

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

FORM 10-Q

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

For the quarterly period ended March 31, 2017

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

For the transition period from _____ to _____

Commission file number 1-12471

THEMAVEN, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or
organization)

68-0232575
(I.R.S. Employer Identification No.)

2125 Western Avenue, Suite 502
Seattle, WA
(Address of principal executive offices)

98121
(Zip Code)

(775) 600-2765
(Registrant's telephone number, including area code)

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

Securities registered pursuant to Section 12(g) of the Act: **Common Stock \$0.01 par value**

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405 of this chapter) 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 (Do not check if a smaller reporting company)

Smaller reporting company

Emerging growth company

If emerging growth company, indicated by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(b) of the Exchange Act

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

As of May 12, 2017, the Registrant had 25,983,461 shares of common stock outstanding.

Form 10-Q
For the quarter ended March 31, 2017

Table of Contents

	Page
<u>Part I.</u> <u>Consolidated Financial Information</u>	4
Item 1. <u>Financial Statements</u>	4
<u>Consolidated Balance Sheet (Unaudited)</u>	4
<u>Consolidated Statement of Operations (Unaudited)</u>	5
<u>Consolidated Statement of Stockholders Equity (Unaudited)</u>	6
<u>Consolidated Statement of Cash Flows (Unaudited)</u>	7
<u>Notes to Consolidated Financial Statements (Unaudited)</u>	8
Item 2. <u>Management’s Discussion and Analysis of Financial Condition and Results of Operations</u>	25
Item 3. <u>Quantitative and Qualitative Disclosures</u>	32
Item 4. <u>Controls and Procedures</u>	32
<u>Part II.</u> <u>Other Information</u>	33
Item 1. <u>Legal Proceedings</u>	33
Item 1A. <u>Risk Factors</u>	33
Item 2. <u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	33
Item 3. <u>Default Upon Senior Securities</u>	33
Item 4. <u>Mine Safety Disclosures</u>	33
Item 5. <u>Other Information</u>	33
Item 6. <u>Exhibits</u>	34
<u>Signatures</u>	36

Cautionary Statement Regarding Forward-Looking Information

This report by theMaven, Inc. (“Parent”) and theMaven Network, Inc. (“Subsidiary”) (collectively “theMaven,” “Company” or “we”) contains “forward-looking statements,” within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Forward-looking statements relate to future events or future performance and include, without limitation, statements concerning the Company’s business strategy, future revenues, market growth, capital requirements, product introductions and expansion plans and the adequacy of the Company’s funding. Other statements contained in this Report that are not historical facts are also forward-looking statements. The Company has tried, wherever possible, to identify forward-looking statements by terminology such as “may,” “will,” “could,” “should,” “expects,” “anticipates,” “intends,” “plans,” “believes,” “seeks,” “estimates” and other comparable terminology.

The Company cautions investors that any forward-looking statements presented in this report, or that the Company may make orally or in writing from time to time, are based on the beliefs of, assumptions made by, and information currently available to, the Company. Such statements are based on assumptions, and the actual outcome will be affected by known and unknown risks, trends, uncertainties and factors that are beyond the Company’s control or ability to predict. Although the Company believes that its assumptions are reasonable, they are not guarantees of future performance, and some will inevitably prove to be incorrect. As a result, the Company’s actual future results can be expected to differ from its expectations, and those differences may be material. Accordingly, investors should use caution in relying on forward-looking statements, which are based only on known results and trends at the time they are made, to anticipate future results or trends. Certain risks are discussed in this Report and also from time to time in the Company’s other filings with the Securities and Exchange Commission (the “SEC”).

This report and all subsequent written and oral forward-looking statements attributable to the Company or any person acting on its behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. The Company does not undertake any obligation to release publicly any revisions to its forward-looking statements to reflect events or circumstances after the date of this Report.

