrued expenses and other current liabilities	12,726	301,132
Short-term notes payable, related party	100,000	300,000
Guaranteed payments, current	2,076,767	3,807,084
Fortress notes payable, current	5,894,049	1,421,196
Deferred revenue	550,000	-
Total current liabilities	**10,480,445**	**7,331,350**
Deferred revenue, non-current	346,429	-
Guaranteed payments	-	13,105,857
Derivative liabilities	4,145	30,278
Fortress notes payable, net of discount	2,628,153	6,259,321
Fortress revenue share, net of discount	6,034,278	2,478,057
Total liabilities	**19,493,450**	**29,204,863**
Stockholders' equity		
Preferred stock, $0.001 par value, 10,000,000 shares authorized		
Series A convertible preferred stock: 6,176,748 shares designated, -0- and 2,709,690 shares issued and outstanding at December 31, 2015 and December 31, 2014 (aggregate liquid- ation preference of $0 at December 31, 2015 and $2,915,122 at December 31, 2014)	-	2,710
Series B convertible preferred stock: 2,750 shares designated, -0- and 1,102 shares issued and outstanding at December 31, 2015 and December 31, 2014 (aggregate liquidation preference of $0 and $1,102,000 at December 31, 2015 and December 31, 2014	-	1
Common stock, $0.001 par value; 100,000,000 shares authorized, 4,223,124 and 2,799,713 shares issued and outstanding at December 31, 2015 and December 31, 2014	4,223	2,800
Additional paid-in capital	54,660,497	51,738,425
Accumulated deficit	(54,806,762)	(43,073,213)
Total stockholders' equity (deficit)	**(142,042)**	**8,670,723**
Total liabilities and stockholders' equity (deficit)	**$ 19,351,408**	**$ 37,875,586**

See accompanying notes to the consolidated financial statements.

INVENTERGY GLOBAL, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

	Twelve Months Ended December 31,	
	2015	2014
Revenues	$ 4,888,302	$ 719,267
Operating Expenses:		
Cost of revenues	1,144,991	732,213
Patent amortization expense	1,530,110	1,400,540
General and administrative	7,532,240	11,728,973
Total operating expenses	10,207,341	13,861,726
Loss from operations	(5,319,039)	(13,142,459)
Other income (expense):		
Loss on extinguishment of notes payable	(2,268,373)	(5,643,607)
Impairment of acquired contract	-	(686,350)
Decrease in fair value of derivative liabilities	67,439	783,129
Other income	2,137	242
Interest expense, net	(4,229,754)	(1,393,109)
Total other income (expense), net	(6,428,551)	(6,939,695)
Loss before provision for income taxes	(11,747,590)	(20,082,154)
Provision for income taxes	(14,041)	2,400
Net loss	(11,733,549)	(20,084,554)
Deemed dividend on preferred stock	-	436,916
Net loss available to common shareholders	$ (11,733,549)	$ (20,521,470)
Basic and diluted loss per share	$ (3.41)	$ (11.52)
Weighted average shares outstanding, basic and diluted	3,443,369	1,781,308

See accompanying notes to the consolidated financial statements.

INVENTERGY GLOBAL, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)

	Redeemable Convertible Preferred Stock		Preferred Stock - Series A1		Preferred Stock - Series A2		Preferred Stock - Series B		Common Stock		Additional	Accumulated	Total Shareholders'
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount	Paid-in Capital	Deficit	Equity (Deficit)
Balance at December 31, 2013	6,176,748	$ 3,392,950	-	$ -	-	$ -	-	$ -	1,626,704	$ 1,627	$ 5,482,577	$ (4,731,072)	$ 753,132
Issuance of common stock for cash									239,807	$ 240	6,020,904		6,021,144
Restricted stock forfeited									(42,417)	$ (43)	43		-
Equity-based compensation											2,873,396		2,873,396
Record merger with eOn	(6,176,748)	(3,392,950)	2,381,090	2,381	328,600	329	1,102	1	720,684	$ 721	32,698,284	(17,820,671)	14,881,045
Record beneficial conversion feature for Series B											436,916	(436,916)	-
Treasury shares									6,954	$ 7	63		70
In conjunction with Fortress notes issuance:													
Issuance of common stock warrants									50,000	$ 50	834,950		835,000
Note Discount to APIC Reclass											153,759		153,759
Issuance of common stock to senior convertible noteholders									180,403	$ 180	3,012,550		3,012,730
Issuance of common stock in conjunction with restricted stock grants									17,578	$ 18	224,983		225,001
Net loss	-	-	-	-	-	-	-	-	-	$ -	-	(20,084,554)	(20,084,554)
Balance at December 31, 2014	-	$ -	2,381,090	$ 2,381	328,600	$ 329	1,102	$ 1	2,799,713	$ 2,800	$ 51,738,425	$ (43,073,213)	$ 8,670,723
Conversion of Series A1 to Common Stock			(2,381,090)	(2,381)					447,884	448	1,933		-
Conversion of Series A2 to Common Stock					(328,600)	(329)			52,165	52	277		-
Conversion of Series B to Common Stock							(1,102)	(1)	420,956	421	(420)		-
In conjunction with Fortress notes issuance:										-			
Issuance of common stock warrants										-	113,457		113,457

Note Discount to APIC									-	(233,742)		(233,742)
Sale of Common Stock, net of issuance costs								467,392	467	1,834,533		1,835,000
Classification of warrants issued as derivative liability									-	(41,305)		(41,305)
Sale of Common Stock to officer								21,740	22	99,978		100,000
Cancellation of forfeited Founders Shares								(20,529)	(20)	20		-
Issuance of additional shares to effect 1:10 reverse stock split								1,036	1	(1)		-
Equity-based compensation								39,427	39	1,147,335		1,147,374
Treasury Stock cancellation								(6,660)	(7)	7		-
Net loss											(11,733,549)	(11,733,549)
Balance at December 31, 2015	-	$ -	-	$ -	-	$ -	-	$ -	4,223,124	$ 4,223	$ 54,660,497	$ (54,806,762)	$ (142,042)

See accompanying notes to the consolidated financial statements.

INVENTERGY GLOBAL, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Twelve Months Ended December 31,	
	2015	2014
Cash flows from operating activities		
Net loss	$ (11,733,549)	$ (20,084,554)
Adjustments to reconcile net loss to net cash used in operating activities		
Depreciation expense	17,004	9,919
Loss on extinguishment of notes payable	2,268,373	5,643,607
Decrease in fair value of derivative liabilities	(67,439)	(783,129)
Amortization of discount on notes payable	3,242,080	883,125
Accrued interest on patent purchase	258,246	-
Impairment of acquired contracts	-	686,350
Amortization of patents and acquired contracts	1,643,110	1,557,108
Net cost of patents sold	215,373	-
Stock-based compensation	1,147,374	2,873,396
Issuance of new stock in conjunction with the restricted stock granted	-	225,001
Changes in operating assets and liabilities		
Accounts receivable	227,108	(259,049)
Inventories	302,739	12,207
Prepaid expenses and other current assets	1,192	(113,282)
Deferred expenses	(78,292)	-
Deposits and other assets	-	1,406
Accounts payable	344,965	906,835
Accrued expenses and other current liabilities	(288,406)	114,971
Accrued interest on notes payable	-	(6,935)
Deferred revenue	896,429	-
Warranty reserve	-	(38,143)
Net cash used in operating activities	(1,603,693)	(8,371,167)
Cash flows from investing activities		
Purchases of property and equipment	-	(52,186)
Issuance of short-term note receivable, related party	-	(3,000,000)
Cash and other assets received in acquisition	-	790,172
Net cash used in investing activities	-	(2,262,014)
Cash flows from financing activities		
Proceeds from issuance of common stock, net of issuance costs	1,835,000	6,021,144
Proceeds from issuance of convertible notes payable, net of issuance costs	-	3,371,834
Proceeds from issuance of notes payable	1,126,900	9,964,868
Proceeds from related party note payable	-	300,000
Payments on short-term notes payable, related party	(100,000)	(100,000)
Payments on convertible notes	-	(8,000,000)
Payments on Fortress notes payable	(2,147,000)	-
Payments on guaranteed payment liability	-	(1,000,000)
Net cash provided by financing activities	714,900	10,557,846
Net decrease in cash and cash equivalents	(888,793)	(75,335)
Cash and cash equivalents, beginning of period	1,443,349	1,518,684
Cash and cash equivalents, end of period	$ 554,556	$ 1,443,349
Supplemental disclosures of cash flow information		
Cash paid for interest	$ 841,784	$ 516,919
Cash paid for income taxes	$ -	$ -
Supplemental disclosures of non-cash investing and financing activities		
Accrued guaranteed payments and deferred expenses associated with purchased patent assets	$ (16,258,540)	$ 1,749,230
Conversion of portion of short-term note payable, related party, to purchase common stock	$ 100,000	$ -
Conversion of preferred stock to common stock	$ 2,711	$ -
Offset of short-term related party notes payable and receivable	$ -	$ 3,000,000
Transfer of Series A redeemable convertible preferred stock to preferred stock	$ -	$ 3,392,950

See accompanying notes to the consolidated financial statements.

INVENTERGY GLOBAL, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
For the Twelve Months Ended December 31, 2015 and 2014

1. Organization

Inventergy Global, Inc. (“Inventergy” or “Company”) is an intellectual property (IP) investment and licensing company that helps technology-leading corporations attain greater value from their IP assets in support of their business objectives and corporate brands. Inventergy, Inc. was initially organized as a Delaware limited liability company under the name Silicon Turbine Systems, LLC in January 2012. It subsequently changed its name to Inventergy, LLC in March 2012 and it was converted from a limited liability company into a Delaware corporation in February 2013. On June 6, 2014, a subsidiary (“Merger Sub”) of eOn Communications Corporation (“eOn”) merged with and into Inventergy, Inc. (the “Merger”). As a result of the Merger, eOn changed its name to “Inventergy Global, Inc.” The Company is headquartered in Campbell, California.

The Company operates in a single industry segment.

In June 2014, in conjunction with the Merger, the Company underwent a one-for-two reverse stock split. In December 2015, the Company effected a one-for-ten reverse split of its common shares. All share amounts are reflective of these splits.

2. Summary of Significant Accounting Policies

Basis of presentation

The financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”). The consolidated financial statements include the accounts of the Company and its subsidiaries. All material intercompany accounts and transactions have been eliminated in consolidation.

Liquidity and Capital Resources

At December 31, 2015, the Company has an accumulated deficit since inception of $54,806,762 (including a net loss for the year ended December 31, 2015 of $11,733,549) and had a negative working capital of $9,604,568. As of March 30, 2016, we had remaining cash of approximately $869,924 (which includes $200,000 of minimum cash reserves (see discussion, Note 6), which is intended to serve as additional collateral for the Fortress agreement). These factors raise substantial doubt about our ability to continue as a going concern. Toward that end, the Company entered into its first license agreement in February 2015 (under which we expect to receive an aggregate of $2,000,000 over the period of the license), received net proceeds from an additional drawdown from the Fortress Agreement of $1,126,900, received net proceeds of $1,835,000 from the sale of common stock in April 2015, and received gross proceeds of $4,000,000 from the sale of two patent families in June 2015. In addition, the Company received gross payments for patent licensing of $1,500,000 during 2015 and received net proceeds of approximately $2,175,000 in January 2016 from the sale of Series C preferred stock. We will seek to continue our operations primarily with income received through our patent monetization efforts, including licensing revenues and patent sales, but we may need to seek additional financing through loans, which will be subject to the restrictions of the Fortress Agreement, and/or the sale of securities. If we are required to raise additional financing capital, we cannot assure you that we will be able to obtain such additional capital on terms acceptable to us or at all. Additionally, if we raise capital through the issuance of equity, our current stockholders will experience dilution.

The business will need significant additional capital and/or patent monetization revenues to continue to monetize current patent portfolios and will need significant additional capital to purchase any new patent portfolios and execute the Company’s longer term business plan. Based on the Company’s internal planning for 2016, which anticipates certain cash inflows and revenue from our patent sales and licensing pipeline which are expected to close during 2016, estimated cash expenditures for operating expenses will be approximately $6.2 million for the next twelve months, consisting of approximately $1.9 million in employee related costs, $0.8 million in patent maintenance and prosecution fees and $3.5 million in other operational costs. In addition, we anticipate making $7.5 million of payments relating to the acquisition of our patent portfolios, $2.2 million of which are fixed payments and $5.3 million are variable based on assumed patent monetization revenues. Also, debt servicing fees payable to Fortress Investment Group, LLC and its affiliates ("Fortress") will be approximately $5.8 million. Based on the foregoing and our existing cash balances and proactive measures to reduce expenses and defer obligations where possible, our management believes we have funds sufficient to meet our anticipated needs for less than three months.

To date, the Company has acquired an aggregate of approximately 755 currently active patents and patent applications for aggregate purchase payments of $12,109,118. We are required to make guaranteed payments to one of the sellers of the patents totaling $2,200,000 in 2016. See Note 10 herein for further information.

The Company will also require additional financing for the purchase of additional patent portfolios and to fund their monetization efforts if new attractive opportunities are found. If the Company acquires additional large patent portfolios, in addition to the cost of the upfront purchase fee (if any) it is likely that additional resources (business, technical or legal) may need to be hired to effectively monetize the portfolio. Resources to analyze new portfolios are already part of the current staffing of the Company. Litigation costs are based primarily on a contingent fee structure (expected to average less than 20% of license revenue for a portfolio) and as such do not scale significantly with the acquisition of new portfolios. Acquisitions or investments may be consummated through the use of cash, equity, seller financing, third party debt, earn-out obligations, revenue sharing, profit sharing, or some combination of two or more of these types of consideration. Due to the current state of the credit markets, the Company is not able to predict with any certainty whether it could obtain debt or equity financing to provide additional sources of liquidity, should the need arise, at favorable rates.

Management estimates and related risks

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions about the reported amounts of assets and liabilities, and disclosures of contingent assets and liabilities, at the dates of the financial statements and the reported amounts of revenues and expenses during the reported periods. Although these estimates reflect management's best estimates, it is at least reasonably possible that a material change to these estimates could occur in the near term.

Cash and cash equivalents

The Company considers all highly liquid financial instruments with original maturities of three months or less at the time of purchase to be cash equivalents.

Accounts Receivable, net

Accounts receivable are stated net of allowances for doubtful accounts. The Company typically grants standard credit terms to customers in good credit standing. The Company generally reserves for estimated uncollectible accounts on a customer-by-customer basis, which requires judgment about each individual customer’s ability and intention to fully pay account balances. The Company makes these judgments based on knowledge of and relationships with customers and current economic trends, and updates estimates on a monthly basis. Any changes in estimate, which can be significant, are included in earnings in the period in which the change in estimate occurs. As of December 31, 2015, the Company has not established any reserves for uncollectable accounts.

Inventories

Inventories consist of finished goods and some component and spare parts. Inventory is valued at the lower of cost or market with cost determined utilizing standard cost which approximates the first-in, first-out (FIFO) method. The Company performs an analysis of slow-moving or obsolete inventory on a regular basis and any changes in valuation reserves, which could potentially be significant, are included in earnings in the period in which the evaluations are completed. In December 2015, the Company sold its remaining security products inventory, and expects that its business model going forward will not require maintaining any inventory.

Property and equipment, net

Property and equipment are recorded at cost less accumulated depreciation and amortization. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets (or the term of the lease, if shorter), which range from three to five years. Routine maintenance and repair costs are expensed as incurred. The costs of major additions, replacements and improvements are capitalized. Upon retirement or sale, the cost of assets disposed and the related accumulated depreciation is removed and any resulting gain or loss is credited or charged to operations.

Patents, net

Patents, including acquisition costs, are stated at cost, less accumulated amortization. Amortization is computed using the straight-line method over the estimated useful lives of the respective assets, generally 7 - 10 years. Upon retirement or sale, the cost of assets disposed and the related accumulated amortization are removed from the accounts and any resulting gain or loss is credited or charged to operations. Patents are utilized for the purpose of generating licensing revenue.

Intangible Assets, net

Intangible assets consist of certain contract rights acquired in the Merger. Intangible assets are amortized on a straight-line basis over their estimated useful life of five years.

Goodwill

Goodwill represents the excess of the aggregate purchase price over the fair value of the net tangible and identifiable intangible assets acquired by the Company. The carrying amount of goodwill will be tested for impairment annually or more frequently if facts and circumstances warrant a review. The Company determined that it is a single reporting unit for the purpose of goodwill impairment tests. For purposes of assessing the impairment of goodwill, the Company estimates the value of the reporting unit using independent valuation and/or other market validation of certain asset values as the best evidence of fair value. This fair value is then compared to the carrying value of the reporting unit.

Impairment of long-lived assets

The Company evaluates the carrying value of long-lived assets on an annual basis, or more frequently whenever circumstances indicate a long-lived asset may be impaired. When indicators of impairment exist, the Company estimates future undiscounted cash flows attributable to such assets. In the event cash flows are not expected to be sufficient to recover the recorded value of the assets, the assets are written down to their estimated fair value. On December 31, 2014, the Company recorded an impairment charge of $686,350 as a result of terminating an acquired contract in the first quarter of 2015 that provided distribution services of facility security and access control products that the Company inherited as part of the Merger.

Concentration of credit risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist of cash and cash equivalents. Cash and cash equivalents are deposited with high quality financial institutions. Periodically, such balances are in excess of federally insured limits.

Stock-based compensation

The Company has a stock option plan under which incentive and non-qualified stock options and restricted stock awards ("RSAs") are granted primarily to employees. All share-based payments to employees, including grants of employee stock options and RSAs, are recognized in the financial statements based on their respective grant date fair values. The benefits of tax deductions in excess of recognized compensation cost are reported as a financing cash flow.

The Company estimates the fair value of share-based payment awards on the date of grant using an option-pricing model. The value of the portion of the award that is ultimately expected to vest is recognized as expense ratably over the requisite service periods in the Company's statements of comprehensive income or loss. The Company has estimated the fair value of each option award as of the date of grant using the Black-Scholes option pricing model. The fair value of RSAs is calculated as the fair value of the underlying stock multiplied by the number of shares awarded. The awards issued consist of fully-vested stock awards, performance-based restricted shares, and service-based restricted shares.

Expenses related to stock-based awards issued to non-employees are recognized at fair value on a recurring basis over the expected service period. The Company estimates the fair value of the awards using the Black-Scholes option pricing model.

Income taxes

The Company accounts for income taxes using the asset and liability method whereby deferred tax asset and liability account balances are determined based on temporary differences between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to affect taxable income. A valuation allowance is established when it is more likely than not that deferred tax assets will not be realized. Realization of deferred tax assets is dependent upon future pretax earnings, the reversal of temporary differences between book and tax income, and the expected tax rates in future periods. The Company has a full valuation allowance on all deferred tax assets.

The Company is required to evaluate the tax positions taken in the course of preparing its tax returns to determine whether tax positions are "more-likely-than-not" of being sustained by the applicable tax authority. Tax benefits of positions not deemed to meet the more-likely-than-not threshold would be recorded as a tax expense in the current year. The amount recognized is subject to estimate and management judgment with respect to the likely outcome of each uncertain tax position. The amount that is ultimately sustained for an individual uncertain tax position or for all uncertain tax positions in the aggregate could differ from the amount that is initially recognized.

Fair value measurements

The Company defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs within the fair value hierarchy. Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company's own assumptions about what market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

The following methods and assumptions were used to estimate the fair value of financial instruments:

· Level 1 - Valuation is based upon quoted prices for identical instruments traded in active markets.

- Level 2 - Valuation is based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market.

- Level 3 - Valuation is generated from model-based techniques that use significant assumptions not observable in the market. These unobservable assumptions reflect management's estimates of assumptions that market participants would use in pricing the asset or liability. Valuation techniques include use of option pricing models, discounted cash flow models and similar techniques.

The category within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

Recently Issued Accounting Standards

In May 2014, the FASB issued a new financial accounting standard which outlines a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance. ASU 2014-09 Revenue from Contracts with Customers is effective for annual reporting periods (including interim reporting periods within those periods) beginning after December 15, 2017. Early adoption is not permitted. We are currently evaluating the impact of this accounting standard.

In August 2014, the FASB issued a new accounting standard which requires management to evaluate whether there is substantial doubt about an entity's ability to continue as a going concern for each annual and interim reporting period and to provide related footnote disclosures in certain circumstances. ASU 2014-15 Presentation of Financial Statements - Going Concern is effective for annual reporting periods (including interim reporting periods within those periods) beginning after December 15, 2016. Early adoption is permitted. We are currently evaluating the impact of this accounting standard.

In April 2015, the FASB issued a new accounting standard which changes the presentation of debt issuance costs in financial statements. Under the new standard, an entity presents such costs in the balance sheet as a direct deduction from the related debt liability rather than as an asset. Amortization of the costs is reported as interest expense. The accounting standard is effective for annual reporting periods beginning after December 15, 2015 and interim periods beginning after December 15, 2016. Early adoption is allowed for all entities for financial statements that have not been previously issued. The adoption of this standard is not expected to have a material impact on our financial position or results of operations.

In February 2016, the FASB issued ASU No. 2016-02, "Leases (Topic 842)". The amendments under this pronouncement will change the way all leases with a duration of one year of more are treated. Under this guidance, lessees will be required to capitalize virtually all leases on the balance sheet as a right-of-use asset and an associated financing lease liability or capital lease liability. The right-of-use asset represents the lessee's right to use, or control the use of, a specified asset for the specified lease term. The lease liability represents the lessee's obligation to make lease payments arising from the lease, measured on a discounted basis. Based on certain characteristics, leases are classified as financing leases or operating leases. Financing lease liabilities, those that contain provisions similar to capitalized leases, are amortized like capital leases are under current accounting, as amortization expense and interest expense in the statement of operations. Operating lease liabilities are amortized on a straight-line basis over the life of the lease as lease expense in the statement of operations. This update is effective for annual reporting periods, and interim periods within those reporting periods, beginning after December 15, 2018. The Company is currently evaluating the impact this standard will have on its policies and procedures pertaining to its existing and future lease arrangements, disclosure requirements and on its consolidated financial statements.

3. Business Combination

The Merger was consummated on June 6, 2014, as a result of which Inventergy, Inc. merged with and into Merger Sub and holders of Inventergy, Inc. securities were issued securities of the Company. Upon the consummation of the Merger, the Company changed its name from eOn Communications Corporation to Inventergy Global, Inc. and effected a one-for-two reverse stock split of the Company's common stock (the "Reverse Split").
In connection with the Merger, the total purchase consideration and the purchase price allocation were as follows:

Fair value of assumed equity allocated to purchase consideration	$ 10,985,867
Total purchase consideration	$ 10,985,867
Goodwill	$ 8,858,504
Intangible asset contract rights	1,342,000
Other assets acquired	816,045
Liabilities assumed	(30,682)
Total purchase allocation	$ 10,985,867

Goodwill of $8,858,504, which is not deductible for tax purposes, was recognized as a result of the Merger. Goodwill was based on the fair value of eOn stock on the date of purchase less the net assets that were acquired. Intangible assets of $1,342,000, consist of certain contract rights acquired in the Merger. Intangible assets are amortized on a straight-line basis over their estimated useful life of five years. There was an impairment of $686,350 on one of the acquired contracts for the twelve months ended December 31, 2014.

The consideration in the Merger was based on fair value of equity retained by eOn shareholders on June 6, 2014, the date of the Merger close. The historical financial information is that of Inventergy, Inc.

4. Patents

Patent intangible assets consisted of the following at December 31, 2015:

	Weighted Average Useful Life	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Amortizable intangible assets:				
Patents	6.9	$ 11,893,745	$ (3,223,824)	$ 8,669,921
Total patent intangible assets		$ 11,893,745	$ (3,223,824)	$ 8,669,921

The Company expects amortization expense to be approximately $1,510,977 per year for each of the next four years, $1,481,270 in 2020, then declining annual amounts through 2023.

5. Fair Value Measurements

The following tables summarize the Company's assets and liabilities measured at fair value on a recurring basis at December 31, 2015 and December 31, 2014:

December 31, 2015	Fair Value	(Level 1)	(Level 2)	(Level 3)
Common stock warrants	$ 4,145	$ -	$ -	$ 4,145
Total	$ 4,145	$ -	$ -	$ 4,145

December 31, 2014	Fair Value	(Level 1)	(Level 2)	(Level 3)
Common stock warrants	$ 30,278	$ -	$ -	$ 30,278
Total	$ 30,278	$ -	$ -	$ 30,278

As discussed in Note 7, in January 2014, the Company issued warrants to purchase 23,858 shares of common stock at an exercise price of $30.40 to a placement agent. The exercise price is subject to adjustment and has been subsequently adjusted to $22.70 per share. The warrants may be exercised without cash consideration in lieu of forfeiting a portion of shares. Accordingly, the Company recognized a derivative liability at fair value upon issuance of the warrants. The Company estimated the fair value of the derivative liability using the Black-Scholes option pricing model. The fair value of the derivative liability as of December 31, 2015 was estimated using the following assumptions:

Expected volatility	60%
Risk free rate	1.31%
Dividend yield	0%
Expected term (in years)	3.0726

The assumptions utilized were derived in a similar manner as discussed in Note 7 related to the fair value of stock options.

The Company revalues the derivative liabilities at the end of each reporting period using the same models as at issuance, updated for new facts and circumstances, and recognizes the change in the fair value in the statements of operations as other income (expense). The following sets forth a summary of changes in fair value of the Company's level 3 liabilities measured on a recurring basis for the twelve months ended December 31, 2015 and December 31, 2014:

	Convertible Notes Payable Derivative Liability	Series A-1 Preferred Stock Derivative Liability	Common Stock Warrants
Balance at December 31, 2013	$ 534,975	$ 56,926	$ -
Extinguishment	(434,500)	-	-
Fair value at issuance	189,300	-	466,706
Change in fair value	(289,775)	(56,926)	(436,428)
Balance at December 31, 2014	$ -	$ -	$ 30,278
Fair value at issuance	-	-	41,306
Change in fair value	-	-	(67,439)
Balance at December 31, 2015	$ -	$ -	$ 4,145

6. Borrowing Arrangements

On May 10, 2013, the Company issued senior secured promissory notes (the "Senior Secured Notes" and as amended on March 26, 2014, the "Amended Secured Convertible Notes") to a group of investors with an aggregate principal of $5,000,000 for proceeds of $4,950,000. In conjunction with the issuance of the Senior Secured Notes, proceeds of $50,000 were received in exchange for 5,000,000 shares of Series A-1 Preferred Stock. Also, on May 17, 2013, proceeds of $1,498,526 were received in exchange for shares of Series A-2 redeemable convertible preferred stock ("Series A-2 Preferred Stock", and together with Series A-1 Preferred Stock, "Series A Preferred Stock") to substantially the same investors. Total proceeds from the Senior Secured Notes, Series A-1 Preferred Stock and Series A-2 Preferred Stock were allocated to each instrument using the relative fair value method. The fair value allocated to the Senior Secured Notes was $2,557,111. On March 26, 2014, the Senior Secured Notes were amended and restated to allow for conversion to common stock and to amend the interest rate. In conjunction with the amendment, the Company recorded a loss on extinguishment of the Senior Secured Notes of $2,403,193 in the accompanying statements of operations.

On March 26, 2014, the Company issued certain secured convertible notes (the "New Secured Convertible Notes") with an aggregate principal of $3,000,000 with similar terms and conditions as the Amended Secured Convertible Notes.

On October 1, 2014, the Company paid the holders of the Amended Secured Convertible Notes and the New Secured Convertible Notes (collectively, the "Secured Convertible Notes") $8,000,000, plus interest of $187,351. In addition, the Company issued an aggregate of 180,403 shares of common stock to the note holders, who otherwise had the right to convert the existing notes into 150,817 shares of common stock of the Company until July 2018, as consideration for a waiver from such Secured Convertible Note holders in order for the Company to prepay the remaining outstanding principal and interest on the Secured Convertible Notes. As a result of the issuance of shares, the Company recorded a loss on extinguishment of $3,240,414. Immediately following the prepayment of the Secured Convertible Notes and the issuance of the shares, the Secured Convertible Notes were deemed paid in full.

Amortization of the discount on Secured Convertible Notes payable was $185,474 for the twelve months ended December 31, 2014 and was included in interest expense in the accompanying statements of operations. This amount was computed using the straight line method over the note term and was not materially different than the effective interest method.

On December 19, 2013 and December 31, 2013, the Company issued promissory notes (the "December 2013 Notes") to the Company's Chief Executive Officer, a related party, for $3,000,000 and $100,000 totaling an aggregate principal of $3,100,000. The Company also incurred a loan origination fee of $60,000 upon issuance of the December 2013 Notes. The December 2013 Notes, originally scheduled to mature in February 2014, were extended to August 31, 2014 and bore interest at 2% per annum. On January 14, 2014, the Company fully repaid the $100,000 unsecured related party note as part of the December 2013 Notes. The $3,000,000 note was secured by certain patent assets of the Company and all principal and accrued but unpaid interest on the December 2013 Notes was due upon maturity.

On February 10, 2014, the Company obtained an unsecured promissory note receivable (the "Note Receivable") from the Company's Chief Executive Officer, a related party, with an aggregate principal of $3,000,000. The Note Receivable which matured on August 31, 2014 bore interest at 2% per annum. All principal and accrued but unpaid interest was receivable upon maturity. The Note Receivable included a full right of offset with the December 2013 Notes. The Company's board of directors, excluding the Chief Executive Officer's vote, approved the Note Receivable prior to issuance. Effective February 11, 2014, the December 2013 Notes and Note Receivable were fully offset and deemed paid.

On August 1, 2014, the Company obtained an unsecured promissory note payable (the "FRB Note") from First Republic Bank with an aggregate principal of $500,000. The FRB Note, which was to mature on November 1, 2014, bore interest at 1.3% per annum. All principal and accrued, but unpaid interest, was payable upon maturity. The FRB Note was collateralized by a deposit account of the Company's Chief Executive Officer, a related party. The FRB Note was repaid in full on October 3, 2014.

On September 23, 2014, the Company entered into a Share Purchase Agreement with Joseph W. Beyers, the Company's Chairman and Chief Executive Officer, pursuant to which the Company agreed to issue to Mr. Beyers up to 23,364 shares of our common stock, at a purchase price of $21.40 per share for aggregate consideration to us of up to $500,000. Pursuant to the terms of such agreement and concurrently with the execution of the agreement, Mr. Beyers made an initial payment of $300,000 to the Company towards the aggregate purchase price. The shares were only to be issued if we did not obtain $6 million or more in debt financing within ten business days of the execution of the agreement. As a result of the Fortress Agreement the Company is required to return the $300,000 in cash previously prepaid by Mr. Beyers and the Company will not issue any securities as a result of the Share Purchase Agreement. During the year ended December 31, 2015, the Company's Board of Directors approved the application of $100,000 of this amount towards the purchase of shares of the Company's common stock at price per share equal to the greater of $4.60 per share or a 15% premium to the market price. As a result, on June 26, 2015, the Company sold 21,740 shares of previously unissued common stock at a price of $4.60 per share to the Chief Executive Officer. As of December 31, 2015, repayments of $100,000 have been made to the Chief Executive Officer and the remaining balance of $100,000 has been recorded as a related party loan payable.

On October 1, 2014 the Company and its wholly-owned subsidiary, Inventergy, Inc., entered into the Revenue Sharing and Note Purchase Agreement with entities affiliated with Fortress Investment Group, LLC, including a Note Purchaser (as defined below) who also serves as collateral agent (the "Collateral Agent") and a Revenue Participant (as defined below). On February 25, 2015, the Company, Inventergy, Inc. and Fortress entered into the Amended and Restated Revenue Sharing and Note Purchase Agreement (the "Fortress Agreement"). Pursuant to the Fortress Agreement, the Company issued an aggregate of $12,199,500 in Fortress Notes to the purchasers identified in the Fortress Agreement (the "Note Purchasers"). As a result of the issuance of the Fortress Notes and the sale of the Fortress Shares (as defined below), after the payment of all purchaser-related fees and expenses relating to the issuance of the Fortress Notes and Fortress Shares, the Company received net proceeds of $11,137,753 (less issuance costs of $476,868). The Company used the net proceeds to pay off the Secured Convertible Notes and the FRB Note and for general working capital purposes. The unpaid principal amount of the Fortress Notes bears cash interest equal to LIBOR plus 7%. In addition, a 3% per annum paid-in-kind ("PIK") interest will be paid by increasing the principal amount of the Fortress Notes by the amount of such interest. The PIK interest shall be treated as principal of the Fortress Note for all purposes of interest accrual or calculation of any premium payment.

The principal of the Fortress Notes and all unpaid interest thereon or other amounts owing hereunder shall be paid in full in cash by the Company on September 30, 2017 (the "Maturity Date"). The Company may prepay the Fortress Notes in whole or in part, generally without penalty or premium, except that any optional prepayments of the Fortress Notes prior to October 1, 2015 will be accompanied by a prepayment premium equal to 5% of the principal amount prepaid. In addition, upon the earlier of the date on which the all obligations of the Fortress Notes are paid in full, or become due the Company will pay to the Note Purchasers a termination fee equal to $853,965. This was accounted for as a discount on notes payable. As of December 31, 2015, the Company has repaid $2,147,000 of the Fortress Notes.

Upon receipt of any revenues generated from the monetization of the Patents (the "Monetization Revenue") from the patents identified in the Fortress Agreement (the "Patents"), the Company is required to apply, towards its obligations pursuant to the Fortress Notes, 86% of the difference between (a) any revenues generated from the Monetization Revenue less (b) any litigation or licensing related third party expenses (including fees paid to the original patent owners) reasonably incurred by the Company to earn Monetization Revenue, subject to certain limits (such difference defined as "Monetization Net Revenues"). If Monetization Net Revenue is applied to outstanding principal of the Fortress Notes (defined as "Mandatory Prepayments"), such Mandatory Prepayments are not subject to the prepayment premium described above. To the extent that any obligations under the Fortress Notes are past due, including if such payments are past due as a result of an Acceleration of the Fortress Notes or certain conditions of breach or alleged breach have occurred, the percentage will increase from 86% to 100%.

In addition to the Mandatory Prepayments, the Company shall make monthly amortization payments (the "Amortization Payments") in an amount equal to (x) the then outstanding principal amount divided by (y) the number of months left until the Maturity Date. Such Amortization Payments were originally due to commence on the last business day of October 2015, but were deferred to the last business day of November by an amendment to the Fortress Agreement (the "First Amendment"), and subsequently deferred to the last business day of January 2016 by a second amendment to the Fortress Agreement (the "Second Amendment").

In connection with the execution of the Fortress Agreement, on October 1, 2014, the Company paid to the Note Purchasers a structuring fee equal to $385,000. This was accounted for as a discount on notes payable.

Pursuant to the Fortress Agreement, the Company granted to the purchasers identified in the Fortress Agreement ("Revenue Participants") a right to receive a portion of the Company's Monetization Revenues totaling $8,539,650 (unless the Revenue Participants have not received $8,539,650 by the Maturity Date, in which case the Revenue Participants have a right to receive a portion of Monetization Revenues totaling $10,369,575) (the "Revenue Stream"). The Revenue Participants will not receive any portion of the Revenue Stream until all obligations under the Fortress Notes are paid in full. Following payment in full of the Fortress Notes, the Company will pay to the Revenue Participants their proportionate share of the Monetization Net Revenues. The Revenue Participant's proportionate share is equal to (a) 46% of Monetization Net Revenues until $5,489,775 has been paid to the Revenue Participants, (b) 31% of Monetization Net Revenues until the next $2,744,888 has been paid to the Revenue Participants and (c) 6% of Monetization Net Revenues until the remaining amount has been paid to the Revenue Participants if (a) and (b) have not been fully paid by the Maturity Date. Under the terms of the Second Amendment, should Monetization Net Revenues result from the sale of patents (a "Patent Sale"), the Revenue Participant's proportionate share will be, following payment in full of the Fortress Notes, 75% of the next $6,666,667 of net proceeds from a Patent Sale, and 50% of remaining net proceeds until an additional $3,539,650 is paid ($5,369,575 if paid after the Maturity Date). All Revenue Stream Payments will be payable on a monthly basis in arrears. The rights of the Revenue Participants to the Revenue Stream are secured by all of the Company's current patent assets and the Cash Collateral Account, in each case junior in priority to the rights of the Note Purchasers. In connection with the Revenue Participants' right to receive a portion of the Company's Monetization Revenues, the Company has recorded a net liability of $6,034,278, which represents the amount of the expected Monetization Revenues, discounted 18% over the expected life of the revenue share agreement.

As part of the Fortress Agreement, the Company and the Collateral Agent entered into a Patent License Agreement (the "Patent License Agreement"), under which the Company agreed to grant to the Collateral Agent a non-exclusive, royalty-free, and worldwide license to certain of its Patents (the "Licensed Patents"), which can only be used by the Collateral Agent following an occurrence and during the continuance of an event of default of the Fortress Agreement. When the Fortress Notes and Revenue Stream are paid in full, the Patent License Agreement will terminate.

As part of the transaction, the Company granted the Note Purchaser and Revenue Participant a first priority security interest in all of the Company's currently owned patent assets and all proceeds thereof, as well as a general security interest in all of the assets of the Company and its subsidiaries. The Note Purchaser and Revenue Participant do not have a security interest in any future patent purchases by the Company.

Under the Fortress Agreement, the Company is required to maintain a minimum $1,000,000 in cash reserves. Failure to maintain that minimum cash balance can constitute an event of default under the Fortress Agreement. If we were to default under the Fortress Agreement and were unable to obtain a waiver for such a default, interest on the obligations would accrue at an increased rate. In the case of a default, Fortress could accelerate our obligations under the Fortress Agreement. See further, *Risk Factors.* On March 29, 2016, the Company and Fortress entered into an additional amendment to the Fortress Agreement (the "Third Amendment"), under which, among other terms, Amortization Payments are not required for a four-month period and will re-commence on the last business day of June 2016, and the requirement to maintain a minimum in cash reserves is reduced from $1,000,000 to $200,000 for the same four-month period, increasing to $1,000,000 effective July 1, 2016. See Note 12, "Subsequent Events" for additional information.

Future debt payments owed under the Fortress Agreement are as follows:

Years ending December 31:		
2016	$	6,157,893
2017		4,614,473
Total	$	10,772,366

Unregistered Sales of Equity Securities.

In connection with the execution of the Fortress Agreement, the Company issued 50,000 shares of its common stock at $20.00 per share to the Revenue Participant for an aggregate purchase price of $1,000,000. The Fortress Shares were issued pursuant to a subscription agreement dated October 1, 2014. The shares were issued by the Company under the exemption from registration afforded by Section 4(a)(2) of the Securities Act and Regulation D promulgated thereunder, as they were issued to accredited investors, without a view to distribution, and were not issued through any general solicitation or advertisement. In addition, the Company issued to Fortress seven-year warrants for the purchase of 50,000 shares of common stock at an exercise price of $11.40 per share. As part of the Second Amendment, the exercise price of these warrants was changed to $2.54 per share.

In connection with the closing of the transactions contemplated by the Fortress Agreement, the Company paid a closing fee of $330,000. As discussed in Note 7, the Company also issued a five-year warrant to purchase 24,750 shares of common stock at an exercise price of $20.00 to National Securities Corporation, who acted as advisor to the Company with respect to the transaction. The warrant meets the requirements to be accounted for as an equity warrant. The Company estimated the fair value of the warrant to be $153,759, using the Black-Scholes option pricing model. The fair value of the warrant as of November 1, 2014 was estimated using the following assumptions:

Expected volatility	60%
Risk free rate	1.62%
Dividend yield	0%
Expected term (in years)	5.00

The assumptions utilized were derived in a similar manner as discussed in Note 7 related to the fair value of stock options.

7. Stockholders' Equity

Common stock

The Company is authorized to issue up to 110,000,000 shares, of which 100,000,000 shares have been designated as common stock and 10,000,000 shares as preferred stock. Holders of the Company's common stock are entitled to dividends if and when declared by the Board of Directors. The holders of each share of common stock shall have the right to one vote for each share and are entitled, as a share class, to elect two directors of the Company.

On March 31, 2015, the Company entered into a securities purchase agreement ("Purchase Agreement") with certain investors (the "Purchasers") pursuant to which the Company sold 467,392 shares of its common stock (the "Shares") at a purchase price of $4.60 per share resulting in gross proceeds to the Company of $2.15 million (the "Registered Direct Offering"). The Registered Direct Offering was effected as a takedown off the Company's shelf registration statement on Form S-3 (File No. 333-199647), which was declared effective on November 10, 2014, and a related prospectus supplement to be filed on April 2, 2015 in connection with the Registered Direct Offering. The Registered Direct Offering closed on April 6, 2015.

In connection with the Registered Direct Offering, the Company entered into a placement agent agreement (the "Placement Agent Agreement") with Ladenburg Thalmann & Co. Inc. (the "Placement Agent") to act as its exclusive placement agent. Pursuant to the Placement Agent Agreement, the Company paid to the Placement Agent $106,000 in cash, issued to the Placement Agent 5,762 five-year warrants with an exercise price of $5.75 per share (the "RD Warrants") and reimbursed the Placement Agent for certain expenses. In addition, the Company paid to Laidlaw & Company (UK) Ltd. $50,000 in cash and issued 10,870 RD Warrants in connection with certain tail fees owed to them as a result of the Registered Direct Offering. The RD Warrants allow for cashless exercise in certain situations and contain piggyback registration rights for the seven year period commencing on March 31, 2015.

In addition, the Placement Agent will also be entitled to a tail fee if, within twelve months after the termination of expiration of the Placement Agent Agreement, the Company sells securities to any investor that was introduced to the Company by the Placement Agent and purchased shares in the Registered Direct Offering. The tail fee will be the same as the placement agent's fee received by the Placement Agent in the Registered Direct Offering, subject to certain reductions described in the Placement Agent Agreement.

In connection with the Registered Direct Offering, the Company entered into a separate waiver agreement with one of its current stockholders pursuant to which the holder waived its right of participation to participate in the Registered Direct Offering (the "Right of Participation"). In consideration for such waiver, the Company paid to the holder $35,000 in cash and waived any trading volume limitations or other lock-up provisions or restrictions imposed on the holder pursuant to an existing securities purchase agreement and an existing lock-up agreement the holder entered into with the Company. The Company also agreed that in the event that the Company obtains a consent, release amendment, settlement or waiver of the Right of Participation from any other stockholder holding such right in connection with the Registered Direct Offering on more favorable terms than in the waiver agreement prior to expiration of the Right of Participation of the holder, the holder will be entitled to the benefit of the more favorable terms. The holder's Right of Participation terminated on September 8, 2015.

Shares of common stock reserved for future issuance were as follows as of December 31, 2015:

Options to purchase common stock	369,887
Shares reserved for issuances pursuant to 2014 Stock Plan	71,431
Warrants	179,567
Total	620,885

Convertible preferred stock

Convertible preferred stock as of December 31, 2015 consisted of the following:

Convertible Preferred Stock	Original Issue Price	Shares Designated	Shares Originally Issued	Shares Outstanding	Liquidation Preference
Series A-1	$ 0.0100	5,000,000	5,000,000	0	$ -
Series A-2	$ 1.6996	1,176,748	1,176,748	0	$ -
Series B	$ 1,000.00	2,750	2,750	0	$ -

In October 2015, the Company entered into agreements with holders of all of the outstanding Series A and Series B Preferred Stock pursuant to which the holders agreed to exchange all of their outstanding shares of Series A and Series B Preferred Stock for common stock. As a result, as of December 31, 2015, there were no remaining shares of Series A or Series B Preferred Stock outstanding. The previously-outstanding Preferred Stock amounts, along with the newly-issued common stock amounts, are as follows:

	Outstanding as of Sept. 30, 2015	Newly-Issued Common Stock
Series A-1	212,466	141,262
Series A-2	161,355	28,518
Series B	1,102	420,956

Warrants

In January 2014, the Company issued warrants to purchase 23,858 shares of common stock at an exercise price of $30.40 to a placement agent. The warrants expire in January 2019. The exercise price was reduced to its floor of $22.70 as a result of the sale of the Fortress Shares. The warrants may be exercised without cash consideration in lieu of forfeiting a portion of shares. The fair value of the warrants at issuance was $348,963, estimated using the Black-Scholes option pricing model. The fair value of the warrants was revalued at December 31, 2015 as discussed in Note 5.

On November 1, 2014 the Company issued 27,750 warrants to purchase common stock with a weighted average exercise price of $20.70. The fair value of the warrants at issuance was $164,196.

Common stock warrants outstanding as of December 31, 2015 are listed as follows:

Warrants Outstanding	Remaining Contractual Life (years)	Weighted Average Exercise
50,000	6.17	$ 2.54
10,870	4.27	$ 4.60
5,762	4.27	$ 5.75
2,699	4.16	$ 20.00
24,750	3.84	$ 20.00
23,858	3.08	$ 22.70
58,628	0.50	$ 26.60
3,000	1.84	$ 26.60
179,567	3.31	$ 16.37

8. Stock-Based Compensation

In November 2013, the Board of Directors authorized the 2013 Stock Plan (such plan has since been adopted by the stockholders of the Company in connection with the Merger and renamed the "Inventergy Global, Inc. 2014 Stock Plan", the "Plan" or the "2014 Plan"). Under the Plan, the Board of Directors may grant incentive stock awards to employees and directors, and non-statutory stock options to employees, directors and consultants as well as restricted stock. The Plan provides for the grant of stock options, restricted stock, and other stock-related and performance awards that may be settled in cash, stock, or other property. The Board of Directors originally reserved 360,545 shares of common stock for issuance over the term of the Plan, and in September 2015, 170,000 shares were added to the plan. The exercise price of an option cannot be less than the fair value of one share of common stock on the date of grant for incentive stock options or non-statutory stock options. The exercise price of an incentive stock option cannot be less than 110% of the fair value of one share of common stock on the date of grant for stockholders owning more than 10% of all classes of stock. Options are exercisable over periods not to exceed ten years (five years for incentive stock options granted to holders of 10% or more of the voting stock) from the grant date. Options may be granted with vesting terms as determined by the Board of Directors which generally include a one to five year period or performance conditions or both. The pre-existing options were subsumed under the Plan.

Common stock option and restricted stock award activity under the Plan was as follows:

		Options and RSAs Outstanding	
	Shares Available for Grant	Number of Shares	Weighted Average Exercise Price Per Share
Balance at December 31, 2013	128,665	161,185	$ 22.70
Authorized	70,695	-	$ -
Options granted	(110,920)	110,920	$ 28.00
Options assumed in merger	-	1,500	$ 143.00
Restricted Stock granted	(19,487)	19,487	$ 14.50
Restricted Stock vested	-	(51,300)	$ 19.60
Balance at December 31, 2014	68,953	241,792	$ 25.90
Authorized	170,000	-	$ -
Options granted	(530,813)	530,813	$ 5.65
Options forfeited	69,870	(69,870)	$ 10.59
Options expired	12,148	(12,148)	$ 24.72
Options canceled	320,700	(320,700)	$ 12.99
Restricted Stock granted	(39,427)	39,427	$ 3.86
Restricted Stock vested	-	(39,427)	$ 3.86
Balance at December 31, 2015	71,431	369,887	$ 4.64
Total vested and expected to vest shares (options)		369,887	$ 4.64
Total vested shares (options)		51,555	$ 14.12

As of December 31, 2015, all of the restricted stock granted under the Plan had vested. The aggregate intrinsic value of stock options outstanding, stock options vested and expected to vest, and exercisable at December 31, 2015 was zero, since all of the options were out-of-the-money at December 31, 2015.

Prior to the Plan being established, the Company granted the equivalent of 1,413,904 RSAs to employees and non-employees in exchange for services with vesting specific to each individual award. As of December 31, 2015, 230,048 of these RSAs were subject to rescission by the Company, and 62,945 RSAs had been cancelled or forfeited.

As part of the Merger, 1,500 fully vested options with an exercise price of $143.00, were assumed by Inventergy Global, Inc., and remained outstanding as of December 31, 2015.

The following table summarizes information with respect to stock options outstanding at December 31, 2015:

Options Outstanding				Options Vested	
Exercise Price Per Share	Shares Outstanding	Weighted-Average Remaining Contractual Life (Years)	Weighted-Average Exercise Price	Shares Exercisable	Weighted-Average Exercise Price Per Share
$ 3.10	339,946	9.80	$ 3.10	21,614	$ 3.10
$ 5.60	2,500	1.33	$ 5.60	2,500	$ 5.60
$ 6.90	625	0.01	$ 6.90	625	$ 6.90
$ 11.40	17,804	1.32	$ 11.40	17,804	$ 11.40
$ 22.70	442	0.01	$ 22.70	442	$ 22.70
$ 30.40	7,070	1.33	$ 30.40	7,070	$ 30.40
$ 143.00	1,500	0.45	$ 143.00	1,500	$ 143.00
	369,887	9.10	$ 4.64	51,555	$ 14.12

Stock-based compensation expense

The fair value of employee stock options granted was estimated using the following weighted-average assumptions for the twelve months ended December 31:

	2015	2014
Expected volatility	67%	75%
Risk free rate	1.41%	1.77%
Dividend yield	0%	0%
Expected term (in years)	5.57	5.78

The expected term of the options is based on the average period the stock options are expected to remain outstanding based on the option's vesting term and contractual terms. The expected stock price volatility assumptions for the Company's stock options were determined by examining the historical volatilities for industry peers, as the Company did not have any trading history for the Company's common stock. The risk-free interest rate assumption is based on the U.S. Treasury instruments whose term was consistent with the expected term of the Company's stock options. The expected dividend assumption is based on the Company's history and expectation of dividend payouts. Forfeitures were estimated based on the Company's estimate of future cancellations.

Stock-based compensation for employees and non-employees related to options and RSAs recognized:

	For the twelve months ended December 31, 2015	For the twelve months ended December 31, 2014
General and administrative	$ 1,147,374	$ 2,873,396

No income tax benefit has been recognized related to stock-based compensation expense and no tax benefits have been realized from exercised stock awards. As of December 31, 2015, there were total unrecognized compensation costs of $1,446,075 related to these stock awards. These costs are expected to be recognized over a period of approximately 1.48 years.

Non-employee stock-based compensation expense

For the twelve months ended December 31, 2015, the Company issued options and restricted stock awards to non-employees in exchange for services with vesting specific to each individual award. Non-employee stock-based compensation expense is recognized as the awards vest and totaled $314,505 and $1,316,036 for the twelve months ended December 31, 2015 and December 31, 2014, respectively. The fair value of RSAs is calculated as the fair value of the underlying stock multiplied by the number of shares awarded.

Cancellation of Options

On March 25, 2015, the Company cancelled certain unvested options (totaling 143,266) granted to employees and directors under the Company's 2014 Stock Plan, which had exercise prices ranging from $20.50 to $38.50, 10 year terms and 1 to 4 year vesting terms. In addition, on March 25, 2015, the Company issued new options to the same employees and directors under the 2014 Stock Plan. The Company granted an aggregate of 126,985 options to its employees, the vesting schedules of which were increased by 12 months as compared to the cancelled options – an increase from an average vesting schedule spanning 2.1 years to 3.1 years. The Company also granted an aggregate of 16,282 options to its directors, the vesting schedules of which were left substantially unchanged as compared to the cancelled options which had been set to align with the service time of each board member. The new options have an exercise price of $11.40 per share, which was a 48% premium to the closing price of the Company's common stock as of March 25, 2015.

On October 16, 2015, the Company cancelled certain unvested options (totaling 177,446) granted to employees and directors under the Company's 2014 Stock Plan, which had exercise prices ranging from $6.90 to $38.50, 10-year terms and 1 to 4 year vesting terms. In addition, on October 16, 2015, the Company issued new options to the same employees and directors under the 2014 Stock Plan. The Company granted an aggregate of 142,063 options to its employees and an aggregate of 35,383 options to its directors. The vesting schedules were left substantially unchanged as compared to the cancelled options. The new options have an exercise price of $3.10 per share, which was the closing price of the Company's common stock as of October 16, 2015.

9. Income Taxes

The Company recorded $(14,041) and $2,400 provision for income taxes for the years ended December 31, 2015 and 2014, respectively.

Income tax expense was comprised of the following:

	2015	2014
Current		
Federal	$ -	$ -
State	(14,041)	2,400
	$ (14,041)	$ 2,400
Deferred		
Federal	$ -	$ -
State	-	-
	$ -	$ -
Expense	$ (14,041)	$ 2,400

A reconciliation of the statutory federal income tax rate to the effective tax rate for the years ended December 31 was as follows:

	2015	2014
Statutory federal income tax rate	34%	34%
State income taxes (net of federal benefit)	0	5.83
Loss on extinguishment of notes	0	(12.44)
Stock compensation	(1.37)	(0.31)
Other permanent differences	(0.04)	0.11
True ups	(10.20)	12.3
Change in valuation allowance	(22.27)	(39.5)
Total	0.12%	(0.01)%

Deferred income taxes reflect the tax effect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Based on the Company's historical net losses, the Company has provided a full valuation allowance against its deferred tax assets as of December 31, 2015 and 2014.