Part I - Financial Information

Item 1. Consolidated Financial Statements

**theMaven, Inc. and Subsidiary
Consolidated Balance Sheet**

	<u>March 31, 2017</u>	<u>December 31, 2016</u>
Assets		
Current assets:		
Cash	3,114,339	598,294
Prepayments and other current assets	115,871	121,587
Total current assets	3,230,210	719,881
Fixed assets, net	1,191,498	547,804
Intangible assets	20,000	20,000
Total Assets	<u>4,441,708</u>	<u>1,287,685</u>
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	228,879	154,361
Accrued expenses	527,283	54,789
Conversion feature liability	130,067	137,177
Total current liabilities	<u>886,229</u>	<u>346,327</u>
Commitments and contingencies		
Redeemable convertible preferred stock, \$0.01 par value, 1,000,000 shares authorized; 168 shares issued and outstanding (\$168,496 aggregate liquidation value)	168,496	168,496
Stockholders' equity:		
Common stock, \$0.01 par value, 100,000,000 shares authorized; 22,056,461 and 22,047,531 shares issued and outstanding at March 31, 2017 and December 31, 2016	220,564	220,475
Common stock to be issued	3,120,644	9,375
Additional paid-in capital	3,238,361	2,730,770
Accumulated deficit	(3,192,586)	(2,187,758)
Total stockholders' equity	<u>3,386,983</u>	<u>772,862</u>
Total liabilities and stockholders' equity	<u>4,441,708</u>	<u>1,287,685</u>

See accompanying notes to consolidated financial statements.

theMaven, Inc. and Subsidiary
Consolidated Statement of Operations

	<u>Three Months Ended</u> <u>March 31,</u> <u>2017</u> <u>(Unaudited)</u>
Revenue	
Operating Expenses:	
Research and development	64,022
General and administrative	947,970
Total operating expenses	<u>1,011,992</u>
Loss from operations	<u>(1,011,992)</u>
Other income (loss):	
Interest and dividend income, net	54
Change in fair value of conversion feature	<u>7,110</u>
Total other income	<u>7,164</u>
Net loss	<u>(1,004,828)</u>
Basic and diluted net loss per common share	<u>(0.11)</u>
Weighted average number of shares outstanding – basic and diluted	9,537,523

See accompanying notes to consolidated financial statements.

theMaven, Inc. and Subsidiary
Consolidated Statement of Stockholders' Equity (Unaudited)
Three Months Ended March 31, 2017

	Common Stock		Common Stock To Be Issued		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount	Shares	Amount			
Balance at January 1, 2017	22,047,531	\$ 220,475	8,929	\$ 9,375	\$ 2,730,770	\$ (2,187,758)	\$ 772,862
Issuance of common stock	8,930	89	(8,929)	(9,375)	9,286		-
Private placement common stock to be issued, net of issuance costs			3,515,000	3,120,644	-		3,120,644
Stock based compensation					498,305		498,305
Net loss						(1,004,828)	(1,004,828)
Balance at March 31, 2017	<u>22,056,461</u>	<u>\$ 220,564</u>	<u>3,515,000</u>	<u>\$ 3,120,644</u>	<u>\$ 3,238,361</u>	<u>\$ (3,192,586)</u>	<u>\$ 3,386,983</u>

See accompanying notes to consolidated financial statements.

theMaven, Inc. and Subsidiary
Consolidated Statement of Cash Flows

Three Months Ended
March 31,
2017
(Unaudited)

Cash flows from operating activities:	
Net loss	(1,004,828)
Adjustments to reconcile net loss to net cash used in operating activities:	
Change in fair value of conversion feature	(7,110)
Stock based compensation	286,149
Depreciation	881
Changes in operating assets and liabilities:	
Prepayments and other current assets	5,716
Accounts payable	74,518
Accrued expenses	109,203
Net cash used in operating activities	(535,471)
Cash flows from investing activities:	
Website development costs and other fixed assets	(432,419)
Net cash used in investing activities	(432,419)
Cash flows from financing activities:	
Proceeds from stock to be issued	3,483,935
Net cash provided by financing activities	3,483,935
Net increase in cash	2,516,045
Cash at beginning of period	598,294
Cash at end of period	3,114,339
Supplemental disclosures of noncash investing and financing activities:	
Reclassification of stock-based compensation to website development costs	212,156
Accrual of stock issuance costs	363,291

See accompanying notes to consolidated financial statements

theMaven, Inc. and Subsidiary
Notes to Consolidated Financial Statements
March 31, 2017
(Unaudited)

1. Nature of Operations

theMaven, Inc. (“Parent”) and theMaven Network, Inc. (“Subsidiary”) (collectively “theMaven” or the “Company”) are developing an exclusive network of professionally managed online media channels, with an underlying technology platform. Each channel will be operated by a “invite only” “Channel Partner” drawn from subject matter experts, reporters, group evangelists and social leaders. Channel Partners will publish content and oversee an online community for their respective channels, leveraging a proprietary, socially-driven, mobile-enabled, video-focused technology platform to engage niche audiences within a single network.