The components of the net deferred tax assets and liabilities are as follows:

	2015	2014
Deferred Tax Assets:		
Accrued Liabilities	$ 1,361,612	$ 722,899
Intangibles	2,476,386	3,115,849
Fixed Assets	6,686	2,988
NOL Carryforwards	10,331,722	7,773,560
Inventory Reserve	-	3,705
Allowance for Doubtful Accounts	7,599	16,281
Gross Deferred Tax Asset	14,184,005	11,635,282
Valuation Allowance	(14,052,737)	(11,436,475)
Net Deferred Tax Assets	131,268	198,807
Deferred Tax Liabilities:		
Acquired Contracts Intangibles	(131,268)	(198,807)
Gross Deferred Liabilities	(131,268)	(198,807)
Net Deferred Tax Assets (Liabilities)	$ -	$ -

At December 31, 2015, the Company had federal and California net operating loss carryforwards, prior to any annual limitation, of approximately $48.8 million and $11.3 million, respectively, expiring beginning in 2021 for federal and 2015 for California. The use of the Company's net operating loss carryforwards is subject to certain annual limitations and may be subject to further limitations as a result of changes in ownership as defined by the Internal Revenue Code and similar state provisions. An ownership change date did occur in June 2014 at the merger with eOn so that an annual limitation was estimated to reduce the federal net operating loss carryforward to approximately $30.4 million with no further limitation to the CA net operating loss carryforward .. Notwithstanding, these federal and state net operating loss carryforwards could be further reduced if there are further ownership changes either prior to or after the merger.

At December 31, 2015, the gross liability for uncertain tax positions was $0. The Company does not anticipate a significant change to unrecognized tax benefits for uncertain income tax positions within the next 12 months.

It is the Company's practice to recognize interest and penalties related to income tax matters in income tax expense. As of December 31, 2015 and 2014, the Company had no interest and penalties related to income taxes.

The Company files income tax returns in the U.S. and various state jurisdictions including California. In the normal course of business, the Company is subject to examination by taxing authorities including the United States and California. The Company is not currently under audit or examination by either of these jurisdictions. The federal and California statute of limitations remains open back to 2011 for federal and 2010 for California. However, due to the fact that the Company has net operating losses carried forward dating back to 2001, certain items attributable to technically closed years are still subject to adjustment by the relevant taxing authority through an adjustment to the tax attributes carried forward to open years.

10. Commitments and Contingencies

Operating lease

In March 2014, the Company entered into a non-cancelable thirty-eight month lease agreement for offices in Campbell, California commencing June 1, 2014 with escalating rent payments ranging from approximately $9,200 to $9,800 per month and one option to extend the lease term for an additional three years. Included in the lease agreement was a full rent abatement period of two months. Rent expense is recognized on a straight line basis. The Company paid a security deposit of $18,993 during the twelve months ended December 31, 2014. The future minimum payments related to this lease are as follows:

Years ending December 31:		
2016		116,201
2017		68,587
Total	$	184,788

Rent expense was $108,623, and $108,372 for the twelve months ended December 31, 2015 and 2014, respectively.

Guaranteed payments

The Company entered into two agreements to purchase certain patent assets under which guaranteed payments were originally required. The first agreement originally required unconditional guaranteed payments of $18,000,000 to be paid out of net revenues from patent licensing receipts through December 31, 2017. As of December 31, 2014 such guaranteed payments were accrued on the Company's accompanying balance sheet at net present value using a discount rate of 12%. Expenses related to minimum revenue sharing payments were deferred as of December 31, 2014 to be amortized in correlation with the future payment schedule. This agreement was amended in December 2015 and eliminated all guaranteed payments and interest payments payable on any guaranteed payments, and provided that the Company will pay the other party solely based on net revenues earned for the licensing and/or sale of the patents sold to the Company under the original agreement. In conjunction with the elimination of the $16.3 million liability for guaranteed payments and $1.0 million liability for accrued interest as of December 31, 2015 in accordance with this amendment, the Company also eliminated $16.3 million of related deferred expenses as of December 31, 2015. The original agreement with this party also stated that if the Company's market capitalization fell below the aggregate dollar amount that the Company owed at that relevant point in time to the other party (but only prior to full payment), the party may exercise a limited right to repurchase the acquired patent portfolio assets at a purchase price at least equal to the amount the Company originally paid. Due to the elimination of the guaranteed payments, the party's right to repurchase the patents can now only be triggered if the Company ceases to be a public company with securities listed on Nasdaq, another stock exchange or any over-the-counter quotation service. During the year ended December 31, 2015, the Company was in compliance with the terms of the agreement.

The second agreement originally required a $2,000,000 guaranteed payment due on December 1, 2015. In October 2015, the Company and the other party amended the terms of the original patent purchase agreement, with the amendment providing that the Company will make a $550,000 payment on January 31, 2016 and a $1,650,000 payment on July 1, 2016, which amounts include $95,000 in additional interest. These payments may be paid at a 10% discount if paid 45 days or more in advance of their respective due dates. Minimum revenue sharing payments are generally due sixty days after fully earned. Future guaranteed payments associated with this agreement are payable as follows:

Years ending December 31:		
2016		2,200,000
Less: discount to present value		(123,233)
Guaranteed payments, net of discount	$	2,076,767

11. Net Loss Per Share

Basic and diluted net loss per share is calculated using the weighted average number of shares outstanding as follows (in thousands, except per share amounts):

	Year Ended December 31,	
	2015	2014
Net loss attributable to common shareholders	$ (11,733,549)	$ (20,521,470)
Basic and diluted:		
Weighted average shares outstanding	3,586,741	2,203,678
Less weighted average restricted shares outstanding	(143,372)	(422,370)
Shares used in calculation of basic and diluted net loss per common share	3,443,369	1,781,308
Net loss per common share: Basic and diluted	$ (3.41)	$ (11.52)

Equity awards, unvested share rights, and common stock equivalent of warrants and preferred stock, aggregating 1.1 million shares, and 1.4 million shares for the year ended December 31, 2015, and 2014, respectively, prior to the application of the treasury stock method, are excluded from the calculation of diluted net loss per share because they are anti-dilutive.

12. Subsequent Events

On January 21, 2016, the Company entered into a securities purchase agreement (the "Purchase Agreement") with certain institutional accredited investors (the "Investors"). Pursuant to the Purchase Agreement, the Company sold to the Investors in a private placement 2,500 shares of Series C Convertible Preferred Stock ("Series C Preferred Stock"), each having a stated value of $1,000, for aggregate gross proceeds of $2.5 million. The Series C Preferred Stock is immediately convertible into 1,666,668 shares of the Company's common stock, subject to certain beneficial ownership limitations, at an initial conversion price equal to $1.50 per share, subject to adjustment. After July 26, 2016, the conversion price will be equal to the lesser of (a) the conversion price then in effect or (b) 65% of the volume weighted average price of the Company's common stock for ten consecutive days prior to the applicable conversion date. The Series C Preferred Stock contains provisions providing for an adjustment in the conversion price upon the occurrence of certain events, including stock splits, stock dividends, dilutive equity issuances and fundamental transactions. The Company may redeem some or all of the Series C Preferred Stock for cash as follows: (i) on or prior to March 26, 2016, in an amount equal to 126% of the aggregate stated value then outstanding, (ii) after March 26, 2016 and on or prior to July 26, 2016, in an amount equal to 144% of the aggregate stated value then outstanding and (iii) after July 26, 2016, in an amount equal to 150% of the aggregate stated value then outstanding.

Each Investor also received a common stock purchase warrant (the "Warrants") to purchase up to a number of shares of common stock equal to 85% of such Investor's subscription amount divided by $1.50. The Warrants are exercisable for a term of five years commencing six months after the closing of the transaction at a cash exercise price of $1.79 per share. In the event that the shares underlying the Warrants are not subject to a registration statement at the time of exercise, the Warrants may be exercised on a cashless basis after six months from the issuance date. The Warrants also contain provisions providing for an adjustment in the exercise price upon the occurrence of certain events, including stock splits, stock dividends, dilutive equity issuances (so long as the Series C Preferred Stock is outstanding) and fundamental transactions. Notwithstanding the forgoing, until the Company obtains Shareholder Approval (as defined below), the exercise price may not be reduced as a result of a dilutive equity issuance below $1.79 per share, subject to adjustment for stock splits, stock dividends and similar events (the "Adjustment Floor").

The Purchase Agreement requires the Company to hold a special meeting of stockholders to seek the approval of the holders of its common stock for the issuance of the number of shares of common stock issuable upon the conversion of the Series C Preferred Stock in excess of 19.99% of the outstanding Common Stock and the removal of the Adjustment Floor within 120 days of the execution of the Purchase Agreement (the "Shareholder Approval"). Until the Company obtains the Shareholder Approval, the conversion of the Series C Preferred Stock is limited to 19.99% of the currently outstanding common stock. Additionally, until the Series C Preferred Stock is no longer outstanding, the Investors may participate in future offerings for up to 50% of the amount of such offerings.

The Company utilized a Placement Agent who received a commission equal to 10% of the gross proceeds of the offering for an aggregate commission of $250,000. The Placement Agent will also be entitled to receive a cash fee from the exercise of the Warrants. The Company paid for the Investors' legal expenses of $25,000. The securities offered have not been registered under the Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

On March 29, 2016, the Company and Fortress executed the Third Amendment, under which monthly Amortization Payments are not required in February, March, April and May 2016, re-commencing on the last business day of June 2016. In addition, the requirement to maintain minimum cash reserves is reduced from $1,000,000 to $200,000 for the same four-month period, increasing to $1,000,000 effective July 1, 2016. Also under the Third Amendment, patent licensing revenue and patent sale revenue will be applied as follows: 100% of net revenues, as defined to allow for certain transaction and related expenses ("Net Revenues"), will be applied to the Fortress Notes until paid in full. Thereafter, 75% of Net Revenues will be applied to the Revenue Stream until $5,000,000 has been paid, then 50% of Net Revenues will be applied to the Revenue Stream until an additional $6,284,538 has been paid.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS.

Not applicable.

ITEM 9A. CONTROLS AND PROCEDURES.

We carried out an evaluation required by Rule 13a-15 of the Exchange Act, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company's "disclosure controls and procedures" and "internal control over financial reporting" as of the end of the period covered by this Annual Report.

The evaluation of the Company's disclosure controls and procedures and internal control over financial reporting included a review of our objectives and processes, implementation by us and the effect on the information generated for use in this Annual Report. In the course of this evaluation and in accordance with Section 302 of the Sarbanes Oxley Act of 2002, we sought to identify material weaknesses in our controls, to determine whether we had identified any acts of fraud involving personnel who have a significant role in our internal control over financial reporting that would have a material effect on our consolidated financial statements, and to confirm that any necessary corrective action, including process improvements, were being undertaken. Our evaluation of our disclosure controls and procedures is done quarterly and management reports the effectiveness of our controls and procedures in our periodic reports filed with the Securities and Exchange Commission. Our internal control over financial reporting is also evaluated on an ongoing basis by management and by other individuals in our organization. The overall goals of these evaluation activities are to monitor our disclosure controls and procedures and internal control over financial reporting and to make modifications as necessary. We periodically evaluate our processes and procedures and make improvements as required.

Because of inherent limitations, disclosure controls and procedures and internal control over financial reporting may not prevent or detect misstatements. In addition, projections of any evaluation of effectiveness to future periods are 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. Management applies its judgment in assessing the benefits of controls relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the company have been detected. The design of any system of controls is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions, regardless of how remote.

Disclosure Controls and Procedures

Disclosure controls and procedures are designed with the objective of ensuring that (i) information required to be disclosed in our reports filed under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the Securities and Exchange Commission and (ii) information is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosures. Based on their evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures are effective.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in Internal Control (2013) — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission. 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 for external purposes in accordance with generally accepted accounting principles and includes those policies and procedures that (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (b) provide reasonable assurance that transactions are recorded as necessary to permit the preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorizations of the our management and directors; and (c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements. Based on our evaluation under the framework in Internal Control (2013) — Integrated Framework, our management concluded that our internal control over financial reporting was effective based on these criteria as of December 31, 2015. Management reviewed the results of its assessment with our Audit Committee.

Changes in Internal Control Over Financial Reporting

On April 20, 2015, the Company reorganized its financial operations in an effort to address a material weakness which existed as of December 31, 2014. The Company terminated its then current Chief Financial Officer and replaced this position and certain services of an outside accounting firm utilized by the Company with consulting services from The Brenner Group, Inc., a financial consultancy firm (the "The Brenner Group"). Accordingly, on April 20, 2015, the Board appointed John Niedermaier as the Company's Chief Financial Officer pursuant to the terms of an agreement with The Brenner Group. We believe that the hiring of The Brenner Group and Mr. Niedermaier specifically addressed the aforementioned material weakness. Furthermore, during the year ended December 31, 2015, timely reviews of accounting records, transactions, supporting schedules and financial statements have been implemented which Company management concluded, in combination with the appointment of Mr. Niedermaier, eliminated the material weakness in internal control. There were no changes in our internal controls over financial reporting during the fourth quarter of the year ended December 31, 2015 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Our independent registered public accounting firm has not assessed the effectiveness of our internal control over financial reporting and will not be required to provide an attestation report on the effectiveness of our internal control over financial reporting so long as we are not an accelerated filer or large accelerated filer as such terms are defined in Rule 12b-2 promulgated under the Exchange Act which may increase the risk that weaknesses or deficiencies in our internal control over financial reporting go undetected.

ITEM 9B. OTHER INFORMATION.

Amendment of Revenue Sharing and Note Purchase Agreement

On March 29, 2016, the Company and Inventergy, Inc., a wholly-owned subsidiary of the Company, and certain affiliates of Fortress Investment Group, LLC ("Fortress") entered into an amendment (the "Amended Purchase Agreement") to the Amended and Restated Revenue Sharing and Note Purchase Agreement (the "Purchase Agreement"), which was originally entered into by the parties on October 1, 2014. The Amended Purchase Agreement, which is effective as of March 1, 2016, among other things: (i) defers amortization payments owed to Fortress by the Company until the last business day of June 2016; (ii) reduces the Company's obligation to maintain a $1,000,000 minimum cash balance to $200,000 until July 1, 2016; and (iii) provides that the Company's payment from the proceeds of patent sales and exclusive licenses will be as follows: (a) 100% of the net proceeds, as defined to allow for certain transactions and related expenses ("Net Revenues"), will be paid to Fortress until the note issued pursuant to the Purchase Agreement has been paid in full, after which time (b) 75% of Net Revenues will be paid to Fortress until a total of $5 million in additional payments has been paid, after which time (c) 50% of Net Revenues will be paid to Fortress until such payments equal $6,284,538.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE.

The name, address, age and position of our current officers and directors are set forth below.

Name	Age	Position	Class
Joseph W. Beyers	63	Chief Executive Officer and Director	III
John G. Niedermaier	59	Chief Financial Officer	N/A
Jon Rortveit	57	Senior Vice President, Acquisition and IP Licensing	N/A
Francis P. Barton	69	Director	III
W. Frank King	76	Director	II
Marshall Phelps, Jr.	71	Director	II
Robert A. Gordon	65	Director	I

There are no arrangements between our directors and any other person pursuant to which our directors were nominated or elected for their positions. There are no family relationships between any of our directors or executive officers.

Joseph W. Beyers. Mr. Beyers has served as the Chairman and Chief Executive Officer of the Company since June 6, 2014. Prior to his appointment, Mr. Beyers served as the Chairman and Chief Executive Officer of Inventergy, Inc. since February 2013 (and of Inventergy LLC from January 2012 until it converted to Inventergy Inc. in February 2013). Since March 2012, Mr. Beyers has been the co-founder and Chairman of Silicon Turbine Systems, Inc., an alternative energy developer. From September 2009 to November 2011, Mr. Beyers was the founding Chairman and Chief Executive Officer of Ambature LLC, a developer of technologies to improve the efficiency of electrical energy generation, distribution and usage. Prior to that, for the 34 years until August 2009, Mr. Beyers served in various positions at Hewlett-Packard Company. From January 2003 to August 2009, Mr. Beyers was vice president of intellectual property licensing at the Hewlett-Packard where he was responsible for patent licensing, technology licensing, brand licensing, standards based licensing and patent sales and acquisitions for the entity as well as a key driver of IP strategy. His initial position was as an engineer on operating system design and lead inventor of the world's first 32-bit computer chip. He then led mergers and acquisitions and technology partnership activities for Hewlett-Packard followed by a lead role in corporate strategy. Mr. Beyers was also previously the head of a number of the Hewlett Packard worldwide product businesses. Mr. Beyers holds both an M.S. in Electrical Engineering and a B.S. in Computer Engineering from the University of Illinois. He received the Distinguished Alumni Award from the University of Illinois in 2007. We believe Mr. Beyers is well-qualified to serve as a member of our board of directors due to his many years of service at various senior executive functions within Hewlett-Packard, and his roles and experience with other companies.

John G. Niedermaier. Mr. Niedermaier was appointed as Chief Financial Officer of the Company on April 20, 2015 under a consulting arrangement with The Brenner Group. From time to time, Mr. Niedermaier, in his capacity at The Brenner Group, provides financial consulting services to other companies (none of which are currently public companies). Prior to his employment with The Brenner Group in October 2014, Mr. Niedermaier acted as Chief Financial Officer of PureWave Networks, Inc., a wireless technology company, from November 2013 to July 2014. Prior to PureWave Networks, Inc., Mr. Niedermaier was Chief Financial Officer at Neato Robotics, Inc. from April 2012 through March 2013 and at Tigo Energy, Inc. from April 2011 through April 2012. From December 2007 through 2010, Mr. Niedermaier worked at ADC Telecommunications, Inc., and had the title of Vice President, GM of ADC's Wireless Coverage Unit. From 2002 through 2007, Mr. Niedermaier was Chief Financial Officer and Chief Operating Officer of LGC Wireless, Inc., which was acquired by ADC in December 2007. Mr. Niedermaier began his career at KPMG, where he worked from 1979 to 1989. Mr. Niedermaier holds a B.S. in Business Administration and Accounting from Wayne State University and is a Certified Public Accountant.

Jon Rortveit. Mr. Rortveit has served as Senior Vice President, Acquisition and IP Licensing for the Company since June 6, 2014. Mr. Rortveit served as Vice President, Acquisition and IP Licensing for Inventergy, Inc. beginning in January 2013. From 2005 through 2012 he served as the chief executive officer of Tynax, Inc., a global patent broker. His previous experience includes serving as a venture partner with EuroUS Ventures, a later-stage venture capital firm; serving as chief executive officer of IBA, Inc., a consulting firm which he founded and sold; and serving as vice president of marketing and president of U.S. operations for DAVIS A/S, a leading market maker for Texas Instruments' DLP technology. Mr. Rortveit holds an MBA from Warwick Business School and currently serves as an MBA student mentor at the Warwick Business School. In addition, Mr. Rortveit serves as a board member of China International Intellectual Property Services, a Hong Kong-based provider of IP services, a board supervisor for the Nansha International Science Park (a Guangzhou company) and advisor to CEO Clubs China.

***Francis P. Barton*.** Mr. Barton was appointed to the Company's Board on June 6, 2014. Mr. Barton was appointed to Inventergy, Inc.'s Board on December 16, 2013. From 2008 to present, Mr. Barton served as Chief Executive Officer in the consulting firm Barton Business Consulting LLC., a management consulting firm. Prior to this, Mr. Barton served as the Executive Vice President and Chief Financial Officer of UTStarcom, Inc., a provider of IP-based telecommunications infrastructure products, from 2005 through 2008 and as a director from 2006 through 2008. From 2003 to 2005, Mr. Barton was Executive Vice President and Chief Financial Officer of Atmel Corporation, a developer and supplier of microcontrollers. From 2001 to 2003, Mr. Barton was Executive Vice President and Chief Financial Officer of Broadvision Inc., an e-business software solutions provider. From 1998 to 2001, Mr. Barton was Senior Vice President and Chief Financial Officer of Advanced Micro Devices, Inc. ("AMD"), a semiconductor company. From 1996 to 1998, Mr. Barton was Vice President and Chief Financial Officer of Amdahl Corporation, a producer of IBM compatible mainframe systems. From 1974 to 1996, Mr. Barton worked at Digital Equipment Corporation, a producer of information processing solutions, beginning his career as a financial analyst and moving his way up through various financial roles to Vice President and Chief Financial Officer of Digital Equipment Corporation's ("DEC's") Personal Computer Division. Mr. Barton holds a B.S. in Interdisciplinary Studies with a concentration in Chemical Engineering from Worcester Polytechnic Institute and an M.B.A. with a focus in finance from Northeastern University. Since August 2012, Mr. Barton has served on the board of directors of Aemetis, Inc., an international renewal fuels and specialty chemical company. Mr. Barton also serves on the board of directors of SoSo Cards, Inc., a social media company. Previously, Mr. Barton served on the board of directors of Etubics, Inc., a biotech company, from 2014 to 2016 and on the board of directors of ON Semiconductor, a developer of energy efficient electronics, from 2008 to 2011. We believe Mr. Barton is well-qualified to serve as a member of our board of directors due to his many years of service on the boards of other publicly traded companies, and his role as Chief Financial Officer for AMD, Atmel and DEC's Personal Computer Division.

W. Frank King, became a director of the Company in 1998. Mr. King was a director of Concero, a software integration consulting firm, and was its President and Chief Executive Officer from 1992 to 1998. Dr. King earned a Ph.D. from Princeton University, an M.S. from Stanford University and a B.S. from the University of Florida. We believe Mr. King is well-qualified to serve as a member of our board of directors due to his prior roles as director for Concero and eOn Communications Corporation, predecessor of the Company.

Marshall Phelps, Jr. Mr. Phelps has served as a member of the board of directors of the Company since June 6, 2014. Prior to his appointment, Mr. Phelps served as a director of Inventergy, Inc. since May 10, 2013. Since 2013, Mr. Phelps also serves as the Chairman of ipCreate, Inc., an invention on-demand company. Since December 2015, Mr. Phelps is a contributing columnist to Forbes. From 2012 to 2014, Mr. Phelps served as chief executive officer and a member of the board of directors at Article One Partners, Inc., a venture-funded online prior art search community. From 2002 to 2010, Mr. Phelps served as corporate vice president and deputy general counsel for intellectual property and licensing at Microsoft Corporation. In 2001, he was a founding partner of Intellectual Ventures, a worldwide acquirer of patents. His prior experience includes serving as corporate vice president at IBM in the 1990s, responsible for overseeing standards, telecommunications policy, industry relations, licensing, intellectual property law and management of a worldwide intellectual property portfolio. While at IBM, he also served as director of government relations in Washington and as vice president of Asia Pacific operations in Tokyo. Mr. Phelps holds a B.A. and DH.L. from Muskingum University, an M.S. from Stanford Graduate School of Business and a J.D. from Cornell University Law School. He is co-author of the book, "Burning the Ships: Transforming Your Company's Culture Through Intellectual Property Strategy", published in 2009. Mr. Phelps has taught IP strategy at business, law or engineering schools at Duke, Cornell, UNC, Berkeley and in Japan. In 2006, Mr. Phelps was inducted into the IAM's IP Hall of Fame. Mr. Phelps also served on the Board of Directors of Inside IPXI, a financial exchange for licensing and trading IP rights, from 2013 until 2015. We believe Mr. Phelps is well-qualified to serve as a member of our board of directors due to his senior roles managing the IP functions of IBM and Microsoft, and his current role at ipCreate.

Robert A. Gordon, became a director of the Company in 2011. Mr. Gordon started his Arizona-based business telecom systems design, manufacturing and distribution consulting business, R. Gordon & Associates, Inc., in 1991. In 1997, Mr. Gordon founded and became president of Mobicel Systems, Inc., a corporation that designs and markets in-building wireless communications systems. Mr. Gordon has served as president of ATEL, S.A. of Guatemala, a provider of rural and mobile telephony services, since 2000. Mr. Gordon is also a director of Cortelco Systems Puerto Rico, an installation and services provider of business telecom, data, and network security solutions throughout Puerto Rico. Mr. Gordon earned a B.S. in Engineering Technology from the University of Central Florida in 1983. We believe Mr. Gordon is well-qualified to serve as a member of our board of directors due to his prior roles as president for Mobicel and ATEL, and as a director of eOn Communications Corporation, predecessor of the Company.

Board Qualifications

We believe that the collective skills, experiences and qualifications of our directors provide our board of directors with the expertise and experience necessary to advance the interests of our stockholders. While the Corporate governance and Nominations Committee of our board of directors does not have any specific, minimum qualifications that must be met by each of our directors, it uses a variety of criteria to evaluate the qualifications and skills necessary for each member of the board of directors. In addition to the individual attributes of each of our current directors described herein, we believe that our directors should have the highest professional and personal ethics and values, consistent with our longstanding values and standards. They should have broad experience at the policy-making level in business, commitment to enhancing stockholder value and have sufficient time to carry out their duties and to provide insight and practical wisdom based on their past experience.

Classes of Directors

The Board of Directors is divided into three classes designated Class I, Class II, and Class III. A single class of directors is elected each year at the annual meeting. Robert A. Gordon is a Class I director with a term expiring in 2018; W. Frank King and Marshall Phelps, Jr. are Class II directors with terms expiring in 2016; and Joseph W. Beyers and Francis P. Barton are Class III directors with terms expiring in 2017.

Director Independence

The board of directors has determined that Francis P. Barton, Robert A. Gordon, Marshall Phelps, Jr. and W. Frank King are "independent directors" as defined in Rule 5605 of the Listing Rules of The Nasdaq Capital Market. Independent directors are free of any relationship that, in the opinion of the Board, may interfere with such member's individual exercise of independent judgment in evaluating transactions contemplated by the Company.

Committees of the Board of Directors

The board of directors met on nine occasions during the fiscal year ended December 31, 2015. Each of the members of the board of directors attended at least 75% of the meetings held by the board during the fiscal year ended December 31, 2015.

There are three committees of the board of directors, the audit committee, the compensation committee and the nominating and corporate governance committee. Each committee has a charter which will be reviewed on an annual basis by the members of such committee. A current copy of each committee charter is available to the stockholders on the Company's website at http://ir.inventergy.com/governance-docs.

Audit Committee

We have a separately-designated standing Audit Committee established in accordance with Section 3(a)(58)(A) of the Exchange Act and Nasdaq Listing Rules. The audit committee will be at all times composed of exclusively independent directors who are "financially literate," meaning they are able to read and understand fundamental financial statements, including the Company's balance sheet, income statement and cash flow statement. In addition, the committee will have at least one member who qualifies as an "audit committee financial expert" as defined in rules and regulations of the SEC.

The principal duties and responsibilities of the Company's audit committee are to appoint the Company's independent auditors, oversee the quality and integrity of the Company's financial reporting and the audit of the Company's financial statements by its independent auditors and in fulfilling its obligations, the Company's audit committee will review with the Company's management and independent auditors the scope and result of the annual audit, the auditors' independence and the Company's accounting policies.

The audit committee is required to report regularly to the Company's board of directors to discuss any issues that arise with respect to the quality or integrity of the Company's financial statements, its compliance with legal or regulatory requirements, the performance and independence of the Company's independent auditors, or the performance of the internal audit function.

The members of the audit committee are Francis P. Barton (Chairman), W. Frank King and Robert A. Gordon. Our Board has determined that Mr. Barton qualifies as an audit committee financial expert as defined by SEC rules, based on his education, experience and background. Please see Mr. Barton's biographical information above for a description of his relevant experience.

The Audit Committee met on seven occasions during the fiscal year ended December 31, 2015. Each of the members of the Audit Committee attended at least 75% of the meetings held by the Audit Committee during the fiscal year ended December 31, 2015.

Compensation Committee

The members of the compensation committee are W. Frank King (Chairman), Francis P. Barton and Robert A. Gordon. Among other functions, the compensation committee will oversee the compensation of the Company's chief executive officer and other executive officers and senior management, including plans and programs relating to cash compensation, incentive compensation, equity-based awards and other benefits and perquisites and administers any such plans or programs as required by the terms thereof. The compensation committee has the authority to directly engage, at our expense, any compensation consultants or other advisers as it deems necessary to carry out its responsibilities in determining the amount and form of employee, executive and director compensation.

The Compensation Committee met on two occasions during the fiscal year ended December 31, 2015. Each of the members of the Compensation Committee attended the meetings.

Compensation Committee Interlocks and Insider Participation

The members of the compensation committee are Messrs. King, Phelps and Barton, none of whom have been an officer or employee of the Company. None of such individuals has had any relationships with the Company of the type that is required to be disclosed under Item 404 of Regulation S-K. None of the executive officers of the Company has served as a member of the board of directors, or as a member of the compensation or similar committee, of any entity that has one or more executive officers who serve on the Company's board of directors.

Nominating and Corporate Governance Committee

The members of the nominating and corporate governance committee are W. Frank King (Chairman), Francis P. Barton and Marshall Phelps, Jr. The principal duties and responsibilities of the Company's nominating and corporate governance committee are to identify qualified individuals to become Board members, recommend to the Board of directors individuals to be designated as nominees for election as directors at the annual meetings of stockholders, and develop and recommend to the Board the Company's corporate governance guidelines.

The Board believes that all of its directors should have the highest personal integrity and have a record of exceptional ability and judgment. The Board also believes that its directors should ideally reflect a mix of experience and other qualifications. There is no firm requirement of minimum qualifications or skills that candidates must possess. The corporate governance and nominations committee evaluates director candidates based on a number of qualifications, including their independence, judgment, leadership ability, expertise in the industry, experience developing and analyzing business strategies, financial literacy, risk management skills, and, for incumbent directors, his or her past performance. While neither the Board nor the corporate governance and nominations committee has adopted a formal policy with regard to the consideration of diversity when evaluating candidates for election to the Board, it is our goal to have a balanced Board, with members whose skills, background and experience are complimentary and, together, cover the variety of areas that impact our business.

The nominating and corporate governance committee will consider director nominees recommended by security holders that are properly received in accordance with applicable rules and regulations of the SEC and the Company's bylaws, as amended. To recommend a nominee please write to the nominating and corporate governance committee c/o W. Frank King, Inventergy Global, Inc., 900 E. Hamilton Avenue #180 Campbell CA 95008. The nominating and corporate governance committee has not established nomination criteria by which Board candidates recommended by security holders are to be evaluated. Due to the size of our Company and the Board, the nominating and corporate governance committee does not believe that such a policy is necessary.

The nominating and corporate governance committee did not meet during the fiscal year ended December 31, 2015.

The nominees up for election at the Annual Meeting were recommended to the Board by the nominating and corporate governance committee.

Compliance With Section 16 (a) of the Exchange Act

Section 16(a) of the Exchange Act requires our executive officers and directors, and persons who beneficially own more than ten percent of our common stock, to file initial reports of ownership and reports of changes in ownership with the Securities and Exchange Commission. Executive officers, directors and greater than ten percent beneficial owners are required by Securities and Exchange Commission regulations to furnish us with copies of all Section 16(a) forms they file. Based upon a review of the copies of such forms furnished to us and written representations from our executive officers and directors, we believe that during the year ended December 31, 2015, all forms were filed on a timely basis with the exception of one late Form 4 filing for each of Messrs. Huang, King, Barton and Gordon.

Code of Business Conduct and Ethics

The Company adopted its amended and restated code of ethics on June 6, 2014. The code of ethics can be found on our website at www.inventergy.com. Any amendment to and waivers from the code of ethics with respect to the Company's Chief Executive Officer or Chief Financial Officer will be posted on the Company's website.

ITEM 11. EXECUTIVE COMPENSATION

Compensation of Executive Officers

The following table sets forth the compensation of our named executive officers from January 1, 2014 through December 31, 2015. This information includes the dollar value of base salaries, bonus awards and number of stock options granted, and certain other compensation, if any. The value attributable to any stock awards and option awards reflects the grant date fair values of stock or option awards calculated in accordance with FASB Accounting Standards Codification Topic 718.

Summary Compensation Table

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)	Option Awards ($)	Non Equity Incentive Plan Compensation ($)	Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
Joseph W. Beyers Chairman & Chief Executive Officer	2015	315,000	-	-	73,828	-	-	-	388,828
	2014	315,000	-	-	-	-	-	-	315,000
Wayne P. Sobon Senior VP and General Counsel	2015	262,500	-	-	64,599	-	-	-	327,099
	2014	262,500	18,750	-	-	-	-	-	281,250
Jon Rortveit	2015	243,750	25,000	-	55,371	-	-	-	324,121

Senior VP, IP Acquisitions and Licensing	2014	243,750	18,150	-	-	-	-	-	261,900
Stephen B. Huang, Chief Financial Officer (1)	2015	66,667			43,933	-	-	50,000	160,600
	2014	113,077	-	-	881,157	-	-	14,000	1,008,234

(1) Mr. Huang was Chief Financial Officer of the Company from June 9, 2014 to April 20, 2015. Huang received $50,000 as part of a Separation Agreement dated April 20, 2015. Option award amounts for 2015 reflect options granted to him in 2015 and vested upon separation from the Company.

Employment Agreements

Joseph W. Beyers

Pursuant to letter agreements effective on or about May 10, 2013, Inventergy entered into an agreement for the employment of Joseph W. Beyers with the title of Chairman and Chief Executive Officer of Inventergy as an "at will" employee. Pursuant to the letter agreement, Mr. Beyers received an initial signing bonus of $99,250 payable upon consummation of the sale of the Series A Preferred Stock in May 2013. In addition he was entitled to a starting salary of $315,000 per annum, payable monthly, which salary will increase to $420,000 per annum, payable monthly, upon completion of the Next Round of Financing (defined as the sale of equity or debt securities occurring 90 days or more after the effective date and from which Inventergy receives gross proceeds of not less than $10 million) provided Inventergy's board of directors determines that such an increase complies with all limitations imposed on Inventergy pursuant to the terms and conditions of the Series A Preferred Stock (the "Approved Milestone").

In addition, Mr. Beyers is also entitled to a lump-sum cash bonus upon the earlier to occur of the Approved Milestone or a Change in Control (as defined) (the "Trigger Date") equal to one-third of his then effective monthly base rate multiplied by the number of months or fraction (not to exceed 12 months) of full time employment since the effective date of the agreement ("Lump Sum Cash Bonus"). For purposes of the agreement, Change in Control means (a) consummation of a merger or consolidation of Inventergy with or into another entity or (b) dissolution, liquidation or winding up of Inventergy; provided, however, a merger or consolidation will not constitute a change in control if immediately thereafter a majority of the voting power of the capital stock of the continuing or surviving entity will be owned by Inventergy's stockholders immediately prior thereof in substantially the same proportions as their ownership of the voting power of Inventergy's capital stock immediately prior to the merger or consolidation. In the event Inventergy terminates Mr. Beyer's employment without "cause" or the executive terminates the agreement for "good reason" as such terms are defined in the agreement, Inventergy will be required (a) to pay monthly base salary for three months if the termination occurs prior to June 1, 2014 and six months if the termination occurs on or following June 1, 2014 and (b) if the termination occurs prior to the Trigger Date, to pay the incentive bonus to the extent the board of directors determines the payment complies with all limitations imposed on Inventergy pursuant to the terms of the Series A Preferred Stock. To date, the board of directors has not considered any such potential salary increase or Lump Sum Cash Bonus payment.

Mr. Beyers is also entitled to participate in company-sponsored benefits. The letter agreement also requires the employee to execute Inventergy's standard Proprietary Information and Inventions Agreement.

Jon Rortveit

Mr. Rortveit's letter agreement, dated May 9, 2013, provides terms similar to those of Mr. Beyer's agreement except that he serves as Inventergy's Senior Vice President, IP Acquisitions and Licensing, at an initial starting salary of $243,750 per annum, payable monthly, increasing to $325,000 upon the Approved Milestone along with his own Lump-Sum Cash Bonus. Mr. Rortveit received an initial signing bonus of $54,375 in 2013 with an additional signing bonus of $18,150 in 2014. To date, the board of directors has not considered any such potential salary increase or Lump Sum Cash Bonus payment.

Wayne P. Sobon

Mr. Sobon's letter agreement, dated May 9, 2013, provides for terms similar to those of Mr. Beyers's agreement except that he serves as Inventergy's Senior Vice President and General Counsel at an initial starting salary of $262,500 per annum, payable monthly, increasing to $350,000 upon the Approved Milestone, along with his own Lump-Sum Cash Bonus. Mr. Sobon received an initial signing bonus of $56,250 in 2013 with an additional signing bonus of $18,750 in 2014. As of December 31, 2015, the board of directors had not considered any such potential salary increase or Lump Sum Cash Bonus payment. Mr. Sobon resigned from his position effective January 31, 2016, at which time Mr. Sobon entered into a separation agreement and related consulting agreement with the Company. The separation agreement provides for rescission forgiveness of 29,692 RSAs and the consulting agreement provides for payment of $21,875 per month for three months of consulting services provided through April 2016. The Company may delay payments under the consulting agreement until certain Company milestones are achieved.

Outstanding Equity Awards

The following table sets forth information concerning the outstanding equity awards of each of the named executive officers as of December 31, 2015:

	Option Awards					Stock Awards			
Name and Principal Position	Number of securities underlying unexercised options exercisable	Number of securities underlying unexercised options unexercisable	Equity incentive plan awards: Number of securities underlying unexercised unearned options	Option exercise price ($)	Option expiration date	Number of shares or units of stock that have not vested	Market value of shares of units of stock that have not vested ($)	Equity incentive plan awards: Number of unearned shares, units or other rights that have not vested	Equity incentive plan awards: Market or payout value of unearned shares, units or other rights that have not vested ($)
Joseph W. Beyers Chairman & Chief Executive Officer	-	40,000	-	3.10	Oct 2025	141,214		-	-
Wayne P. Sobon Senior Vice President and General Counsel	-	35,000	-	3.10	Oct 2025	42,364		-	-
Jon Rortveit Senior Vice President, IP Acquisitions and Licensing	-	30,000	-	3.10	Oct 2025	39,540		-	-

Compensation of Directors

As of December 31, 2015, our directors were compensated as follows (the value attributable to any Stock Awards and Option Awards reflects the grant date fair values of stock or option awards calculated in accordance with FASB Accounting Standards Codification Topic 718):

Name	Fees earned or paid in cash ($)	Stock awards	Bonus	Option Awards ($)	All Other Compensation	Total ($)
Francis P. Barton (1)	80,000	-	-	50,112	-	130,112
Robert A. Gordon (2)	35,000	-	-	10,776	-	45,776
William Frank King (3)	45,000	-	-	18,313	-	63,313
Marshall Phelps, Jr. (2)	35,000	-	-	13,643	-	48,643

(1) Mr. Barton earns $35,000 base compensation and $45,000 as Chair of the Audit Committee.
(2) Messrs. Gordon and Phelps, Jr. each earn $35,000 base compensation.
(3) Mr. King earns $35,000 base compensation and $10,000 as Chair of both the Compensation Committee and the Nominating and Corporate Governance Committee.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth the total number of shares beneficially owned, as of March 30, 2016, by:

- each person known by us at that date to be the beneficial owner of more than 5% of the outstanding shares of our common stock based solely on such person's filings with the Securities and Exchange Commission;
- each of our officers and directors as of such date; and
- each of our officers and directors as of such date, as a group.

As used in the table below, the term beneficial ownership with respect to the common stock consists of sole or shared voting power (which includes the power to vote, or to direct the voting of shares of the common stock) or sole or shared investment power (which include the power to dispose, or direct the disposition of, the shares of common stock). Beneficial ownership is determined according to the rules of the SEC, which generally provide that a person has beneficial ownership of a security if the security holder possesses sole or shared voting or investment power over that security, including options and warrants that are currently exercisable or exercisable within 60 days. Unless otherwise indicated, we believe that all persons named in the table below have sole voting and investment power with respect to all shares of common stock beneficially owned by them.

As of March 30, 2016, there were 4,212,220 shares of common stock and 2,500 shares of preferred stock outstanding.

Beneficial Ownership: Entity/Person	**Common Stock**	**% of Common Stock**	**Series C Preferred Stock**	**% of Series C Preferred Stock**
Alpha Capital Anstalt (1)	221,229	4.99%	700	28.00%
Anson Investments Master Fund LP (2)	221,229	4.99%	700	28.00%
Brio Capital Master Fund LP (3)	221,229	4.99%	400	16.00%
DiamondRock G3, LLC (4)	221,229	4.99%	400	16.00%
Intracoastal Capital, LLC (5)	221,229	4.99%	300	12.00%
Alfred Charles Murabito	521,303	12.38%	—	—
Robert A. Gordon (6)(7)	7,702	*	—	—
W. Frank King (6)(8)	12,360	*	—	—
Joseph W. Beyers (6)(9)	733,343	17.41%	—	—
Jon Rortveit (6) (10)	228,196	5.42%	—	—
Francis P. Barton (6) (11)	37,193	*	—	—
Marshall Phelps, Jr. (6) (12)	30,934	*	—	—
John Niedermaier (6)	—	—	—	—
All Officers and Directors as a group (7 persons)	1,049,728	24.92%	—	—

*less than 1%

(1) Assumes the exercise and/or conversion of the (i) Series C Preferred Stock, which are convertible into an aggregate of 466,667 shares of common stock, (ii) warrants to purchase 409,167 shares of common stock, and (iii) 5,638 shares of common stock. The ownership of common stock includes the shares to be acquired upon conversion and/or exercise of the preferred stock and warrants held by the stockholder, subject to a 4.99% beneficial ownership limitation. Mr. Konrad Ackermann is the Director of the investor. The address of Mr. Ackermann and the investor is Pradafant 7, Vaduz LI-9490 Liechtenstein.

(2) Assumes the exercise and/or conversion of the (i) Series C Preferred Stock, which are convertible into an aggregate of 466,667 shares of common stock, and (ii) warrants to purchase 396,667 shares of common stock. The ownership of common stock reflects solely the shares to be acquired upon conversion and/or exercise of the preferred stock and warrants held by the stockholder, subject to a 4.99% beneficial ownership limitation. Mr. Amin Nathoo is the Director of the investor. The address of Mr. Nathoo and the investor is 5950 Berkshire Lane, Suite 210, Dallas, TX 75225.

(3) Assumes the exercise and/or conversion of the (i) Series C Preferred Stock, which are convertible into an aggregate of 266,667 shares of common stock, and (ii) warrants to purchase 226,667 shares of common stock. The ownership of common stock reflects solely the shares to be acquired upon conversion and/or exercise of the preferred stock and warrants held by the stockholder, subject to a 4.99% beneficial ownership limitation. Mr. Shaye Hirsch is the Director of the investor. The address of Mr. Hirsch and the investor is 100 Merrick Road, Suite 401W, Rockville Centre, NY 11570.

(4) Assumes the exercise and/or conversion of the (i) Series C Preferred Stock, which are convertible into an aggregate of 266,667 shares of common stock, and (ii) warrants to purchase 226,667 shares of common stock. The ownership of common stock reflects solely the shares to be acquired upon conversion and/or exercise of the preferred stock and warrants held by the stockholder, subject to a 4.99% beneficial ownership limitation. Mr. Neil Rock is the Director of the investor. The address of Mr. Rock and the investor is 2071 Via Ladeta, La Jolla, CA 92037.

(5) Assumes the exercise and/or conversion of the (i) Series C Preferred Stock, which are convertible into an aggregate of 200,000 shares of common stock, and (ii) warrants to purchase 170,000 shares of common stock. The ownership of common stock reflects solely the shares to be acquired upon conversion and/or exercise of the preferred stock and warrants held by the stockholder, subject to a 4.99% beneficial ownership limitation. Mr. Keith Goodman is the Director of the investor. The address of Mr. Goodman and the investor is 245 Palm Trail, Delray Beach, FL 33483.

(6) The principal address of these stockholders are: c/o Inventergy Global, Inc., 900 E. Hamilton Avenue #180 Campbell CA 95008.

(7) Consists of 1,272 shares of common stock issued for services and held directly and 6,430 shares of common stock issuable pursuant to options.

(8) Consists of 100 shares of common stock held directly and 12,260 shares of common stock issuable pursuant to options.

(9) Of such shares (a) an aggregate of 580,231 shares of common stock are owned directly by Mr. Beyers (141,214 of which are subject to repurchase by Inventergy at par value prior to vesting in accordance with specified milestones and are subject to Inventergy's right of first refusal pursuant to the terms of an Amended and Restated Stock Restriction Agreement dated May 9, 2013 (the "Stock Restriction Agreement")); (b) 70,695 shares of common stock are owned by Mr. Beyers indirectly through the Monte Securities Trust, a revocable trust; and (c) an aggregate of 42,417 shares of common stock are owned indirectly through Montalvo Investments, LLC, an entity controlled by Mr. Beyers but as to which he disclaims beneficial ownership as to 32,110 shares of common stock (2,534 of which shares of common stock are subject to repurchase by Inventergy at par value and subject to Inventergy's right of first refusal pursuant to the Stock Restriction Agreement).

(10) Such shares of common stock were originally issued by Inventergy pursuant to non-plan stock grants dated February 5, 2013, subject to forfeiture to Inventergy upon the termination of the grantee's service before the shares have vested. With respect to 50% of such shares, 20% thereof vested immediately upon grant and a portion of the remaining shares vest annually over a three year period. With respect to the remaining 50% of the shares, the forfeiture condition lapses and the shares vest upon achieving specified milestones, including repayment of the Senior Secured Notes, certain licensing stages are completed and upon acquisitions of additional patent portfolios. 19.975% of these shares currently remain subject to forfeiture. All such shares are held in escrow by Inventergy and subject to a right of first refusal in the event of a proposed sale or transfer. This amount also includes 30,000 shares of common stock issuable pursuant to options.

(11) Consists of 37,193 shares of common stock issuable pursuant to options.

(12) Consists of 21,209 shares of restricted common stock originally issued by the Company pursuant to non-plan stock grants dated February 5, 2013, subject to forfeiture to the Company upon the termination of the grantee's service before the shares have vested. With respect to 50% of such shares, 40% thereof vested immediately upon grant and the remaining shares vest annually over a two year period. With respect to the remaining 50% of the shares, the forfeiture condition lapses and the shares vest upon achieving specified milestones, including repayment of certain senior secured notes, certain licensing stages are completed and acquisitions of additional patent portfolios. 5.975% of these shares (1,268 shares) currently remain subject to forfeiture. All such shares subject to forfeiture are held in escrow by the Company and subject to a right of first refusal in the event of a proposed sale or transfer. Also includes 2,225 shares of common stock issued for services and 7,500 shares of common stock issuable pursuant to options.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

On September 23, 2014, the Company entered into a Share Purchase Agreement with Joseph W. Beyers, the Company's Chairman and Chief Executive Officer, pursuant to which the Company agreed to issue to Mr. Beyers up to 23,364 shares of our common stock, at a purchase price of $21.40 per share for aggregate consideration to us of up to $500,000. Pursuant to the terms of such agreement and concurrently with the execution of the agreement, Mr. Beyers made an initial payment of $300,000 to the Company towards the aggregate purchase price. The shares were only to be issued if we did not obtain $6 million or more in debt financing within ten business days of the execution of the agreement. As a result of the Fortress Agreement the Company is required to return the $300,000 in cash previously prepaid by Mr. Beyers and the Company will not issue any securities as a result of the Share Purchase Agreement. On April 20, 2015, the Company's Board of Directors approved the application of $100,000 of this amount towards the purchase of shares of the Company's common stock at price per share equal to the greater of $4.60 per share or a 15% premium to the market price. As a result, on June 26, 2015, the Company sold 21,740 shares of previously unissued common stock at a price of $4.60 per share to the Chief Executive Officer. As of December 31, 2015, repayments of $100,000 have been made to the Chief Executive Officer and the remaining balance of $100,000 has been recorded as a related party loan payable.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The table below sets forth the aggregate fees billed for the fiscal years ended December 31, 2015 and December 31, 2014 for (i) professional services rendered by the principal accountant for the audit of its annual financial and review of financial statements included in Form 10-Q ("Audit Fees"), (ii) assurance and related services by the principal accountant that are reasonably related to the performance of the audit or review of the financial statements and not reportable under Audit Fees (the "Audit Related Fees") (iii) tax compliance, advice, and planning ("Tax Fees"), and (iv) other products or services provided ("Other Fees"):

	Year Ended December 31, 2015	Year Ended December 31, 2014
Audit Fees	$ 144,883	$ 99,780
Audit Related Fees	$ -	$ -
Tax Fees	$ -	$ -
All Other Fees	$ -	$ -
Total	**$ 144,883**	**$ 99,780**

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES.

Exhibit Number	Description
1.1	Placement Agent Letter Agreement, dated March 31, 2015, between Inventergy Global, Inc. and Ladenburg Thalmann & Co. Inc. (incorporated by reference to Exhibit 1.1 to the Current Report on Form 8-K filed by the Company on April 1, 2015).
1.2	Placement Agent Letter Agreement, dated December 21, 2015, between Inventergy Global, Inc. and Chardan Capital Markets, LLC (filed herewith).
3.1	Amended and Restated Certificate of Incorporation of Inventergy Global, Inc. (the "Company") as filed with the Secretary of State of Delaware on June 6, 2014 (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K filed by the Company on June 12, 2014).
3.2	Amended and Restated Bylaws of the Company (incorporated by reference to Exhibit 3.2 to the Current Report on Form 8-K filed by the Company on June 12, 2014).
3.3	Certificate of Amendment to the Amended and Restated Certificate of Incorporation of Inventergy Global, Inc. (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K filed by the Company on December 7, 2014).
3.4	Certificate of Designation of Preferences, Rights and Limitations of Series C Convertible Preferred Stock (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K filed by the Company on January 22, 2016).
4.1	Form of Amended and Restated Senior Secured Convertible Note of eOn Communications Corporation (incorporated by reference to Exhibit 4.3 to the Registration Statement on Form S-4 as amended filed by eOn Communications Corporation on April 10, 2014).

4.2	Form of New Senior Secured Convertible Note of eOn Communications Corporation (incorporated by reference to Exhibit 4.4 to the Registration Statement on Form S-4 as amended filed by eOn Communications Corporation on April 10, 2014).
4.3	Guaranty, dated June 6, 2014, by and among Inventergy, Inc., the Company and each Buyer referenced therein. (incorporated by reference to Exhibit 4.3 to the Current Report on Form 8-K filed by the Company on June 12, 2014).
4.4	Form of Warrant to Purchase Common Stock (incorporated by reference to Exhibit 4.2 to the Current Report on Form 8-K filed by the Company on December 18, 2013).
4.5	Form of Placement Agent Warrant issued to investors in relation to March 2014 private placement (incorporated by reference to Exhibit 4.5 to the Annual Report on Form 10-K for the period ended December 31, 2014).
4.6	Form of Placement Agent Warrant issued to National Securities Corporation in connection with the October 2014 Fortress transaction (incorporated by reference to Exhibit 4.6 to the Annual Report on Form 10-K for the period ended December 31, 2014).
4.7	Form of Common Stock Purchase Warrant (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K filed by the Company on April 1, 2015).
4.8	Form of Warrant (incorporated by reference to Exhibit 4.1 to the Quarterly Report on Form 10-Q for the period ended March 31, 2015).
4.9	Form of Common Stock Purchase Warrant (filed herewith).
10.1	Form of Indemnity Agreement between the Company and certain members of its management (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed by the Company on June 12, 2014).
10.2	Form of Pre-Existing Lock-up Agreement and Form of Letter Agreement addendum (incorporated by reference to Exhibit 10.1 to the Amendment to the Current Report on Form 8-K initially filed by the Company on June 12, 2014 and amended on July 11, 2014).
10.3	Securities Purchase Agreement, dated March 24, 2014, by and among Inventergy, Inc. and the investors listed therein (incorporated by reference to Exhibit 10.4 to the Current Report on Form 8-K filed by the Company on June 12, 2014).
10.4	Patent Rights Assignment Agreement, dated May 15, 2013, by and between Huawei Technologies Co., Ltd. and Inventergy, Inc. (incorporated by reference to Exhibit 10.3 to the Current Report on Form 8-K/A initially filed by the Company on June 12, 2014 and amended on July 11, 2014).*
10.5	Patent Purchase Agreement, dated May 23, 2014, by and between Inventergy, Inc. and Nokia Corporation (incorporated by reference to Exhibit 10.5 to the Current Report on Form 8-K initially filed by the Company on June 12, 2014 and amended on July 11, 2014).*
10.6	Inventergy Global, Inc. 2014 Stock Plan (incorporated by reference to Exhibit 10.11 to the Annual Report on Form 10-K for the year ended December 31, 2014).
10.7	Amendment No. 1 to Inventergy Global, Inc. 2014 Stock Plan (incorporated by reference to Exhibit 10.1 to the Quarterly Report on Form 10-Q for the quarter ended June 30, 2014).
10.8	Form of Stock Option Grant (incorporated by reference to Exhibit 10.2 to the Quarterly Report on Form 10-Q for the quarter ended June 30, 2014).
10.9	Senior Note, dated October 1, 2014, issued jointly by Inventergy Global, Inc. and Inventergy, Inc. to DBD Credit Funding, LLC. (incorporated by reference to Exhibit 10.2 to the Quarterly Report on Form 10-Q for the quarter ended September 30, 2014).
10.10	Patent License Agreement, dated October 1, 2014, by and between Inventergy Global, Inc., Inventergy, Inc. and DBD Credit Funding LLC. (incorporated by reference to Exhibit 10.3 to the Quarterly Report on Form 10-Q for the quarter ended September 30, 2014).
10.11	Patent Security Agreement, dated October 1, 2014, by and between Inventergy Global, Inc., Inventergy, Inc. and DBD Credit Funding LLC (incorporated by reference to Exhibit 10.4 to the Quarterly Report on Form 10-Q for the quarter ended September 30, 2014).
10.12	Security Agreement, dated October 1, 2014, by and between Inventergy Global, Inc., Inventergy, Inc. and DBD Credit Funding LLC (incorporated by reference to Exhibit 10.5 to the Quarterly Report on Form 10-Q for the quarter ended September 30, 2014).
10.13	Subscription Agreement, dated October 1, 2014, by and between Inventergy Global, Inc. and DBD Credit Funding LLC. (incorporated by reference to Exhibit 10.6 to the Quarterly Report on Form 10-Q for the quarter ended September 30, 2014).

10.14	Employment Offer Letter, dated May 9, 2013, by and among Inventergy, Inc. and Joseph W. Beyers (incorporated by reference to Exhibit 10.22 to the Annual Report on Form 10-K for the year ended December 31, 2014).
10.15	Employment Offer Letter, dated May 9, 2013, by and among Inventergy, Inc. and Wayne Sobon (incorporated by reference to Exhibit 10.23 to the Annual Report on Form 10-K for the year ended December 31, 2014).
10.16	Employment Offer Letter, dated May 9, 2013, by and among Inventergy, Inc. and Jon Rortveit (incorporated by reference to Exhibit 10.24 to the Annual Report on Form 10-K for the year ended December 31, 2014).
10.17	Senior Note, dated February 25, 2015, issued jointly by Inventergy Global, Inc. and Inventergy Inc. to DBD Credit Funding LLC (incorporated by reference to Exhibit 10.2 to the Quarterly Report on Form 10-Q for the period ended March 31, 2015).
10.18	Consulting Engagement Agreement, effective April 20, 2015, between Inventergy Inc. and The Brenner Group (incorporated by reference to Exhibit 10.3 to the Quarterly Report on Form 10-Q for the period ended March 31, 2015).
10.19	Inventergy Global Inc. 2014 Stock Plan: Summary Stock Grant (incorporated by reference to Exhibit 10.4 to the Quarterly Report on Form 10-Q for the period ended March 31, 2015).
10.20	Series A-1 and A-2 Exchange Agreement, dated as of October 6, 2015, by and among Inventergy Global, Inc. and the investors listed on the signature page thereto (incorporated by reference to Exhibit 10.1 to the Current Report on form 8-K filed October 7, 2015).
10.21	Series B Exchange Agreement, dated as of October 6, 2015, by and among Inventergy Global, Inc. and the investors listed on the signature page thereto (incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K filed October 7, 2015).
10.22	Securities Purchase Agreement, dated March 31, 2015, between Inventergy Global, Inc. and the purchasers named therein (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed April 1, 2015).
10.23	Amended and Restated Revenue Sharing and Note Purchase Agreement, originally dated as of October 1, 2014 and amended and restated as of February 25, 2015, by and between Inventergy Global, Inc., Inventergy, Inc., DBD Credit Funding, LLC and CF DB EZ LLC (incorporated by reference to Exhibit 10.1 to the Quarterly Report on From 10-Q for the period ended March 31, 2015).*
10.24	First Amendment to Amended and Restated Revenue Sharing and Note Purchase Agreement and Warrant, dated as of October 30, 2015, among Inventergy Global, Inc., Inventergy, Inc., DBD Credit Funding, LLC and the Revenue Participants and Note Purchasers thereto (filed herewith).+
10.25	Second Amendment to Amended and Restated Revenue Sharing and Note Purchase Agreement, dated as of November 30, 2015, among Inventergy Global, Inc., Inventergy, Inc., DBD Credit Funding LLC and the Revenue Participants and Note Purchasers thereto (filed herewith).
10.26	Patent Purchase Agreement, dated October 31, 2013, by and between Panasonic Corporation and Inventergy, Inc. (incorporated by reference to Exhibit 10.4 to the Current Report on Form 8-K initially filed by the Company on June 12, 2014 and amended on July 11, 2014).*
10.27	Amendment to Patent Purchase Agreement, dated December 31, 2015, between Inventergy Inc. and Panasonic Corporation (filed herewith).+
10.28	Securities Purchase Agreement, dated as of January 21, 2016, between Inventergy Global, Inc. and the purchasers listed on the signature page thereto (incorporated by reference to the Current Report on Form 8-K filed by the Company on January 22, 2016).
14	Code of Business Conduct and Ethics (incorporated by reference to Exhibit 14 to the Current Report on Form 8-K filed by the Company on June 12, 2014).
21.1	List of Subsidiaries (incorporated by reference to the Annual Report on Form 10-K for the year ended December 31, 2014).
23.1	Consent of Marcum LLP (filed herewith).
31.1	Section 302 Certification of Principal Executive Officer (filed herewith).
31.2	Section 302 Certification of Principal Financial Officer (filed herewith).
32.1	Section 906 Certification of Principal Executive Officer and Principal Financial Officer (furnished herewith).

101.INS	XBRL Instance Document (filed herewith)
101.SCH	XBRL Taxonomy Schema (filed herewith)
101.CAL	XBRL Taxonomy Calculation Linkbase (filed herewith)
101.DEF	XBRL Taxonomy Definition Linkbase (filed herewith)
101.LAB	XBRL Taxonomy Label Linkbase (filed herewith)
101.PRE	XBRL Taxonomy Presentation Linkbase (filed herewith)

* Confidential treatment has been granted for portions of this exhibit.

+Portions of this exhibit have been redacted and are subject to a confidential treatment request filed with the Secretary of the Securities and Exchange Commission pursuant to Rule 24b-2 under the Securities Exchange Act of 1934, as amended.

SIGNATURES

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

Inventergy Global, Inc.

Date: April 4, 2016

By: */s/Joseph W. Beyers*
Joseph W. Beyers
Chief Executive Officer and Chairman of the Board
(Principal Executive Officer)

Date: April 4, 2016

By: */s/ John G. Niedermaier*
John G. Niedermaier
Chief Financial Officer
(Principal Financial Officer)

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

By: /s/ Joseph. W. Beyers — April 4, 2016
Joseph W. Beyers
Chief Executive Officer and Chairman of the Board

By: /s/ John G. Niedermaier — April 4, 2016
John G. Niedermaier
Chief Financial Officer and Chief Accounting Officer

By: /s/ Francis P. Barton — April 4, 2016
Francis P. Barton
Director

By: /s/ W. Frank King — April 4, 2016
W. Frank King
Director

By: /s/ Marshall Phelps, Jr. — April 4, 2016
Marshall Phelps, Jr.
Director

By: /s/ Robert A. Gordon — April 4, 2016
Robert A. Gordon
Director

Exhibit 1.2

Steven Urbach
President

Chardan Capital Markets, LLC
17 State Street
Suite 1600
New York, NY 10004
Tel: 646 465 9003
Fax: 646 465 9091

December 21, 2015

PERSONAL AND CONFIDENTIAL

Inventergy Global, Inc.
900 East Hamilton Avenue #180
Campbell, CA 95008

Dear Sirs:

This letter will confirm the understanding and agreement (the "Agreement") between Chardan Capital Markets, LLC ("Broker") and Inventergy Global, Inc. (the "Company") as follows:

1. **Engagement**: The Company hereby engages Broker as its agent in the private or public placement(s) of one or more classes or series of registered or unregistered securities of the Company to investors (the "Investors") on terms acceptable to the Company. Such securities (the "Securities") may take the form of common stock or other equity-linked securities or any combination thereof. Such placements shall be referred to as the "Transactions". Broker may retain other brokers or dealers to act as sub-agents or selected-dealers on its behalf in connection with such Transactions, at Broker's sole expense.

2. **Broker's Role**: Broker hereby accepts the engagement described herein and, in that connection, agrees to:

   (a) Review any offering documents used in connection with each Transaction (the "Offering Documents") describing the Company and the Securities;

   (b) review with the Company the Investors to whom the Offering Documents will be provided;

(c) assist in the preparation of other communications to be used in placing the Securities, whether in the form of letter, circular, notice or otherwise; and

(d) assist and advise the Company with respect to the negotiation of the sale of the Securities to the Investors.

3. **Term**: This engagement will commence on the date hereof and terminate five business days following the date on which the party receives written notice from the other party of termination of this engagement; provided that no such notice may be given by the Company for a period of 6 months after the date hereof unless a Transaction has not closed by January 15, 2016 in which case notice can be provided by the Company at the close of business on January 15, 2016. During Broker's engagement hereunder: (i) the Company will not, and will not permit its representatives to, other than in coordination with Broker, contact or solicit institutions, corporations or other entities or individuals as potential purchasers of the Securities and (ii) the Company will not pursue any financing transaction of the Securities which would be in lieu of a Transaction. Furthermore, the Company agrees that during Broker's engagement hereunder, all inquiries, whether direct or indirect, from prospective Investors for a Transaction will be referred to Broker and will be deemed to have been contacted by Broker in connection with a Transaction. For avoidance of doubt, transactions that involve i) refinance of debt (other than debt that arises from a Transaction) or ii) financing for contingent patent monetization expenses (such as litigation fees) or iii) investments in joint newly formed patent monetization entities or iv) a merger or acquisition of the Company do not constitute a Transaction under this Agreement. Upon termination of this Agreement the Company shall pay to Broker all fees earned and reimburse Broker for all expenses incurred, in accordance with Paragraphs 7 and 8 hereof, respectively. The Company agrees to pay Broker any fees specified in Paragraph 7 during the time limitations specified herein. The Company agrees that this section 3 and the provisions relating to the payment of fees, reimbursement of expenses, indemnification and contribution, confidentiality, conflicts, independent contractor and waiver of the right to trial by jury will survive any termination of this letter agreement.

4. **Best Efforts**: It is understood that Broker's involvement in a Transaction is strictly on a reasonable best efforts basis and that the consummation of a Transaction will be subject to, among other things, market conditions. It is understood that Broker's assistance in a Transaction will be subject to the satisfactory completion of such investigation and inquiry into the affairs of the Company as Broker deems appropriate under the circumstances (such investigation hereinafter to be referred to as "Due Diligence") and to the receipt of all internal approvals of Broker in connection with the transaction. Broker shall have the right in its sole discretion to terminate this Agreement if the outcome of the Due Diligence is not satisfactory to Broker or if approval of its internal committees is not obtained.

5. **Information**: The Company shall furnish, or cause to be furnished, to Broker all information requested by Broker for the purpose of rendering services hereunder (all such information being the "Information"). In addition, the Company agrees to make available to Broker upon request from time to time the officers, directors, accountants, counsel and other advisors of the Company. The Company recognizes and confirms that Broker (a) will use and rely on the Information, including the Offering Documents, and on information available from generally recognized public sources in performing the services contemplated by this Agreement without having independently verified the same; (b) does not assume responsibility for the accuracy or completeness of the Offering Documents or the Information and such other information; and (c) will not make an appraisal of any of the assets or liabilities of the Company. Upon reasonable request, the Company will meet with Broker or its representatives to discuss all information relevant for disclosure in the Offering Documents and will cooperate in any investigation undertaken by Broker thereof, including any document included or incorporated by reference therein. **Broker shall be a third party beneficiary of any representations, warranties and covenants made by the Company to any Investor in a Transaction.**

6. **Related Agreement**:

   (a) If required by Broker, the Company shall enter into a Placement Agency Agreement with Broker that is substantially consistent with Broker's standard form, modified as appropriate to reflect the terms of the applicable Transaction and containing such terms, covenants, conditions, representations, warranties, and providing for the delivery of legal opinions, comfort letters and officer's certificates, all in form and substance satisfactory to Broker and its counsel.

   (b) Unless the Transaction is an underwritten offering by Broker, in which case the Company shall enter into an underwriting agreement with Broker that is customary for such offerings, if required by the Investors, the sale of Securities to any Investor will be evidenced by a purchase agreement ("Purchase Agreement") between the Company and such Investor in a form reasonably satisfactory to the Company and Broker. Prior to the signing of any Purchase Agreement, officers of the Company with responsibility for financial affairs will be available to answer inquiries from prospective investors.

   (c) Notwithstanding anything herein to the contrary, in the event that Broker determines that any of the terms provided for hereunder shall not comply with a FINRA rule, including but not limited to FINRA Rule 5110, then the Company shall agree to amend this Agreement (or include such revisions in the final underwriting or placement agency agreement) in writing upon the request of Broker to comply with any such rules; provided that any such amendments shall not provide for terms that are less favorable to the Company.

7. **Fees**: As compensation for the services to be rendered by Broker hereunder, the Company will pay Broker the following fee ("Transaction Fee"):

   (a) A cash fee payable immediately upon the closing of each Transaction and equal to 10.0% of the aggregate gross proceeds raised in such Transaction. All cash Transaction Fees shall be paid at the closing of a Transaction. Additionally, a cash fee payable within 48 hours of (but only in the event of) the receipt by the Company of any proceeds from the exercise of the warrants or options sold in the Transaction that are solicited by Broker (the "Warrant Solicitation Fee"). Such determination of the actual Warrant Solicitation Fee shall be made promptly following completion of such Transaction and communicated in writing to the Company. All cash Transaction Fees shall be paid at the closing of a Transaction through a third party escrow agent from the gross proceeds of the Securities sold.

   (b) The Company also agrees to pay Broker $5,000.00 immediately upon the execution of this Agreement.

   (c) Broker shall be entitled to a Transaction Fee under clause (a) hereunder, calculated in the manner set forth therein, with respect to any public or private offering or other financing or capital-raising transaction of any kind ("Tail Financing") to the extent that such financing or capital is provided to the Company by investors whom Broker had introduced, directly or indirectly, to the Company during the term of this Agreement, if such Tail Financing is consummated at any time within the 12-month period following the date of this Agreement. Notwithstanding the above, no Transaction Fees shall be due to the Broker under this clause (c) if a Transaction has not closed by January 15, 2016.

8. **Indemnification**:

   (a) To the extent permitted by law, the Company will indemnify Broker and its affiliates, stockholders, directors, officers, employees and controlling persons (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) against all losses, claims, damages, expenses and liabilities, as the same are incurred (including the reasonable fees and expenses of counsel), relating to or arising out of its activities hereunder or pursuant to this engagement letter, except to the extent that any losses, claims, damages, expenses or liabilities (or actions in respect thereof) are found in a final judgment (not subject to appeal) by a court of law to have resulted primarily and directly from Broker's willful misconduct, violation of law or gross negligence in performing the services described herein.

(b) Promptly after receipt by Broker of notice of any claim or the commencement of any action or proceeding with respect to which Broker is entitled to indemnity hereunder, Broker will notify the Company in writing of such claim or of the commencement of such action or proceeding, and the Company will assume the defense of such action or proceeding and will employ counsel reasonably satisfactory to Broker and will pay the fees and expenses of such counsel. Notwithstanding the preceding sentence, Broker will be entitled to employ counsel separate from counsel for the Company and from any other party in such action if counsel for Broker reasonably determines that it would be inappropriate under the applicable rules of professional responsibility for the same counsel to represent both the Company and Broker. In such event, the reasonable fees and disbursements of no more than one such separate counsel will be paid by the Company, in addition to local counsel. The Company will have the exclusive right to settle the claim or proceeding provided that the Company will not settle any such claim, action or proceeding without the prior written consent of Broker, which will not be unreasonably withheld, unless such settlement provides for the absolute and unconditional release of Broker from the subject matter of such claim or action.

(c) The Company agrees to notify Broker promptly of the assertion against it or any other person of any claim or the commencement of any action or proceeding relating to a transaction contemplated by this engagement letter.

(d) If for any reason the foregoing indemnity is unavailable to Broker or insufficient to hold Broker harmless, then the Company shall contribute to the amount paid or payable by Broker as a result of such losses, claims, damages or liabilities in such proportion as is appropriate to reflect not only the relative benefits received by the Company on the one hand and Broker on the other, but also the relative fault of the Company on the one hand and Broker on the other that resulted in such losses, claims, damages or liabilities, as well as any relevant equitable considerations. The amounts paid or payable by a party in respect of losses, claims, damages and liabilities referred to above shall be deemed to include any legal or other fees and expenses incurred in defending any litigation, proceeding or other action or claim. Notwithstanding the provisions hereof, Broker's share of the liability hereunder shall not be in excess of the amount of fees actually received, or to be received, by Broker under this engagement letter (excluding any amounts received as reimbursement of expenses incurred by Broker).

(e) These indemnification provisions shall remain in full force and effect whether or not the transaction contemplated by this engagement letter is completed and shall survive the termination of this engagement letter, and shall be in addition to any liability that the Company might otherwise have to any indemnified party under this engagement letter or otherwise.

9. **Governing Laws**: This letter agreement will be governed by and construed in accordance with the laws of the State of New York applicable to agreements made and to be fully performed therein. The Company irrevocably submits to the jurisdiction of any court of the State of New York located in the City and County of New York or in the United States District Court for the Southern District of New York for the purpose of any suit, action or other proceeding arising out of this letter agreement or our engagement hereunder.

Each of the Company and Broker hereby waives any right it may have to a trial by jury in respect of any claim brought by or on behalf of either party based upon, arising out of or in connection with this letter agreement, our engagement hereunder or the transaction contemplated hereby.

All fees and expenses payable hereunder will be payable in U.S. dollars in cash. The Company hereby irrevocably consents to the service of process in any proceeding by the mailing of copies of such process to the Company at its address set forth above.

10. **Confidentiality**: Except as required by law, this Agreement and the services and advice to be provided by Broker hereunder, shall not be disclosed to third parties without Broker's prior written permission. Notwithstanding, Broker shall be permitted to advertise the services it provided in connection with each Transaction subsequent to the consummation of such Transaction. Such expense shall not be reimbursable under paragraph 7 hereof.

11. **No Brokers**: The Company represents and warrants to Broker that there are no brokers, representatives or other persons which have an interest in compensation due to Broker from any transaction contemplated herein or which would otherwise be due any fee, commission or remuneration upon consummation of any Transaction.

12. **Authorization**: The Company and Broker represent and warrant that each has all requisite power and authority to enter into and carry out the terms and provisions of this Agreement and the execution, delivery and performance of this Agreement does not breach or conflict with any agreement, document or instrument to which it is a party or bound.

13. **Independent Contractor**: The Company acknowledges that in performing its services, Broker is acting as an independent contractor, and not as a fiduciary, agent or otherwise, of the Company or any other person. The Company acknowledges that in performing its services hereunder, Broker shall act solely pursuant to a contractual relationship on an arm's length basis (including in connection with determining the terms of any Transaction). Any review by Broker of the Company, the transaction contemplated hereby or other matters relating to such transactions has been and shall be performed solely for the benefit of Broker and shall not be on behalf of the Company. The Company agrees that is shall not claim that Broker owes a fiduciary duty to the Company in connection with such transaction or the process leading thereto. No one other than the Company is authorized to rely upon engagement of Broker hereunder or any statements, advice, opinions or conduct by Broker. The Company further acknowledges that Broker may perform certain of the services described herein through one or more of its affiliates and any such affiliates shall be entitled to the benefit of this Agreement. This Paragraph 13 shall survive the termination or expiration of this Agreement.

14. **Conflicts**: The Company acknowledges that Broker and its affiliates may have and may continue to have investment banking and other relationships with parties other than the Company pursuant to which Broker may acquire information of interest to the Company. Broker shall have no obligation to disclose such information to the Company or to use such information in connection with any contemplated transaction.

15. **Anti-Money Laundering**: To help the United States government fight the funding of terrorism and money laundering, the federal laws of the United States requires all financial institutions to obtain, verify and record information that identifies each person with whom they do business. This means we must ask you for certain identifying information, including a government-issued identification number (e.g., a U.S. taxpayer identification number) and such other information or documents that we consider appropriate to verify your identity, such as certified articles of incorporation, a government-issued business license, a partnership agreement or a trust instrument.

16. **Miscellaneous**: This Agreement constitutes the entire understanding and agreement between the Company and Broker with respect to the subject matter hereof and supersedes all prior understanding or agreements between the parties with respect thereto, whether oral or written, express or implied. Any amendments or modifications must be executed in writing by both parties. It is understood and agreed that Broker's services hereunder will not include providing any tax, accounting, legal or regulatory advice or developing any tax strategies for the Company. This Agreement and all rights, liabilities and obligations hereunder shall be binding upon and inure to the benefit of each party's successors but may not be assigned without prior written approval of the other party. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but such counterparts shall, together, constitute only one instrument. The descriptive headings of the Paragraphs of this Agreement are inserted for convenience only, do not constitute a part of this Agreement and shall not affect in anyway the meaning or interpretation of this Agreement.

****

If all the foregoing is acceptable to you, please so indicate by signing in the space provided below and returning a signed copy of this letter to us for our records.

Broker is delighted to accept this engagement and looks forward to working with you. Please confirm that the foregoing correctly set forth our agreement by signing the enclosed duplicate of this letter in the space provided and returning it, whereupon this letter shall constitute a binding agreement as of the date first above written.

Very truly yours,

CHARDAN CAPITAL MARKETS, LLC

By: /s/ Steven Urbach
Name: Steven Urbach
Title: President

ACCEPTED AND AGREED TO
AS OF THE ABOVE DATE:

INVENTERGY GLOBAL, INC.

BY: /s/ Joseph Beyers
Name: Joseph W. Beyers
Title: Chief Executive Officer

Exhibit 4.9

NEITHER THIS SECURITY NOR THE SECURITIES FOR WHICH THIS SECURITY IS EXERCISABLE HAVE BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS. THIS SECURITY AND THE SECURITIES ISSUABLE UPON EXERCISE OF THIS SECURITY MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN SECURED BY SUCH SECURITIES.

COMMON STOCK PURCHASE WARRANT

INVENTERGY GLOBAL, INC.

Warrant Shares: _____ Initial Exercise Date: July 27, 2016

THIS COMMON STOCK PURCHASE WARRANT (the "Warrant") certifies that, for value received, _____ or its assigns (the "Holder") is entitled, upon the terms and subject to the limitations on exercise and the conditions hereinafter set forth, at any time on or after July 27, 2016 (the "Initial Exercise Date") and on or prior to the close of business on the five-year anniversary of the Initial Exercise Date (the "Termination Date") but not thereafter, to subscribe for and purchase from Inventergy Global, Inc., a Delaware corporation (the "Company"), up to _____ shares (as subject to adjustment hereunder, the "Warrant Shares") of Common Stock. The purchase price of one share of Common Stock under this Warrant shall be equal to the Exercise Price, as defined in Section 2(b).

Section 1. Definitions. Capitalized terms used and not otherwise defined herein shall have the meanings set forth in that certain Securities Purchase Agreement (the "Purchase Agreement"), dated January 21, 2016 (the "Subscription Date"), among the Company and the purchasers signatory thereto.

Section 2. Exercise.

a) Exercise of Warrant. Exercise of the purchase rights represented by this Warrant may be made, in whole or in part, at any time or times on or after the Initial Exercise Date and on or before the Termination Date by delivery to the Company (or such other office or agency of the Company as it may designate by notice in writing to the registered Holder at the address of the Holder appearing on the books of the Company) of a duly executed facsimile copy (or e-mail attachment) of the Notice of Exercise in the form annexed hereto and, within three (3) Trading Days of the date said Notice of Exercise is delivered to the Company, payment of the aggregate Exercise Price of the shares thereby purchased by wire transfer or cashier's check drawn on a United States bank or, if available, pursuant to the cashless exercise procedure specified in Section 2(c) below is specified in the applicable Notice of Exercise. No ink-original Notice of Exercise shall be required, nor shall any medallion guarantee (or other type of guarantee or notarization) of any Notice of Exercise form be required. Notwithstanding anything herein to the contrary, the Holder shall not be required to physically surrender this Warrant to the Company until the Holder has purchased all of the Warrant Shares available hereunder and the Warrant has been exercised in full, in which case, the Holder shall surrender this Warrant to the Company for cancellation within three (3) Trading Days of the date the final Notice of Exercise is delivered to the Company. Partial exercises of this Warrant resulting in purchases of a portion of the total number of Warrant Shares available hereunder shall have the effect of lowering the outstanding number of Warrant Shares purchasable hereunder in an amount equal to the applicable number of Warrant Shares purchased. The Holder and the Company shall maintain records showing the number of Warrant Shares purchased and the date of such purchases. The Company shall deliver any objection to any Notice of Exercise within one (1) Business Day of receipt of such notice. **The Holder and any assignee, by acceptance of this Warrant, acknowledge and agree that, by reason of the provisions of this paragraph, following the purchase of a portion of the Warrant Shares hereunder, the number of Warrant Shares available for purchase hereunder at any given time may be less than the amount stated on the face hereof.**

b) Exercise Price. The exercise price per share of the Common Stock under this Warrant shall be **$**1.79, subject to adjustment hereunder (the "Exercise Price").

c) Cashless Exercise. If at any time after the six-month anniversary of the Closing Date, there is no effective Registration Statement registering, or no current prospectus available for, the resale of the Warrant Shares by the Holder, then this Warrant may only be exercised, in whole or in part, at such time by means of a "cashless exercise" in which the Holder shall be entitled to receive a number of Warrant Shares equal to the quotient obtained by dividing [(A-B) (X)] by (A), where:

(A) = the last VWAP immediately preceding the time of delivery of the Notice of Exercise giving rise to the applicable "cashless exercise", as set forth in the applicable Notice of Exercise (to clarify, the "last VWAP" will be the last VWAP as calculated over an entire Trading Day such that, in the event that this Warrant is exercised at a time that the Trading Market is open, the prior Trading Day's VWAP shall be used in this calculation);

(B) = the Exercise Price of this Warrant, as adjusted hereunder; and

(X) = the number of Warrant Shares that would be issuable upon exercise of this Warrant in accordance with the terms of this Warrant if such exercise were by means of a cash exercise rather than a cashless exercise.

If Warrant Shares are issued in such a cashless exercise, the parties acknowledge and agree that in accordance with Section 3(a)(9) of the Securities Act, the Warrant Shares shall take on the characteristics of the Warrants being exercised, and the holding period of the Warrants being exercised may be tacked on to the holding period of the Warrant Shares. The Company agrees not to take any position contrary to this Section 2(c).

"VWAP" means, for any date, the price determined by the first of the following clauses that applies: (a) if the Common Stock is then listed or quoted on a Trading Market, the daily volume weighted average price of the Common Stock for such date (or the nearest preceding date) on the Trading Market on which the Common Stock is then listed or quoted as reported by Bloomberg L.P. (based on a Trading Day from 9:30 a.m. (New York City time) to 4:02 p.m. (New York City time)), (b) if OTCQB or OTCQX is not a Trading Market, the volume weighted average price of the Common Stock for such date (or the nearest preceding date) on OTCQB or OTCQX as applicable, (c) if the Common Stock is not then listed or quoted for trading on OTCQB or OTCQX and if prices for the Common Stock are then reported in the "Pink Sheets" published by OTC Markets Group, Inc. (or a similar organization or agency succeeding to its functions of reporting prices), the most recent bid price per share of the Common Stock so reported, or (d) in all other cases, the fair market value of a share of Common Stock as determined by an independent appraiser selected in good faith by the Purchasers of a majority in interest of the Securities then outstanding and reasonably acceptable to the Company, the fees and expenses of which shall be paid by the Company.

d) Mechanics of Exercise.

i. Delivery of Warrant Shares Upon Exercise. Warrant Shares purchased hereunder shall be transmitted by the Transfer Agent to the Holder by crediting the account of the Holder's or its designee's balance account with The Depository Trust Company through its Deposit or Withdrawal at Custodian system ("DWAC") if the Company is then a participant in such system and either (A) there is an effective registration statement permitting the issuance of the Warrant Shares to or resale of the Warrant Shares by the Holder or (B) the Warrant Shares are eligible for resale by the Holder without volume or manner-of-sale limitations pursuant to Rule 144, and otherwise by physical delivery of a certificate, registered in the Company's share register in the name of the Holder or its designee, for the number of Warrant Shares to which the Holder is entitled pursuant to such exercise to the address specified by the Holder in the Notice of Exercise by the date that is three (3) Trading Days after the delivery to the Company of the Notice of Exercise (such date, the "Warrant Share Delivery Date"). Upon delivery of the Notice of Exercise the Holder shall be deemed for all corporate purposes to have become the holder of record of the Warrant Shares with respect to which this Warrant has been exercised, irrespective of the date of delivery of the Warrant Shares; provided payment of the aggregate Exercise Price (other than in the case of a Cashless Exercise) is received prior to the Warrant Share Delivery Date. If the Company fails for any reason to deliver to the Holder the Warrant Shares subject to a Notice of Exercise by the Warrant Share Delivery Date, the Company shall pay to the Holder, in cash, as liquidated damages and not as a penalty, for each $1,000 of Warrant Shares subject to such exercise (based on the VWAP of the Common Stock on the date of the applicable Notice of Exercise), $10 per Trading Day (increasing to $20 per Trading Day on the fifth Trading Day after such liquidated damages begin to accrue) for each Trading Day following such Warrant Share Delivery Date until such Warrant Shares are delivered or Holder rescinds such exercise.

ii. Delivery of New Warrants Upon Exercise. If this Warrant shall have been exercised in part, the Company shall, at the request of a Holder and upon surrender of this Warrant certificate, at the time of delivery of the Warrant Shares, deliver to the Holder a new Warrant evidencing the rights of the Holder to purchase the unpurchased Warrant Shares called for by this Warrant, which new Warrant shall in all other respects be identical with this Warrant.

iii. Rescission Rights. If the Company fails to cause the Transfer Agent to transmit to the Holder the Warrant Shares pursuant to Section 2(d)(i) by the Warrant Share Delivery Date, then the Holder will have the right to rescind such exercise.

iv. Compensation for Buy-In on Failure to Timely Deliver Warrant Shares Upon Exercise. In addition to any other rights available to the Holder, if the Company fails to cause the Transfer Agent to transmit to the Holder the Warrant Shares in accordance with the provisions of Section 2(d)(i) above pursuant to an exercise on or before the Warrant Share Delivery Date, and if after such date the Holder is required by its broker to purchase (in an open market transaction or otherwise) or the Holder's brokerage firm otherwise purchases, shares of Common Stock to deliver in satisfaction of a sale by the Holder of the Warrant Shares which the Holder anticipated receiving upon such exercise (a "Buy-In"), then the Company shall (A) pay in cash to the Holder the amount, if any, by which (x) the Holder's total purchase price (including brokerage commissions, if any) for the shares of Common Stock so purchased exceeds (y) the amount obtained by multiplying (1) the number of Warrant Shares that the Company was required to deliver to the Holder in connection with the exercise at issue times (2) the price at which the sell order giving rise to such purchase obligation was executed (each, a "Buy-In Payment Amount"), and (B) at the option of the Holder, either reinstate the portion of the Warrant and equivalent number of Warrant Shares for which such exercise was not honored (in which case such exercise shall be deemed rescinded) or deliver to the Holder the number of shares of Common Stock that would have been issued had the Company timely complied with its exercise and delivery obligations hereunder. For example, if the Holder purchases Common Stock having a total purchase price of $11,000 to cover a Buy-In with respect to an attempted exercise of shares of Common Stock with an aggregate sale price giving rise to such purchase obligation of $10,000, under clause (A) of the immediately preceding sentence the Company shall be required to pay the Holder $1,000. The Holder shall provide the Company written notice indicating the amounts payable to the Holder in respect of the Buy-In and, upon request of the Company, evidence of the amount of such loss. Nothing herein shall limit a Holder's right to pursue any other remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Company's failure to timely deliver shares of Common Stock upon exercise of the Warrant as required pursuant to the terms hereof.

v. No Fractional Shares or Scrip. No fractional shares or scrip representing fractional shares shall be issued upon the exercise of this Warrant. As to any fraction of a share which the Holder would otherwise be entitled to purchase upon such exercise, the Company shall, at its election, either pay a cash adjustment in respect of such final fraction in an amount equal to such fraction multiplied by the Exercise Price or round up to the next whole share.

vi. Charges, Taxes and Expenses. Issuance of Warrant Shares shall be made without charge to the Holder for any issue or transfer tax or other incidental expense in respect of the issuance of such Warrant Shares, all of which taxes and expenses shall be paid by the Company, and such Warrant Shares shall be issued in the name of the Holder or in such name or names as may be directed by the Holder; provided, however, that in the event that Warrant Shares are to be issued in a name other than the name of the Holder, this Warrant when surrendered for exercise shall be accompanied by the Assignment Form attached hereto duly executed by the Holder and the Company may require, as a condition thereto, the payment of a sum sufficient to reimburse it for any transfer tax incidental thereto. The Company shall pay all Transfer Agent fees required for same-day processing of any Notice of Exercise and all fees to the Depository Trust Company (or another established clearing corporation performing similar functions) required for same-day electronic delivery of the Warrant Shares.

vii. Closing of Books. The Company will not close its stockholder books or records in any manner which prevents the timely exercise of this Warrant, pursuant to the terms hereof.

e) Holder's Exercise Limitations. The Company shall not effect any exercise of this Warrant, and a Holder shall not have the right to exercise any portion of this Warrant, pursuant to Section 2 or otherwise, to the extent that after giving effect to such issuance after exercise as set forth on the applicable Notice of Exercise, the Holder (together with the Holder's Affiliates, and any other Persons acting as a group together with the Holder or any of the Holder's Affiliates (such Persons, "Attribution Parties")), would beneficially own in excess of the Beneficial Ownership Limitation (as defined below). For purposes of the foregoing sentence, the number of shares of Common Stock beneficially owned by the Holder and its Affiliates and Attribution Parties shall include the number of shares of Common Stock issuable upon exercise of this Warrant with respect to which such determination is being made, but shall exclude the number of shares of Common Stock which would be issuable upon (i) exercise of the remaining, nonexercised portion of this Warrant beneficially owned by the Holder or any of its Affiliates or Attribution Parties and (ii) exercise or conversion of the unexercised or nonconverted portion of any other securities of the Company (including, without limitation, any other Common Stock Equivalents) subject to a limitation on conversion or exercise analogous to the limitation contained herein beneficially owned by the Holder or any of its Affiliates or Attribution Parties. Except as set forth in the preceding sentence, for purposes of this Section 2(e), beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder, it being acknowledged by the Holder that the Company is not representing to the Holder that such calculation is in compliance with Section 13(d) of the Exchange Act and the Holder is solely responsible for any schedules required to be filed in accordance therewith. To the extent that the limitation contained in this Section 2(e) applies, the determination of whether this Warrant is exercisable (in relation to other securities owned by the Holder together with any Affiliates and Attribution Parties) and of which portion of this Warrant is exercisable shall be in the sole discretion of the Holder, and the submission of a Notice of Exercise shall be deemed to be the Holder's determination of whether this Warrant is exercisable (in relation to other securities owned by the Holder together with any Affiliates and Attribution Parties) and of which portion of this Warrant is exercisable, in each case subject to the Beneficial Ownership Limitation, and the Company shall have no obligation to verify or confirm the accuracy of such determination. In addition, a determination as to any group status as contemplated above shall be determined in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder. For purposes of this Section 2(e), in determining the number of outstanding shares of Common Stock, a Holder may rely on the number of outstanding shares of Common Stock as reflected in (A) the Company's most recent periodic or annual report filed with the Commission, as the case may be, (B) a more recent public announcement by the Company or (C) a more recent written notice by the Company or the Transfer Agent setting forth the number of shares of Common Stock outstanding. Upon the written or oral request of a Holder, the Company shall within two Trading Days confirm orally and in writing to the Holder the number of shares of Common Stock then outstanding. In any case, the number of outstanding shares of Common Stock shall be determined after giving effect to the conversion or exercise of securities of the Company, including this Warrant, by the Holder or its Affiliates or Attribution Parties since the date as of which such number of outstanding shares of Common Stock was reported. The "Beneficial Ownership Limitation" shall be 4.99% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock issuable upon exercise of this Warrant. The Holder, upon notice to the Company, may increase or decrease the Beneficial Ownership Limitation provisions of this Section 2(e), provided that the Beneficial Ownership Limitation in no event exceeds 9.99% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock upon exercise of this Warrant held by the Holder and the provisions of this Section 2(e) shall continue to apply. Any increase in the Beneficial Ownership Limitation will not be effective until the 61st day after such notice is delivered to the Company. The provisions of this paragraph shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this Section 2(e) to correct this paragraph (or any portion hereof) which may be defective or inconsistent with the intended Beneficial Ownership Limitation herein contained or to make changes or supplements necessary or desirable to properly give effect to such limitation. Notwithstanding anything set forth herein or in the Purchase Agreement, the limitations contained in this paragraph shall apply to a successor holder of this Warrant and may not be amended or waived.

Section 3. Certain Adjustments.

a) Stock Dividends and Splits. If the Company, at any time while this Warrant is outstanding: (i) pays a stock dividend or otherwise makes a distribution or distributions on shares of its Common Stock or any other equity or equity equivalent securities payable in shares of Common Stock (which, for avoidance of doubt, shall not include any shares of Common Stock issued by the Company upon exercise of this Warrant), (ii) subdivides outstanding shares of Common Stock into a larger number of shares, (iii) combines (including by way of reverse stock split) outstanding shares of Common Stock into a smaller number of shares or (iv) issues by reclassification of shares of the Common Stock any shares of capital stock of the Company, then in each case the Exercise Price shall be multiplied by a fraction of which the numerator shall be the number of shares of Common Stock (excluding treasury shares, if any) outstanding immediately before such event and of which the denominator shall be the number of shares of Common Stock outstanding immediately after such event, and the number of shares issuable upon exercise of this Warrant shall be proportionately adjusted such that the aggregate Exercise Price of this Warrant shall remain unchanged. Any adjustment made pursuant to this Section 3(a) shall become effective immediately after the record date for the determination of stockholders entitled to receive such dividend or distribution and shall become effective immediately after the effective date in the case of a subdivision, combination or re-classification.

b) Subsequent Equity Sales. If and whenever on or after the Subscription Date until the date that the Holder no longer holds any originally purchased shares of Preferred Stock, the Company issues or sells, or in accordance with this Section 3 is deemed to have issued or sold, any shares of Common Stock (including the issuance or sale of shares of Common Stock owned or held by or for the account of the Company, but excluding any Excluded Securities issued or sold or deemed to have been issued or sold or issuances pursuant to which the Company uses 100% of the net proceeds thereof (after payment by the Corporation of any applicable and customary legal, banking, underwriting and/or placement agent reasonable fees and expenses)(or such lesser amount as necessary to redeem in full the shares of Preferred Stock then outstanding) to redeem in full all of the shares of Preferred Stock then outstanding) for a consideration per share (the "New Issuance Price") less than a price equal to the Exercise Price in effect immediately prior to such issuance or sale or deemed issuance or sale (such Exercise Price then in effect is referred to herein as the "Applicable Price") (the foregoing a "Dilutive Issuance"), then immediately after such Dilutive Issuance, the Exercise Price then in effect shall be reduced to an amount equal to the New Issuance Price. Notwithstanding anything herein to the contrary, only the original Holder of this Warrant (or any Attribution Parties of such Holder, any other Holder or any Attribution Parties of such other Holder (each, a "Permitted Holder") shall benefit from this Section 3(b) and any assignees or transferees (other than any Permitted Holder) shall not receive any adjustment to their Exercise Price as a result of any Subsequent Equity Sales. For all purposes of the foregoing (including, without limitation, determining the adjusted Exercise Price and the New Issuance Price under this Section 3(b)), the following shall be applicable:

(i) Issuance of Options. If the Company in any manner grants or sells any Options and the lowest price per share for which one share of Common Stock is at any time issuable upon the exercise of any such Option or upon conversion, exercise or exchange of any Convertible Securities issuable upon exercise of any such Option or otherwise pursuant to the terms thereof is less than the Applicable Price, then such share of Common Stock shall be deemed to be outstanding and to have been issued and sold by the Company at the time of the granting or sale of such Option for such price per share. For purposes of this Section 3(b)(i), the "lowest price per share for which one share of Common Stock is issuable upon the exercise of any such Options or upon conversion, exercise or exchange of any Convertible Securities issuable upon exercise of any such Option or otherwise pursuant to the terms thereof" shall be equal to (1) the lower of (x) the sum of the lowest amounts of consideration (if any) received or receivable by the Company with respect to any one share of Common Stock upon the granting or sale of such Option, upon exercise of such Option and upon conversion, exercise or exchange of any Convertible Security issuable upon exercise of such Option or otherwise pursuant to the terms thereof and (y) the lowest exercise price set forth in such Option for which one share of Common Stock is issuable upon the exercise of any such Options or upon conversion, exercise or exchange of any Convertible Securities issuable upon exercise of any such Option or otherwise pursuant to the terms thereof minus (2) the sum of all amounts paid or payable to the holder of such Option (or any other Person) upon the granting or sale of such Option, upon exercise of such Option and upon conversion, exercise or exchange of any Convertible Security issuable upon exercise of such Option or otherwise pursuant to the terms thereof plus the value of any other consideration received or receivable by, or benefit conferred on, the holder of such Option (or any other Person). Except as contemplated below, no further adjustment of the Exercise Price shall be made upon the actual issuance of such shares of Common Stock or of such Convertible Securities upon the exercise of such Options or otherwise pursuant to the terms of or upon the actual issuance of such shares of Common Stock upon conversion, exercise or exchange of such Convertible Securities.

(ii) Issuance of Convertible Securities. If the Company in any manner issues or sells any Convertible Securities and the lowest price per share for which one share of Common Stock is at any time issuable upon the conversion, exercise or exchange thereof or otherwise pursuant to the terms thereof is less than the Applicable Price, then such share of Common Stock shall be deemed to be outstanding and to have been issued and sold by the Company at the time of the issuance or sale of such Convertible Securities for such price per share. For the purposes of this Section 3(b)(ii), the "lowest price per share for which one share of Common Stock is issuable upon the conversion, exercise or exchange thereof or otherwise pursuant to the terms thereof" shall be equal to (1) the lower of (x) the sum of the lowest amounts of consideration (if any) received or receivable by the Company with respect to one share of Common Stock upon the issuance or sale of the Convertible Security and upon conversion, exercise or exchange of such Convertible Security or otherwise pursuant to the terms thereof and (y) the lowest conversion price set forth in such Convertible Security for which one share of Common Stock is issuable upon conversion, exercise or exchange thereof or otherwise pursuant to the terms thereof minus (2) the sum of all amounts paid or payable to the holder of such Convertible Security (or any other Person) upon the issuance or sale of such Convertible Security plus the value of any other consideration received or receivable by, or benefit conferred on, the holder of such Convertible Security (or any other Person). Except as contemplated below, no further adjustment of the Exercise Price shall be made upon the actual issuance of such shares of Common Stock upon conversion, exercise or exchange of such Convertible Securities or otherwise pursuant to the terms thereof, and if any such issuance or sale of such Convertible Securities is made upon exercise of any Options for which adjustment of this Warrant has been or is to be made pursuant to other provisions of this Section 3(b), except as contemplated below, no further adjustment of the Exercise Price shall be made by reason of such issuance or sale.

(iii) Change in Option Price or Rate of Conversion. If the purchase or exercise price provided for in any Options, the additional consideration, if any, payable upon the issue, conversion, exercise or exchange of any Convertible Securities, or the rate at which any Convertible Securities are convertible into or exercisable or exchangeable for shares of Common Stock increases or decreases at any time (other than proportional changes in conversion or exercise prices, as applicable, in connection with an event referred to in Section 3(a)), the Exercise Price in effect at the time of such increase or decrease shall be adjusted to the Exercise Price which would have been in effect at such time had such Options or Convertible Securities provided for such increased or decreased purchase price, additional consideration or increased or decreased conversion rate, as the case may be, at the time initially granted, issued or sold. For purposes of this Section 3(b)(iii), if the terms of any Option or Convertible Security that was outstanding as of the Subscription Date are increased or decreased in the manner described in the immediately preceding sentence, then such Option or Convertible Security and the shares of Common Stock deemed issuable upon exercise, conversion or exchange thereof shall be deemed to have been issued as of the date of such increase or decrease. No adjustment pursuant to this Section 3(b) shall be made if such adjustment would result in an increase of the Exercise Price then in effect.

(iv) Calculation of Consideration Received. If any shares of Common Stock, Options or Convertible Securities are issued or sold or deemed to have been issued or sold for cash, the consideration received therefor (for the purpose of determining the consideration paid for such Common Stock, Option or Convertible Security) will be deemed to be the net amount of consideration received by the Company therefor. If any shares of Common Stock, Options or Convertible Securities are issued or sold for a consideration other than cash, the amount of such consideration received by the Company (for the purpose of determining the consideration paid for such Common Stock, Option or Convertible Security) will be the fair value of such consideration, except where such consideration consists of publicly traded securities, in which case the amount of consideration received by the Company for such securities will be the arithmetic average of the VWAPs of such security for each of the five (5) Trading Days immediately preceding the date of receipt. If any shares of Common Stock, Options or Convertible Securities are issued to the owners of the non-surviving entity in connection with any merger in which the Company is the surviving entity, the amount of consideration therefor (for the purpose of determining the consideration paid for such Common Stock, Option or Convertible Security) will be deemed to be the fair value of such portion of the net assets and business of the non-surviving entity as is attributable to such shares of Common Stock, Options or Convertible Securities (as the case may be). The fair value of any consideration other than cash or publicly traded securities will be determined jointly by the Company and the Holder. If such parties are unable to reach agreement within ten (10) days after the occurrence of an event requiring valuation (the "Valuation Event"), the fair value of such consideration will be determined within five (5) Trading Days after the tenth (10th) day following such Valuation Event by an independent, reputable appraiser jointly selected by the Company and the Holder. The determination of such appraiser shall be final and binding upon all parties absent manifest error and the fees and expenses of such appraiser shall be borne by the Company.

(v) Record Date. If the Company takes a record of the holders of shares of Common Stock for the purpose of entitling them (A) to receive a dividend or other distribution payable in shares of Common Stock, Options or in Convertible Securities or (B) to subscribe for or purchase shares of Common Stock, Options or Convertible Securities, then such record date will be deemed to be the date of the issuance or sale of the shares of Common Stock deemed to have been issued or sold upon the declaration of such dividend or the making of such other distribution or the date of the granting of such right of subscription or purchase (as the case may be).

c) Holder's Right of Alternative Exercise Price Following Issuance of Certain Options or Convertible Securities . In addition to and not in limitation of the other provisions of this Section 3, if the Company in any manner issues or sells or enters into any agreement to issue or sell, any Common Stock, Options or Convertible Securities (any such securities, "Variable Price Securities"), after the Subscription Date and prior to the date that the Holder no longer holds any originally purchased Preferred Stock, that are issuable pursuant to such agreement or convertible into or exchangeable or exercisable for shares of Common Stock at a price which varies or may vary with the market price of the shares of Common Stock, including by way of one or more reset(s) to a fixed price, but exclusive of such formulations reflecting customary anti-dilution provisions (such as share splits, share combinations, share dividends and similar transactions) (each of the formulations for such variable price being herein referred to as, the "Variable Price"), the Company shall provide written notice thereof via facsimile and overnight courier to the Holder on the date of such agreement and the issuance of such Convertible Securities or Options. From and after the date the Company enters into such agreement or issues any such Variable Price Securities, the Holder shall have the right, but not the obligation, in its sole discretion to substitute the Variable Price for the Exercise Price upon exercise of this Warrant by designating in the Exercise Notice delivered upon any exercise of this Warrant that solely for purposes of such exercise the Holder is relying on the Variable Price rather than the Exercise Price then in effect. The Holder's election to rely on a Variable Price for a particular exercise of this Warrant shall not obligate the Holder to rely on a Variable Price for any future exercises of this Warrant. Notwithstanding anything herein to the contrary, this provision shall not apply in respect of any Variable Price Securities issued by the Corporation in which the net proceeds thereof (after payment by the Corporation of any Customary Expenses (as defined in the Certificate of Designations)) (or such lesser amount as necessary to redeem in full the shares of Preferred Stock then outstanding) are used to redeem in full the shares of Preferred Stock then outstanding.

d) Other Events. In the event that the Company (or any Subsidiary (as defined in the Purchase Agreement)) shall take any action to which the provisions hereof are not strictly applicable, or, if applicable, would not operate to protect the Holder from dilution or if any event occurs of the type contemplated by the provisions of this Section 3 but not expressly provided for by such provisions (including, without limitation, the granting of stock appreciation rights, phantom stock rights or other rights with equity features), then the Company's board of directors shall in good faith determine and implement an appropriate adjustment in the Exercise Price and the number of Warrant Shares (if applicable) so as to protect the rights of the Holder, provided that no such adjustment pursuant to this Section 3(e) will increase the Exercise Price or decrease the number of Warrant Shares as otherwise determined pursuant to this Section 3, provided further that if the Holder does not accept such adjustments as appropriately protecting its interests hereunder against such dilution, then the Company's board of directors and the Holder shall agree, in good faith, upon an independent investment bank of nationally recognized standing to make such appropriate adjustments, whose determination shall be final and binding absent manifest error and whose fees and expenses shall be borne by the Company.

e) Calculations. All calculations under this Section 3 shall be made by rounding to the nearest cent or the nearest 1/100th of a share, as applicable. The number of shares of Common Stock outstanding at any given time shall not include shares owned or held by or for the account of the Company, and the disposition of any such shares shall be considered an issuance or sale of Common Stock.

f) Voluntary Adjustment By Company . The Company may at any time during the term of this Warrant, with the prior written consent of the Required Holders (as defined in the Purchase Agreement), reduce the then current Exercise Price to any amount and for any period of time deemed appropriate by the board of directors of the Company.

g) Exercise Floor Price. Unless and until such time as the Company obtains Shareholder Approval (as defined in the Purchase Agreement) as required by the rules and regulations of the Nasdaq Capital Market, no adjustment pursuant to Section 3(b) to 3(e) or Section 3(g) shall cause the Exercise Price to be less than $[ ] , as adjusted for any stock dividend, stock split, stock combination, reclassification or similar transaction (the "Exercise Floor Price"). For the avoidance of doubt, if a Dilutive Issuance would cause the Exercise Price to be lower than the Exercise Floor Price but for the immediately preceding sentence (an "Exercise Floor Price Event"), then the Exercise Price shall be equal to the Exercise Floor Price. Upon the receipt of such Shareholder Approval, any adjustment to the Exercise Price that would have been made pursuant to this Section 2, but for this Section 3(h), shall be made on the date of such receipt.

h) Definitions. For the purposes of this Warrant, the following definitions shall apply:

(i) "Approved Stock Plan" means any employee benefit plan which has been approved by the board of directors of the Company prior to or subsequent to the date hereof pursuant to which shares of Common Stock and standard options to purchase Common Stock may be issued to any employee, officer or director for services provided to the Company in their capacity as such.

(ii) "Adjustment Right" means any right granted with respect to any securities issued in connection with, or with respect to, any issuance or sale (or deemed issuance or sale in accordance with Section 3) of shares of Common Stock that could result in a decrease in the net consideration received by the Company in connection with, or with respect to, such securities (including, without limitation, any cash settlement rights, cash adjustment or other similar rights).

(iii) "Convertible Securities" means any stock or other security (other than Options) that is at any time and under any circumstances, directly or indirectly, convertible into, exercisable or exchangeable for, or which otherwise entitles the holder thereof to acquire, any shares of Common Stock.

(iv) "Excluded Securities" means (I) shares of Common Stock or standard options to purchase Common Stock issued to directors, officers, employees, consultants or service providers at an exercise price no less than the closing bid price of the Common Stock on the Trading Day on or immediately prior to the date of issuance thereof (provided if to consultants or service providers, such issuances shall not exceed 250,000 shares of Common Stock or Common Stock Equivalents in the aggregate in any 12 month period, subject to adjustment for reverse and forward stock splits and the like) of the Company for services rendered to the Company in their capacity as such pursuant to an Approved Stock Plan (as defined above); (II) shares of Common Stock issued upon the conversion or exercise of Convertible Securities (other than standard options to purchase Common Stock issued pursuant to an Approved Stock Plan that are covered by clause (I) above) issued prior to the Subscription Date, provided that the conversion price of any such Convertible Securities (other than standard options to purchase Common Stock issued pursuant to an Approved Stock Plan that are covered by clause (I) above) is not lowered, none of such Convertible Securities (other than standard options to purchase Common Stock issued pursuant to an Approved Stock Plan that are covered by clause (i) above) are amended to increase the number of shares issuable thereunder and none of the terms or conditions of any such Convertible Securities (other than standard options to purchase Common Stock issued pursuant to an Approved Stock Plan that are covered by clause (I) above) are otherwise materially changed in any manner that adversely affects any of the Purchasers; (III) the shares of Common Stock issuable upon conversion of the Preferred Stock or otherwise pursuant to the terms of the Certificate of Designations; provided, that the terms of the Certificate of Designations are not amended, modified or changed on or after the Subscription Date (other than antidilution adjustments pursuant to the terms thereof in effect as of the Subscription Date), (IV) the shares of Common Stock issuable upon exercise of the Warrants; provided, that the terms of the Warrant are not amended, modified or changed on or after the Subscription Date (other than antidilution adjustments pursuant to the terms thereof in effect as of the Subscription Date), (V) securities issued pursuant to acquisitions or strategic transactions approved by a majority of the disinterested directors of the Corportion, provided that any such issuance shall only be to a Person (or to the equityholders of a Person) which is, itself or through its subsidiaries, an operating company or an owner of an asset in a business synergistic with the business of the Company and shall provide to the Company additional benefits in addition to the investment of funds, but shall not include a transaction in which the Corporation is issuing securities primarily for the purpose of raising capital or to an entity whose primary business is investing in securities, (VI) shares of Common Stock, Convertible Securities or Options issued in connection with the creation of a special purpose vehicle pursuant to which a third party receives a percentage of the ownership of the special purpose vehicle established for the purpose of funding specific Intellectual Property licensing and monetization efforts by the Company or (VII) shares of Common Stock or options to consultants and service providers, provided if to issuances to consultants or service providers, provided that such issuances shall not exceed 250,000 shares of Common Stock or Common Stock Equivalents in the aggregate in any 6 month period, subject to adjustment for reverse and forward stock splits and the like.

(vi) "Options" means any rights, warrants or options to subscribe for or purchase shares of Common Stock or Convertible Securities.

i) Subsequent Rights Offerings. In addition to any adjustments pursuant to Section 3(a) above, if at any time the Company grants, issues or sells any Common Stock Equivalents or rights to purchase stock, warrants, securities or other property pro rata to the record holders of any class of shares of Common Stock (the "Purchase Rights"), then the Holder will be entitled to acquire, upon the terms applicable to such Purchase Rights, the aggregate Purchase Rights which the Holder could have acquired if the Holder had held the number of shares of Common Stock acquirable upon complete exercise of this Warrant (without regard to any limitations on exercise hereof, including without limitation, the Beneficial Ownership Limitation) immediately before the date on which a record is taken for the grant, issuance or sale of such Purchase Rights, or, if no such record is taken, the date as of which the record holders of shares of Common Stock are to be determined for the grant, issue or sale of such Purchase Rights (provided, however, to the extent that the Holder's right to participate in any such Purchase Right would result in the Holder exceeding the Beneficial Ownership Limitation, then the Holder shall not be entitled to participate in such Purchase Right to such extent (or beneficial ownership of such shares of Common Stock as a result of such Purchase Right to such extent) and such Purchase Right to such extent shall be held in abeyance for the Holder until such time, if ever, as its right thereto would not result in the Holder exceeding the Beneficial Ownership Limitation).

j) Pro Rata Distributions. During such time as this Warrant is outstanding, if the Company shall declare or make any dividend or other distribution of its assets (or rights to acquire its assets) to holders of shares of Common Stock, by way of return of capital or otherwise (including, without limitation, any distribution of cash, stock or other securities, property or options by way of a dividend, spin off, reclassification, corporate rearrangement, scheme of arrangement or other similar transaction) (a "Distribution"), at any time after the issuance of this Warrant, then, in each such case, the Holder shall be entitled to participate in such Distribution to the same extent that the Holder would have participated therein if the Holder had held the number of shares of Common Stock acquirable upon complete exercise of this Warrant (without regard to any limitations on exercise hereof, including without limitation, the Beneficial Ownership Limitation) immediately before the date of which a record is taken for such Distribution, or, if no such record is taken, the date as of which the record holders of shares of Common Stock are to be determined for the participation in such Distribution (provided, however, to the extent that the Holder's right to participate in any such Distribution would result in the Holder exceeding the Beneficial Ownership Limitation, then the Holder shall not be entitled to participate in such Distribution to such extent (or in the beneficial ownership of any shares of Common Stock as a result of such Distribution to such extent) and the portion of such Distribution shall be held in abeyance for the benefit of the Holder until such time, if ever, as its right thereto would not result in the Holder exceeding the Beneficial Ownership Limitation).

k) Fundamental Transaction. If, at any time while this Warrant is outstanding, (i) the Company, directly or indirectly, in one or more related transactions effects any merger or consolidation of the Company with or into another Person, (ii) the Company, directly or indirectly, effects any sale, lease, license, assignment, transfer, conveyance or other disposition of all or substantially all of its assets in one or a series of related transactions, (iii) any, direct or indirect, purchase offer, tender offer or exchange offer (whether by the Company or another Person) is completed pursuant to which holders of Common Stock are permitted to sell, tender or exchange their shares for other securities, cash or property and has been accepted by the holders of 50% or more of the outstanding Common Stock, (iv) the Company, directly or indirectly, in one or more related transactions effects any reclassification, reorganization or recapitalization of the Common Stock or any compulsory share exchange pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash or property, or (v) the Company, directly or indirectly, in one or more related transactions consummates a stock or share purchase agreement or other business combination (including, without limitation, a reorganization, recapitalization, spin-off or scheme of arrangement) with another Person or group of Persons whereby such other Person or group acquires more than 50% of the outstanding shares of Common Stock (not including any shares of Common Stock held by the other Person or other Persons making or party to, or associated or affiliated with the other Persons making or party to, such stock or share purchase agreement or other business combination) (each a "Fundamental Transaction"), then, upon any subsequent exercise of this Warrant, the Holder shall have the right to receive, for each Warrant Share that would have been issuable upon such exercise immediately prior to the occurrence of such Fundamental Transaction, at the option of the Holder (without regard to any limitation in Section 2(e) on the exercise of this Warrant), the number of shares of Common Stock of the successor or acquiring corporation or of the Company, if it is the surviving corporation, and any additional consideration (the "Alternate Consideration") receivable as a result of such Fundamental Transaction by a holder of the number of shares of Common Stock for which this Warrant is exercisable immediately prior to such Fundamental Transaction (without regard to any limitation in Section 2(e) on the exercise of this Warrant). For purposes of any such exercise, the determination of the Exercise Price shall be appropriately adjusted to apply to such Alternate Consideration based on the amount of Alternate Consideration issuable in respect of one share of Common Stock in such Fundamental Transaction, and the Company shall apportion the Exercise Price among the Alternate Consideration in a reasonable manner reflecting the relative value of any different components of the Alternate Consideration. If holders of Common Stock are given any choice as to the securities, cash or property to be received in a Fundamental Transaction, then the Holder shall be given the same choice as to the Alternate Consideration it receives upon any exercise of this Warrant following such Fundamental Transaction. The Company shall cause any successor entity in a Fundamental Transaction in which the Company is not the survivor (the "Successor Entity") to assume in writing all of the obligations of the Company under this Warrant and the other Transaction Documents in accordance with the provisions of this Section 3(e) pursuant to written agreements in form and substance reasonably satisfactory to the Holder and approved by the Holder (without unreasonable delay) prior to such Fundamental Transaction and shall, at the option of the Holder, deliver to the Holder in exchange for this Warrant a security of the Successor Entity evidenced by a written instrument substantially similar in form and substance to this Warrant which is exercisable for a corresponding number of shares of capital stock of such Successor Entity (or its parent entity) equivalent to the shares of Common Stock acquirable and receivable upon exercise of this Warrant (without regard to any limitations on the exercise of this Warrant) prior to such Fundamental Transaction, and with an exercise price which applies the exercise price hereunder to such shares of capital stock (but taking into account the relative value of the shares of Common Stock pursuant to such Fundamental Transaction and the value of such shares of capital stock, such number of shares of capital stock and such exercise price being for the purpose of protecting the economic value of this Warrant immediately prior to the consummation of such Fundamental Transaction), and which is reasonably satisfactory in form and substance to the Holder. Upon the occurrence of any such Fundamental Transaction, the Successor Entity shall succeed to, and be substituted for (so that from and after the date of such Fundamental Transaction, the provisions of this Warrant and the other Transaction Documents referring to the "Company" shall refer instead to the Successor Entity), and may exercise every right and power of the Company and shall assume all of the obligations of the Company under this Warrant and the other Transaction Documents with the same effect as if such Successor Entity had been named as the Company herein. **Notwithstanding anything herein to the contrary, in the event that the Company redeems in full the Preferred Stock pursuant to an Optional Redemption pursuant to Section 9(f) of the Certificate of Designation at the consummation of the Fundamental Transaction, upon payment in full, in U.S. dollars and immediately available funds, to the Holder of the Optional Redemption Amount (including the increased 10% premium in accordance therewith), this Warrant shall terminate and be of no further force or effect.**

l) Calculations. All calculations under this Section 3 shall be made to the nearest cent or the nearest 1/100th of a share, as the case may be. For purposes of this Section 3, the number of shares of Common Stock deemed to be issued and outstanding as of a given date shall be the sum of the number of shares of Common Stock (excluding treasury shares, if any) issued and outstanding.

m) Notice to Holder.

i. Adjustment to Exercise Price. Whenever the Exercise Price is adjusted pursuant to any provision of this Section 3, the Company shall promptly deliver to the Holder by facsimile or email a notice setting forth the Exercise Price after such adjustment and any resulting adjustment to the number of Warrant Shares and setting forth a brief statement of the facts requiring such adjustment.

i i. Notice to Allow Exercise by Holder. If (A) the Company shall declare a dividend (or any other distribution in whatever form) on the Common Stock, (B) the Company shall declare a special nonrecurring cash dividend on or a redemption of the Common Stock, (C) the Company shall authorize the granting to all holders of the Common Stock rights or warrants to subscribe for or purchase any shares of capital stock of any class or of any rights, (D) the approval of any stockholders of the Company shall be required in connection with any reclassification of the Common Stock, any consolidation or merger to which the Company is a party, any sale or transfer of all or substantially all of the assets of the Company, or any compulsory share exchange whereby the Common Stock is converted into other securities, cash or property, or (E) the Company shall authorize the voluntary or involuntary dissolution, liquidation or winding up of the affairs of the Company, then, in each case, the Company shall cause to be delivered by facsimile or email to the Holder at its last facsimile number or email address as it shall appear upon the Warrant Register of the Company, at least 20 calendar days prior to the applicable record or effective date hereinafter specified, a notice stating (x) the date on which a record is to be taken for the purpose of such dividend, distribution, redemption, rights or warrants, or if a record is not to be taken, the date as of which the holders of the Common Stock of record to be entitled to such dividend, distributions, redemption, rights or warrants are to be determined or (y) the date on which such reclassification, consolidation, merger, sale, transfer or share exchange is expected to become effective or close, and the date as of which it is expected that holders of the Common Stock of record shall be entitled to exchange their shares of the Common Stock for securities, cash or other property deliverable upon such reclassification, consolidation, merger, sale, transfer or share exchange; provided that the failure to deliver such notice or any defect therein or in the delivery thereof shall not affect the validity of the corporate action required to be specified in such notice. To the extent that any notice provided in this Warrant constitutes, or contains, material, non-public information regarding the Company or any of the Subsidiaries, the Company shall simultaneously file such notice with the Commission pursuant to a Current Report on Form 8-K. The Holder shall remain entitled to exercise this Warrant during the period commencing on the date of such notice to the effective date of the event triggering such notice except as may otherwise be expressly set forth herein.

Section 4. Transfer of Warrant.

a) Transferability. Subject to compliance with any applicable securities laws, this Warrant and all rights hereunder (including, without limitation, any registration rights) are transferable, in whole or in part, upon surrender of this Warrant at the principal office of the Company or its designated agent, together with a written assignment of this Warrant substantially in the form attached hereto duly executed by the Holder or its agent or attorney and funds sufficient to pay any transfer taxes payable upon the making of such transfer. Upon such surrender and, if required, such payment, the Company shall execute and deliver a new Warrant or Warrants in the name of the assignee or assignees, as applicable, and in the denomination or denominations specified in such instrument of assignment, and shall issue to the assignor a new Warrant evidencing the portion of this Warrant not so assigned, and this Warrant shall promptly be cancelled. Notwithstanding anything herein to the contrary, the Holder shall not be required to physically surrender this Warrant to the Company unless the Holder has assigned this Warrant in full, in which case, the Holder shall surrender this Warrant to the Company within three (3) Trading Days of the date the Holder delivers an assignment form to the Company assigning this Warrant full. The Warrant, if properly assigned in accordance herewith, may be exercised by a new holder for the purchase of Warrant Shares without having a new Warrant issued.

b) New Warrants. This Warrant may be divided or combined with other Warrants upon presentation hereof at the aforesaid office of the Company, together with a written notice specifying the names and denominations in which new Warrants are to be issued, signed by the Holder or its agent or attorney. Subject to compliance with Section 4(a), as to any transfer which may be involved in such division or combination, the Company shall execute and deliver a new Warrant or Warrants in exchange for the Warrant or Warrants to be divided or combined in accordance with such notice. All Warrants issued on transfers or exchanges shall be dated the original issue date and shall be identical with this Warrant except as to the number of Warrant Shares issuable pursuant thereto.

c) Warrant Register. The Company shall register this Warrant, upon records to be maintained by the Company for that purpose (the "Warrant Register"), in the name of the record Holder hereof from time to time. The Company may deem and treat the registered Holder of this Warrant as the absolute owner hereof for the purpose of any exercise hereof or any distribution to the Holder, and for all other purposes, absent actual notice to the contrary.

Section 5. Miscellaneous.

a) No Rights as Stockholder Until Exercise. This Warrant does not entitle the Holder to any voting rights, dividends or other rights as a stockholder of the Company prior to the exercise hereof as set forth in Section 2(d)(i), except as expressly set forth in Section 3.

b) Loss, Theft, Destruction or Mutilation of Warrant. The Company covenants that upon receipt by the Company of evidence reasonably satisfactory to it of the loss, theft, destruction or mutilation of this Warrant or any stock certificate relating to the Warrant Shares, and in case of loss, theft or destruction, of indemnity or security reasonably satisfactory to it (which, in the case of the Warrant, shall not include the posting of any bond), and upon surrender and cancellation of such Warrant or stock certificate, if mutilated, the Company will make and deliver a new Warrant or stock certificate of like tenor and dated as of such cancellation, in lieu of such Warrant or stock certificate.

c) Saturdays, Sundays, Holidays, etc. If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall not be a Business Day, then, such action may be taken or such right may be exercised on the next succeeding Business Day.

d) Authorized Shares; Noncircumvention.

(i) Required Reserve Amount. So long as this Warrant remains outstanding, the Company shall at all times keep reserved for issuance under this Warrant a number of shares of Common Stock at least equal to 100% of the maximum number of shares of Common Stock as shall be necessary to satisfy the Company's obligation to issue shares of Common Stock under the Warrants then outstanding (without regard to any limitations on exercise) (the "Required Reserve Amount"); provided that at no time shall the number of shares of Common Stock reserved pursuant to this Section 5(d) be reduced other than proportionally in connection with any exercise or redemption of Warrants or such other event covered by Section 3(a) above. The Required Reserve Amount (including, without limitation, each increase in the number of shares so reserved) shall be allocated pro rata among the holders of the Warrants based on number of shares of Common Stock issuable upon exercise of Warrants held by each holder on the Closing Date (without regard to any limitations on exercise) or increase in the number of reserved shares, as the case may be (the "Authorized Share Allocation"). In the event that a holder shall sell or otherwise transfer any of such holder's Warrants, each transferee shall be allocated a pro rata portion of such holder's Authorized Share Allocation. Any shares of Common Stock reserved and allocated to any Person which ceases to hold any Warrants shall be allocated to the remaining holders of Warrants, pro rata based on the number of shares of Common Stock issuable upon exercise of the Warrants then held by such holders (without regard to any limitations on exercise).

(ii) Insufficient Authorized Shares. If, notwithstanding Section 5(d)(i), and not in limitation thereof, at any time while any of the Warrants remain outstanding, the Company does not have a sufficient number of authorized and unreserved shares of Common Stock to satisfy its obligation to reserve the Required Reserve Amount (an "Authorized Share Failure"), then the Company shall immediately take all action necessary to increase the Company's authorized shares of Common Stock to an amount sufficient to allow the Company to reserve the Required Reserve Amount for all the Warrants then outstanding. Without limiting the generality of the foregoing sentence, as soon as practicable after the date of the occurrence of an Authorized Share Failure, but in no event later than sixty (60) days after the occurrence of such Authorized Share Failure, the Company shall hold a meeting of its stockholders for the approval of an increase in the number of authorized shares of Common Stock. In connection with such meeting, the Company shall provide each stockholder with a proxy statement and shall use its best efforts to solicit its stockholders' approval of such increase in authorized shares of Common Stock and to cause its board of directors to recommend to the stockholders that they approve such proposal.

(iii) Noncircumvention. The Company will take all such reasonable action as may be necessary to assure that such Warrant Shares may be issued as provided herein without violation of any applicable law or regulation, or of any requirements of the Trading Market upon which the Common Stock may be listed. The Company covenants that all Warrant Shares which may be issued upon the exercise of the purchase rights represented by this Warrant will, upon exercise of the purchase rights represented by this Warrant and payment for such Warrant Shares in accordance herewith, be duly authorized, validly issued, fully paid and nonassessable and free from all taxes, liens and charges created by the Company in respect of the issue thereof (other than taxes in respect of any transfer occurring contemporaneously with such issue). Except and to the extent as waived or consented to by the Holder, the Company shall not by any action, including, without limitation, amending its certificate of incorporation or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such actions as may be necessary or appropriate to protect the rights of Holder as set forth in this Warrant against impairment. Without limiting the generality of the foregoing, the Company will (i) not increase the par value of any Warrant Shares above the amount payable therefor upon such exercise immediately prior to such increase in par value, (ii) take all such action as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and nonassessable Warrant Shares upon the exercise of this Warrant and (iii) use commercially reasonable efforts to obtain all such authorizations, exemptions or consents from any public regulatory body having jurisdiction thereof, as may be, necessary to enable the Company to perform its obligations under this Warrant. Before taking any action which would result in an adjustment in the number of Warrant Shares for which this Warrant is exercisable or in the Exercise Price, the Company shall obtain all such authorizations or exemptions thereof, or consents thereto, as may be necessary from any public regulatory body or bodies having jurisdiction thereof. Notwithstanding anything herein to the contrary, if after the one hundred and fiftieth calendar day anniversary of the Subscription Date, the Holder is not permitted to exercise this Warrant in full for any reason (other than pursuant to restrictions set forth in Section 2(e) hereof), the Company shall use its best efforts to promptly remedy such failure, including, without limitation, obtaining such consents or approvals as necessary to permit such exercise into shares of Common Stock.

e) Jurisdiction. All questions concerning the construction, validity, enforcement and interpretation of this Warrant shall be determined in accordance with the provisions of the Purchase Agreement.

f) Restrictions. The Holder acknowledges that the Warrant Shares acquired upon the exercise of this Warrant, if not registered and the Holder does not utilize cashless exercise, will have restrictions upon resale imposed by state and federal securities laws.

g) Nonwaiver and Expenses. No course of dealing or any delay or failure to exercise any right hereunder on the part of Holder shall operate as a waiver of such right or otherwise prejudice the Holder's rights, powers or remedies. Without limitation any other provision of this Warrant or the Purchase Agreement, if the Company willfully and knowingly fails to comply with any provision of this Warrant, which results in any material damages to the Holder, the Company shall pay to the Holder such amounts as shall be sufficient to cover any costs and expenses including, but not limited to, reasonable attorneys' fees, including those of appellate proceedings, incurred by the Holder in collecting any amounts due pursuant hereto or in otherwise enforcing any of its rights, powers or remedies hereunder.

h) Notices. Any notice, request or other document required or permitted to be given or delivered to the Holder by the Company shall be delivered in accordance with the notice provisions of the Purchase Agreement.

i) Limitation of Liability. No provision hereof, in the absence of any affirmative action by the Holder to exercise this Warrant to purchase Warrant Shares, and no enumeration herein of the rights or privileges of the Holder, shall give rise to any liability of the Holder for the purchase price of any Common Stock or as a stockholder of the Company, whether such liability is asserted by the Company or by creditors of the Company.

j) Remedies. The Holder, in addition to being entitled to exercise all rights granted by law, including recovery of damages, will be entitled to specific performance of its rights under this Warrant. The Company agrees that monetary damages would not be adequate compensation for any loss incurred by reason of a breach by it of the provisions of this Warrant and hereby agrees to waive and not to assert the defense in any action for specific performance that a remedy at law would be adequate.

k) Successors and Assigns. Subject to applicable securities laws, this Warrant and the rights and obligations evidenced hereby shall inure to the benefit of and be binding upon the successors and permitted assigns of the Company and the successors and permitted assigns of Holder. The provisions of this Warrant are intended to be for the benefit of any Holder from time to time of this Warrant and shall be enforceable by the Holder or holder of Warrant Shares.

l) Amendment. This Warrant may be modified or amended or the provisions hereof waived with the written consent of the Company and the Holder.

m) Severability. Wherever possible, each provision of this Warrant shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Warrant shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Warrant.

n) Headings. The headings used in this Warrant are for the convenience of reference only and shall not, for any purpose, be deemed a part of this Warrant.

****

(Signature Page Follows)

IN WITNESS WHEREOF, the Company has caused this Warrant to be executed by its officer thereunto duly authorized as of the date first above indicated.

INVENTERGY GLOBAL, INC.

By: _____
Name:
Title:

NOTICE OF EXERCISE

TO: INVENTERGY GLOBAL, INC.

(1) The undersigned hereby elects to purchase _____ Warrant Shares of the Company pursuant to the terms of the attached Warrant (only if exercised in full), and tenders herewith payment of the exercise price in full, together with all applicable transfer taxes, if any.

(2) Payment shall take the form of (check applicable box):

[ ] in lawful money of the United States; or

[ ] [if permitted the cancellation of such number of Warrant Shares as is necessary, in accordance with the formula set forth in subsection 2(c), to exercise this Warrant with respect to the maximum number of Warrant Shares purchasable pursuant to the cashless exercise procedure set forth in subsection 2(c).

(3) Please issue said Warrant Shares in the name of the undersigned or in such other name as is specified below:

_____

The Warrant Shares shall be delivered to the following DWAC Account Number:

_____

_____

_____

[SIGNATURE OF HOLDER]

Name of Investing Entity: _____
Signature of Authorized Signatory of Investing Entity: _____
Name of Authorized Signatory: _____
Title of Authorized Signatory: _____
Date: _____

EXHIBIT B

ASSIGNMENT FORM

(To assign the foregoing Warrant, execute this form and supply required information. Do not use this form to purchase shares.)

FOR VALUE RECEIVED, the foregoing Warrant and all rights evidenced thereby are hereby assigned to

Name: _____
(Please Print)

Address: _____
(Please Print)

Phone Number: _____

Email Address: _____

Dated: _____ __, _____

Holder's Signature: _____

Holder's Address: _____

Exhibit 10.24

FIRST AMENDMENT TO AMENDED AND RESTATED
REVENUE SHARING AND NOTE PURCHASE AGREEMENT AND WARRANT

This FIRST AMENDMENT TO AMENDED AND RESTATED REVENUE SHARING AND NOTE PURCHASE AGREEMENT AND WARRANT (this "Amendment") is dated as of October 30, 2015 among Inventergy Global, Inc., a Delaware corporation ("Parent"), Inventergy, Inc. ("Owner", and, collectively, the "Company"), DBD Credit Funding, LLC as collateral agent (the "Collateral Agent"), and the Revenue Participants and Note Purchasers (collectively, the "Purchasers") thereto, and amends (i) that certain Amended and Restated Revenue Sharing and Note Purchase Agreement between the Company, the Collateral Agent and the Purchasers originally dated as of October 1, 2014 and amended and restated as of February 25, 2015 (such Agreement, as amended hereby and as may be further amended, supplemented or otherwise modified and in effect from time to time, the "Agreement"); and (ii) the Warrant between Parent and CF DB EZ LLC (the "Holder") (such Warrant, as amended hereby and as may be further amended, supplemented or otherwise modified in effect from time to time, the "Warrant"). Capitalized terms used and not otherwise defined in this Amendment shall have the meanings specified in the Agreement or the Warrant, as applicable.

WHEREAS, the parties have agreed that amortization payments shall begin on the last Business Day of November 2015, rather than the last Business Day of October 2015.

WHEREAS, the parties have agreed that the Liquidity maintenance requirement of not less than One Million Dollars ($1,000,000) shall not apply to the Company from November 1, 2015 to December 1, 2015.

WHEREAS, the parties have agreed that the Exercise Price of the Warrant shall be re-priced based on the last five Trading Days prior to the effectiveness of this Amendment.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto hereby agree as follows:

Section 1. Amendments. The Agreement and the Warrant shall be amended as follows:

1.01. Amortization. Section 2.2.4.3 of the Agreement shall be amended to replace the phrase "Commencing on the last Business day of October, 2015" with "Commencing on the last Business day of November, 2015".

1.02. Minimum Liquidity. The requirement in Section 6.10 of the Agreement that the Company shall maintain not less than One Million Dollars ($1,000,000) in unrestricted cash and Cash Equivalents shall not apply from November 1, 2015 until December 1, 2015.

1.03. Warrant Pricing. The initial exercise price of the Warrant, as set forth in the first paragraph of the Warrant, such being "$1.14", shall be replaced with an amount determined by the Holders that is equal to the average price per share for the equity for which the Warrant may be exercised over the last five Trading Days prior to the effectiveness of this Amendment. The Holder shall provide notice of such determination promptly, in writing, and such amount shall thereafter be the initial exercise price. The Holder shall be entitled, upon request, to be given a replacement Warrant reflecting such price and, upon such delivery, shall surrender the original Warrant marked "cancelled".

Section 2. Expenses. It shall be a condition to the effectiveness of this Amendment, that the Company has paid all fees and expenses (including attorneys' fees) to the extent invoiced on or before October 30, 2015 (including, without limitation, reasonable fees and disbursements of Ropes & Gray LLP) incurred by the Collateral Agent, the Purchasers, or the Holder in connection with the preparation, negotiation, execution and delivery of this Amendment. The Company agrees to promptly pay any additional such amounts invoiced following the effectiveness of the Amendment.

Section 3. Miscellaneous. Except as specifically amended or waived above, the Agreement and the other Documents shall remain unchanged and in full force and effect and are hereby ratified and confirmed. The execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of the Collateral Agent or any Purchaser under the Agreement or any Document, nor constitute a waiver of any provision of the Agreement or any Document. This Amendment is a Document for all purposes of the Agreement. This Amendment may be executed in any number of counterparts, and by different parties hereto on separate counterpart signature pages, and all such counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of a counterpart signature page by facsimile transmission or by e-mail transmission of an Adobe portable document format file (also known as a "*PDF*" file) shall be effective as delivery of a manually executed counterpart signature page. Section headings used in this Amendment are for reference only and shall not affect the construction of this Amendment.

Section 4. Governing Law. This Amendment, and any issue, claim or proceeding arising out of or relating to this Amendment or the conduct of the parties hereto, whether now existing or hereafter arising and whether in contract, tort or otherwise, shall be governed by and construed in accordance with the laws of the State of New York.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered as of the day and year first above written.

Revenue Participant:

CF DB EZ LLC

By:
Title:

Note Purchaser:

DBD Credit Funding LLC

By:
Title:

[Signature Page to First Amendment]

Collateral Agent:

DBD Credit Funding LLC

By:
Title:

[Signature Page to First Amendment]

Company:

INVENTERGY GLOBAL, INC.

By: Joseph W. Beyers
Title: Chief Executive Officer and Chairman

INVENTERGY, INC.

By: Joseph W. Beyers
Title: Chief Executive Officer and Chairman

[Signature Page to First Amendment]

Exhibit 10.25

FOIA CONFIDENTIAL TREATMENT REQUEST BY
INVENTERGY GLOBAL, INC.
IRS EMPLOYER IDENTIFICATION NUMBER 62-1482176
Confidential treatment requested with respect to certain portions hereof denoted with "*"**

*****CONFIDENTIAL TREATMENT REQUESTED*****

Note: Confidential treatment requested with respect to certain portions hereof denoted with "*"**

SECOND AMENDMENT TO AMENDED AND RESTATED REVENUE SHARING AND NOTE PURCHASE AGREEMENT

This SECOND AMENDMENT TO AMENDED AND RESTATED REVENUE SHARING AND NOTE PURCHASE AGREEMENT (this "2nd Amendment") is dated as of November 30, 2015 among Inventergy Global, Inc., a Delaware corporation ("Parent"), Inventergy, Inc. ("Owner", and, collectively, the "Company"), DBD Credit Funding, LLC as collateral agent (the "Collateral Agent"), and the Revenue Participants and Note Purchasers (collectively, the "Purchasers") thereto, and amends that certain Amended and Restated Revenue Sharing and Note Purchase Agreement between the Company, the Collateral Agent and the Purchasers originally dated as of October 1, 2014 and amended and restated as of February 25, 2015, and further amended as of October 30, 2015 (such Agreement, as amended hereby and as may be further amended, supplemented or otherwise modified and in effect from time to time, the "Agreement"). Capitalized terms used and not otherwise defined in this 2nd Amendment shall have the meanings specified in the Agreement.

WHEREAS, the Company has requested (i) that amortization payments begin on the last Business Day of January 2016, rather than the last Business Day of November 2015, (ii) that the Liquidity maintenance requirement of not less than One Million Dollars ($1,000,000) not apply to the Company from December 1, 2015 to February 1, 2016, (iii) that the Company be permitted to retain for application to certain fees owed to a consultant being retained by the Company certain Monetization Net Revenues that would otherwise be required to be applied to the Note Obligations, and (iv) that the Company's payment obligations to Nokia be permitted on the date due and not 30 days prior, or otherwise incur interest to Nokia on any amounts then owed, depending on certain conditions.

WHEREAS, the Purchasers are prepared to agree to the Company's requests, on the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto hereby agree as follows:

Section 1. Amendments. The Agreement shall be amended as follows:

1.01. Amortization. Section 2.2.4.3 of the Agreement shall be amended to replace the phrase "Commencing on the last Business day of November, 2015" with "Commencing on the last Business day of January, 2016".

1.02. Patent License. Section 2.7 shall be amended by replacing the last sentence of such Section with the following: "The Collateral Agent and the Secured Parties agree that the Collateral Agent shall only use such license (a) following the occurrence and during the continuance of an Event of Default (including, without limitation, an Event of Default on account of a breach of the minimum liquidity requirement of Section 6.10 or on account of a payment default arising from a failure to timely make any required amortization payments); or (b) from December 1, 2015 until the later of (x) February 1, 2016, (y) the Company's delivery of a compliance certificate demonstrating compliance with Section 6.10 for any week on or after the week ended February 4, 2016, and (z) the date on which the Company shall have made the second of two consecutive monthly amortization payments in accordance with Section 2.2.4.3."

1.03. Sale Waterfall. A new Section 2.9 shall be added as follows:

"2.9 Proceeds of Sale of Patents. Notwithstanding any other provision of this Agreement, in the event of a sale or exclusive license of all or a portion of the Patents (a "Patent Sale") the proceeds of any such sale, as and when received by the Company, shall be applied as follows:

i) 100% of the Patent Sale Net Proceeds from such sale or exclusive license shall be applied to the Note Obligations (which shall include any principal, interest, termination fees, legal fees or other expenses of the Collateral Agent in connection with such transaction) until paid in full.

ii) Following the payment in full of the Note Obligations, 75% of the remaining Patent Sale Net Proceeds shall be applied to the Revenue Stream until the amount applied to the Revenue Stream pursuant to this clause (ii) totals $5 million.

iii) Following the application of $5 million to the Revenue Stream pursuant to clause (ii), 50% of the remaining Patent Sale Net Proceeds shall be applied to the Revenue Stream until the amount applied to the Revenue Stream pursuant to this clause (iii) totals $3,539,650 if paid by the Maturity Date, or $5,369,575 if paid thereafter.

For purposes of this Section 2.9, "Patent Sale Net Proceeds" of a Patent Sale, shall mean the total gross Monetization Revenues of such transaction, less the following (i) any brokers' commissions that have been approved, in advance, by the Collateral Agent, (ii) the Company's reasonable documented legal fees and expenses directly related to such transaction; provided, for the avoidance of doubt, that no legal fees or expenses incurred prior to December 1, 2015 shall be deducted from such gross proceeds, less (iii) solely in the case of a Patent Sale of the Panasonic and Huawei Patents, Contractual Obligations of the Company to certain third parties as detailed below. Specifically, in the case of Panasonic patents, such third party Contractual Obligations consist of 20% of gross transaction proceeds owed to Panasonic, 2% of "***Net Monetization Revenues" owed to *** (with such term defined in the agreement between the Company and ***), and 4% of "*** Net Monetization Revenues", up to a pre-determined limit, owed to *** (with such term defined in the engagement letter between the Company and ***). In the case of Huawei patents, such third party Contractual Obligations consist of 20% of "Huawei Net Monetization Revenues" owed to Huawei (with such term defined in the Patent Purchase Agreement between the Company and Huawei), 10% of gross transaction proceeds, up to a pre-determined limit, owed to ***, 2% of "*** Net Monetization Revenues" owed to *** (with such term defined in the agreement between the Company and ***), and 4% of "*** Net Monetization Revenues", up to a pre-determined limit, owed to *** (with such term defined in the engagement letter between the Company and ***).

By way of illustration, and this example assumes a transaction takes place prior to the Maturity Date, thereby requiring payment of the lower, "Pre-Maturity Date" Revenue Stream obligation, assuming (i) that the gross proceeds of a sale of some or all of the Panasonic Patents totals $50,000,000, (ii) that the broker's commission is owed pursuant to the *** Brokerage Agreement, (iii) that the Note Obligations (including expenses of the Collateral Agent) total $10,906,465 as of such date, which consist of $10,052,500 of principal outstanding and $853,965 of termination fees (PIK interest has been excluded for this example only), (iv) that the legal fees and disbursements of the Company in connection with such transaction totals $100,000, and (v) that allowable deductible expenses for purposes of calculating third party Contractual Obligations under the Company's agreements with third parties are $2,000,000 in all cases, then the proceeds of such sale shall be distributed as follows:

$50,000,000 would generate a commission due to *** under the *** Brokerage Agreement of (0.1 x $1,000,000) + (0.075 x $4,000,000) + (0.05 x $45,000,000) = $2,650,000.

Patent Sale Net Proceeds would be calculated as:

Gross Proceeds	$50,000,000
Less *** fees	$ (2,650,000)
Less Company legal fees	$ (100,000)
*(Note: Contractual Obligations to *** if this was a Huawei/Nokia sale would be 10% of gross transaction proceeds up to a total of approx.. $*** based on previously deferred legal billings))*	
Less Contractual Obligation to Panasonic	$(10,000,000)
Less Contractual Obligation to ***	$ (960,000)
*(Or to *** if this was a Huawei/Nokia sale)*	
Less Contractual Obligation to ***	$ (336,600)
Net Proceeds	$ 35,953,400

i) $10,906,465 is applied to the Note Obligations, leaving $25,046,935 of Patent Sale Net Proceeds;

ii) Of the next $6,666,667 in Patent Sale Net Proceeds, $5,000,000 is applied to the Revenue Stream and $1,666,667 to the Company, leaving $18,380,268 in remaining Patent Sale Net Proceeds;

iii) Of the remaining $18,380,268, $3,539,650 is applied to the Revenue Stream, leaving $14,840,618, which will be paid to the Company.

The result of the foregoing distribution of $50,000,000, after payment of $2,750,000 in transaction expenses, is a total of $19,446,115 being paid to the Purchasers, $16,507,285 being paid to the Company, and $11,296,600 being paid to satisfy third party Contractual Obligations."

1.04. Management of Patents; Dispositions. Section 6.9.1 of the Agreement shall be amended by replacing clause (iv) thereof with the following: "and (iv) prior to December 1, 2015, the entry into contingency, revenue sharing or profit sharing arrangements with additional law firms, consultants or other professionals to the extent such arrangements are not inconsistent with the Purchasers' rights in respect of the Monetization Revenues hereunder."

1.05. Minimum Liquidity. The requirement in Section 6.10 of the Agreement that the Company shall maintain not less than One Million Dollars ($1,000,000) in unrestricted cash and Cash Equivalents shall not apply from November 1, 2015 until February 1, 2016.

1.06. Obligations under Patent Purchase Agreements. Section 6.14(a) of the Agreement shall be deleted in its entirety, it being understood that under the Nokia PPA, if any payment is overdue, the Company simply accrues interest with no specific date of payment."

1.07. Additional Covenants New Sections 6.16 and Section 6.17 shall be added to the Agreement as follows:

"6.16 Consulting Agreement. On or before December 24_, 2015, the Company shall enter into an arrangement with *** ("***") in form and substance acceptable to the Collateral Agent that provides for *** to work with the Company to analyze the Patents in light of potentially infringing products as part of the *** Consulting Agreement, and shall thereafter comply with the terms of such arrangement and shall use its best efforts to implement and execute on a monetization plan consistent with ***'s and Inventergy's analysis.

6.17 Marketing Patent Portfolio. Commencing on December 1, 2015, the Company shall diligently pursue and attempt to complete a sale of some or all of the Patents, it being acknowledged and agreed that the consent of the Purchasers will be required to effect any such transaction (other than a transaction that results in the payment in full of the Note Obligations and the satisfaction of the maximum amount that the Purchasers could be entitled to under the Revenue Stream at that time). As part of this sale process, on or before December 24, 2015, the Company shall enter into an arrangement with *** in form and substance satisfactory to the Collateral Agent pursuant to which HTS will pursue a sale of some or all the Patents (the "*** Broker Agreement"), and shall thereafter fully comply with the *** Broker Agreement. The Company shall, and shall direct *** to, keep the Collateral Agent fully informed as to the Company and ***'s progress in marketing the Patents being offered for sale."

1.08. Events of Default. Section 7.1.2(x) shall be amended by replacing the phrase "or 6.15" with ", 6.15, 6.16 or 6.17"

1.09. Cumulative Remedies. Section 7.2.4 shall be amended by replacing the parenthetical in clause (1) with the following:

"(to permit the Company's continuing sublicense to third parties to the extent required under the Existing Encumbrances and under any other licenses entered into in compliance with this Agreement prior to such exercise of remedies, including in compliance with Section 7.2.3)"

Section 2. Advances to ***. The Company hereby authorizes and directs the Collateral Agent to release to *** from the Collateral Account, from amounts that would otherwise be required to be applied to the Note Obligations or the Revenue Stream, up to $200,000 to pay fees owed by the Company under the *** Consulting Agreement or to pay the actual fees or expenses owed by the Company to brokers or other professionals in connection with the pursuit of a sale of all or a portion of the Patent portfolio. Such advances shall be made at the Collateral Agent's discretion at any time and from time to time after the date hereof, shall be deemed made at the request of, and on behalf of, the Company, and shall not reduce the Company's remaining obligations to the Purchasers hereunder.

Section 3. Effectiveness.

The effectiveness of this 2nd Amendment is subject to:

1. the receipt by the Collateral Agent of the following: (i) fully executed copies of this 2nd Amendment, the *** Broker Agreement and the *** Consulting Agreement, and (ii) an officer's certificate from an Authorized Officer of the Company certifying that the representations and warranties of the Company contained in this Agreement are true and correct as of the date hereof in all material respects, and that there exists no Default or Event of Default, after giving effect to this 2nd Amendment; and

2. the Company's payment of all fees and expenses (including attorneys' fees) to the extent invoiced on or before the date hereof (including, without limitation, reasonable fees and disbursements of Ropes & Gray LLP) incurred by the Collateral Agent in connection with the preparation, negotiation, execution and delivery of this 2nd Amendment or otherwise owing under the Agreement; provided, that the Company agrees to promptly pay any additional such amounts invoiced following the effectiveness of the 2nd Amendment.

Section 4. Miscellaneous. Except as specifically amended or waived above, the Agreement and the other Documents shall remain unchanged and in full force and effect and are hereby ratified and confirmed. The execution, delivery and effectiveness of this 2nd Amendment shall not operate as a waiver of any right, power or remedy of the Collateral Agent or any Purchaser under the Agreement or any Document, nor constitute a waiver of any provision of the Agreement or any Document, except as specifically provided by this 2nd Amendment. This 2nd Amendment is a Document, and a part of the Agreement, for all purposes of the Agreement. This 2nd Amendment may be executed in any number of counterparts, and by different parties hereto on separate counterpart signature pages, and all such counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of a counterpart signature page by facsimile transmission or by e-mail transmission of an Adobe portable document format file (also known as a "*PDF*" file) shall be effective as delivery of a manually executed counterpart signature page. Section headings used in this 2nd Amendment are for reference only and shall not affect the construction of this 2nd Amendment.

IN WITNESS WHEREOF, the parties hereto have caused this 2nd Amendment to be duly executed and delivered as of the day and year first above written.

Revenue Participant:

CF DB EZ LLC

By:
Title:

Note Purchaser:

Drawbridge Special Opportunities Fund LP
By: Drawbridge Special Opportunities GP LLC, its general partner

By:
Title:

Collateral Agent:

DBD Credit Funding LLC

By:
Title:

[Signature Page to Second Amendment]

Company:

INVENTERGY GLOBAL, INC.

By: Joseph W. Beyers
Title: Chief Executive Officer and Chairman

INVENTERGY, INC.

By: Joseph W. Beyers
Title: Chief Executive Officer and Chairman

Exhibit 10.27

CONFIDENTIAL

AMENDMENT TO PATENT PURCHASE AGREEMENT

This AMENDMENT is made as of December 31, 2015 ("**Amendment Date**") to that certain PATENT PURCHASE AGREEMENT (hereinafter referred to as **"Agreement")** entered into and effective as of October 21, 2013 (hereinafter referred to as **"Effective Date"**), by and between Panasonic Corporation, a Japanese corporation having a principal place of business at 1006 Oaza Kadoma, Kadoma-shi, Osaka 571-8501, Japan (hereinafter referred to as **"Seller"**) and Inventergy, Inc., a Delaware corporation with a business address at 900 E. Hamilton Avenue, Suite 180, California 95008, USA (hereinafter referred to as **"Buyer"**). Hereinafter, Seller and Buyer are each referred to as a **"Party"**, and collectively as the **"Parties"**. All other definitions throughout this Amendment shall have the same definitions as in the Agreement, except as otherwise set forth.

RECITALS

WHEREAS, the Parties entered into the Agreement to assign and transfer from Seller to Buyer Seller's right, title and interest in and to the Patent Assets; and

WHEREAS, Parties wish to modify the terms of the payments from the Buyer to the Seller; and

WHEREAS, Parties wish to clarify their intent as expressed in the Agreement;

NOW THEREFORE, in consideration of the foregoing and of the mutual promises, covenants and agreements contained in the Agreement and this Amendment, the Parties hereby agree as follows:

Definitions Section 1:

Definitions (m) "Guaranteed Payments" and (n) "Guaranteed Payment Dates" are deleted in their entirety.

Definition (l) "Gross Revenue" is amended and restated in its entirety as follows:

(l) **"Gross Revenue"** shall mean total income and revenue and any non-cash equivalents obtained by Buyer in relation to Buyer's commercialization activities for Patent Assets, including but not limited to the licensing, selling or other monetization of any of the Patent Assets. If Inventergy offsets any amount of royalties that it would otherwise obtain from an entity as a result of commercialization of the Patent Assets against any debt that it owes to the same entity, such offset should be included as Gross Revenue.

Definition (q) "Net Revenue" is amended and restated in its entirety as follows:

(q) **"Net Revenue"** shall mean all proceeds, income, payments and revenues obtained (actually received as cash) by Buyer during the term of this Agreement and/or after its termination in relation to Buyer's commercialization activities for Patent Assets, including but not limited to the licensing, selling, or other monetization of any of the Patent Assets, after deducting from Gross Revenue: (1) any governmental taxes including withholding taxes, (2) any reimbursement to its licensees due to overpayments from such licensees to Buyer; and (3) any and all accrued litigation and/or patent monetization commercialization-related third party invoiced expenses (preparation, execution or contingency fee payments) (hereinafter, such deducted costs shall be referred to as **"Deducted Costs"**). Provided, however, that after the Amendment Date, Deducted Costs shall not include any external or internal patent prosecution costs, including but not limited to legal fees or translation fees for patent prosecution related matters, or patent maintenance costs. In any event, the accrued Deducted Costs deducted from Gross Revenue to yield a particular quarterly Net Revenue shall not exceed more than fifty percent (50%) of the Gross Revenue applicable to that particular quarterly Net Revenue, but any excess accrued Deducted Costs may be applied to subsequent Net Revenue. For the avoidance of doubt, Buyer is solely liable for any third party litigation related costs and negotiation related costs. None of Buyer's internal costs of operation, including but not limited to any costs associated with the commercialization of the Patent Assets and Buyer's internal costs associated with litigation in support of commercialization efforts, shall be deducted in Net Revenue calculations. For the avoidance of doubt, Net Revenue does not encompass any receipts by Buyer due to general corporate financing, whether equity or debt, or money or other value received as part of changes of control, mergers or acquisitions of substantially all the assets of Buyer, its successor or assigns, or similar general corporate transactions. Notwithstanding anything to the contrary, from the Amendment Date until such time as Seller has received an aggregate of eighteen (18) million US Dollars in Net Revenue Share (the "**Milestone Payment**"), the deduction of any Deducted Costs from Gross Revenue shall be deferred to later Gross Revenue, and the costs deducted from Gross Revenue during such time shall be zero.

Section 2.5 "Grant Back" the following is added at the end of Section 2.5 to further clarify the intent of the Parties as of the Effective Date: "For purposes of clarity, Buyer and Seller understand, acknowledge and agree that any reference to buyer's or acquirer's products and services in this Section 2.5 is limited to products and services that such party acquires as part of Seller's sold business."

Section 3.4 "Guaranteed Payments" is deleted in its entirety

Section 3.5 "Taxes" is amended to delete "Guaranteed Payments" in each occasion therein.

Section 3.6 "Failure of Payment" is amended to delete the words "and/or 3.4" and the words "and/or Guaranteed Payment Date,"

Sections 4.2 "Termination and Re-Purchase of Patent Assets" is amended and restated in its entirety as follows:

Re-Purchase of Patent Assets. If Buyer ceases to be a public company with securities listed on NASDAQ, another stock exchange or any over-the-counter quotation service, Buyer shall notify Seller of such change at least 60 days prior to such change becoming effective. Prior to ten (10) days before any such change becomes effective, upon notice to Buyer, Seller shall then have the right to re-purchase the Patent Assets for reasonable consideration (subject to the rights that Buyer has already granted to any Settled Third Party). In no event shall the reasonable price for re-purchasing the Patent Assets be lower than the lesser of (i) eight (8) million US Dollars, or (ii) the total accrued payments of Up-front Payment and Net Revenue Share paid by Buyer up to the date when Seller exercised the option set forth in this Section 4.2. Seller shall be responsible for any costs related to the transfer of the Patent Assets. Further, if Buyer's total accrued payments of Up-front Payment and Net Revenue Share payments paid to Seller exceeds twenty-three (23) million US Dollars, Seller has no further option to re-purchase the Patent Assets.

Section 4.3 "Effect of Termination" is amended and restated in its entirety as follows

Effect of Re-Purchase of Patent Assets.

(a) If Seller exercises its option to re-purchase the Patent Assets under Section 4.2 hereof, Seller will grant Buyer a limited right to sublicense to any third party that has already settled or agreed to settle with Buyer for a license to the Patent Assets on or before the termination date (hereinafter, such third party shall be referred to as a **"Settled Third Party"**), and Buyer shall pay to Seller any amount of Net Revenue Share (including the future Net Revenue Share which will be obtained after the termination date) for amounts which Buyer had settled or agreed with, and received from, such Settled Third Party.

(b) Within sixty (60) days after the date of re-purchase, Buyer shall render a report and pay all accrued amounts owing under Section 3 of this Agreement to Seller. For the avoidance of doubt, Buyer shall continue to pay to Seller any amount of Net Revenue Share (including the future Net Revenue Share which will be obtained after the termination date) which Buyer has settled or agreed with any Settled Third Party with respect to Buyer's commercialization activities on or before the termination date of this Agreement.

(c) Seller shall retain the right to conduct an audit in accordance with Section 3.8 hereof after Seller re-purchases the Patent Assets, and Buyer shall retain books and records as required until after such audit and any subsequent dispute arising from such audit.

Section 8.2 "Fees and Other Actions", the following is added at the end of 8.2(b):

Prior to ten (10) days before the final deadline for the payment of any maintenance or other fee, or the submission of any office action or other communication to any patent office that would have the effect of abandonment (except for patents or patent applications abandoned in favor of one or more continuation, continuation-in-part, divisional, reissue, reexamination or other equivalent application or patent; or patent applications abandoned in response to one or more rejections or equivalent by an examining patent office), upon notice to Buyer, Seller shall then have the right to cause Buyer to assign any such Patent Assets to Seller and to grant back to Seller all rights, title and interest in such Patent Assets without monetary consideration. Seller shall be responsible for any costs related to the transfer of the Patent Assets.

Section 9.3 "Notices" is restated in its entirety as follows:

9.3 Notices. All notices under this Agreement shall be in writing, specifically refer to this Agreement, and be delivered in person or sent by international carrier or overnight mail, or by other means providing proof of delivery, to the Parties at their respective addresses set forth below, or to any other address of which a Party notifies the other. Other communications under this Agreement may be made by any of the foregoing means as well as electronic mail to an e-mail address designated by a Party. All notices shall be deemed to be effective on the date of actual receipt or five days after transmission as provided above, whichever is sooner.

IF TO SELLER:
Panasonic Corporation
Intellectual Property Center
2-1-61 Shiromi, Chuo-ku, Osaka City
540-6208, Japan
Attention:
General Manager, Licensing Group
Email:katsura.hitoshi@jp.panasonic.com

IF TO BUYER:
Inventergy, Inc.
900 E. Hamilton Avenue
Suite 180
Campbell, CA 95008, USA
Attention: Joe Beyers
Chairman & CEO
Email: joe@inventergy.com

[The remainder of this page has been intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF, the Parties have caused this Amendment to be executed in duplicate by its duly authorized representative.

	Panasonic Corporation		Inventergy, Inc.
By:	_____ (Signature)	By:	_____ (Signature)
Name:	Hideo Toyoda	Name:	Joseph W. Beyers
Title:	Director, Intellectual Property Center	Title:	Chariman & CEO
Date:		Date:	

Exhibit 23.1

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM'S CONSENT

We consent to the incorporation by reference in the Registration Statement of Inventergy Global, Inc. on Form S-3 (File No. 333-199647 **)** as filed with the Securities and Exchange Commission on October 28, 2014 and the Prospectus dated November 10, 2014, of our report dated April 4, 2016 which includes an explanatory paragraph as to the Company's ability to continue as a going concern, with respect to our audits of the consolidated balance sheets and the related consolidated statements of operations, stockholders' equity and cash flows of Inventergy Global, Inc. as of December 31, 2015 and 2014 and for the years then ended, which report is included in this Annual Report on Form 10-K of Inventergy Global, Inc. for the year ended December 31, 2015. We also consent to the reference to our firm under the heading "Experts" in such Registration Statement.

/s/ Marcum llp

Marcum llp
San Francisco, CA
April 4, 2016

EXHIBIT 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002

I, Joseph W. Beyers, certify that:

1. I have reviewed this Annual Report on Form 10-K of Inventergy Global, Inc. (the "Registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13-a13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures; and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

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

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 4, 2016

/s/ Joseph W. Beyers
Joseph W. Beyers
Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002

I, John G. Niedermaier, certify that:

1. I have reviewed this Annual Report on Form 10-K of Inventergy Global, Inc. (the "Registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13-a13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures; and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

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

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 4, 2016

/s/ John G. Niedermaier
John G. Niedermaier
Chief Financial Officer (Principal Financial and Accounting Officer)

EXHIBIT 32.1

CERTIFICATION
OF PRINCIPAL EXECUTIVE OFFICER AND
PRINCIPAL FINANCIAL OFFICER
PURSUANT TO 18 U. S. C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Inventergy Global, Inc. (the "Company") on Form 10-K for the period ended December 31, 2015 (the "Report"), I, Joseph W. Beyers, Chief Executive Officer of the Company, and I, John G. Niedermaier, Chief Financial Officer of the Company, hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 4, 2016

/s/ Joseph W. Beyers
Joseph W. Beyers
Chief Executive Officer
(Principal Executive Officer)

Date: April 4, 2016

/s/ John G. Niedermaier
John G. Niedermaier
Chief Financial Officer
(Principal Financial and Accounting Officer)

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed from within the electronic version of this written statement has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.