2. Basis of Presentation

theMaven Network, Inc. was incorporated in Nevada on July 22, 2016, under the name “Amplify Media, Inc.” On July 27, 2016, the corporate name was amended to “Amplify Media Network, Inc.” and on October 14, 2016, the corporate name was changed to “theMaven Network, Inc.”.

theMaven, Inc. was formerly known as Integrated Surgical Systems, Inc., a Delaware corporation (“*Integrated*”). From June 2007 until November 4, 2016, Integrated was a non-active “shell company” as defined by regulations of the Securities and Exchange Commission (SEC). On August 11, 2016, Integrated entered into a loan to Subsidiary that provided initial funding totaling \$735,099 for the Subsidiary’s operations. On October 14, 2016 Integrated entered into a Share Exchange Agreement (the “*Share Exchange Agreement*”) with Subsidiary and the shareholders of Subsidiary, holding all of the issued and outstanding shares of Subsidiary (collectively, “*Subsidiary Shareholders*”). The Share Exchange Agreement was amended on November 4, 2016 to include certain newly issued shares of Subsidiary in the transaction and make related changes to the agreement and the Share Exchange was consummated. The transaction resulted in Parent acquiring Subsidiary by the exchange of all of the outstanding shares of Subsidiary for 12,517,152 newly issued shares of the common stock, \$0.01 par value (the “*Common Stock*”) of Parent, representing approximately 56.7% of the issued and outstanding shares of Common Stock immediately after the transaction. The transaction is referred to as the “Recapitalization.” The Recapitalization was consummated on November 4, 2016, as a result of which theMaven Network, Inc. became a wholly owned subsidiary of Integrated (the “*Closing*”). The note payable between Integrated and Subsidiary was an interdependent transaction with the Recapitalization and was ultimately cancelled upon closing of the Recapitalization. On December 2, 2016, Integrated amended its Certificate of Incorporation to change its name from “Integrated Surgical Systems, Inc.” to “theMaven, Inc.”

From June 2007 until the closing of the Recapitalization, Integrated was a non-active “shell company” as defined by regulations of the SEC and, accordingly, the Recapitalization was accounted for as a reverse recapitalization rather than a business combination. As the Subsidiary is deemed to be the purchaser for accounting purposes under reverse recapitalization accounting, the Company’s financial statements are presented as a continuation of Subsidiary, and the accounting for the Recapitalization is equivalent to the issuance of stock by Subsidiary for the net monetary assets of Parent as of the Closing accompanied by a recapitalization. See Note 9 for summary of the assets acquired, transaction costs and the consideration exchanged in the Recapitalization.

The accompanying unaudited financial statements have been prepared in accordance with the rules and regulations of the Securities and Exchange Commission for Form 10-Q. The Balance Sheet at December 31, 2016 has been derived from the Company’s audited financial statements.

In the opinion of management, these financial statements reflect all normal recurring, and other adjustments, necessary for a fair presentation. These financial statements should be read in conjunction with the audited financial statements included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2016. Operating results for interim periods are not necessarily indicative of operating results for an entire fiscal year or any other future periods.

3. Going Concern

The Company’s consolidated financial statements have been presented on the basis that it is a going concern, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. The Company’s activities are subject to significant risks and uncertainties, including the need for additional capital, as described below.

The Company has not generated any operating revenues since July 22, 2016 (Inception) and has financed its operations through (a) the Recapitalization transaction with Parent, (b) a loan from Parent that was cancelled upon closing of the Recapitalization and (c) a private placement of common stock in April 2017. The Company has incurred operating losses and negative operating cash flows, and it expects to continue to incur operating losses and negative operating cash flows for at least the next few years. As a result, management has concluded that there is substantial doubt about the Company's ability to continue as a going concern, and the Company's independent registered public accounting firm, in its report on the Company's 2016 consolidated financial statements, has raised substantial doubt about the Company's ability to continue as a going concern.

As fully described in Note 9, in April 2017, the Company completed a private placement of its common stock, raising proceeds of \$3.5 million net of cash offering costs. The Company believes that it does not have sufficient funds to support its operations through the end of the first quarter of 2018. In order to continue business operations past that point, the Company currently anticipates that it will need to raise additional debt and/or equity capital. However, there can be no assurances that the Company will be able to secure any such additional financing on acceptable terms and conditions, or at all. If cash resources become insufficient to satisfy the Company's ongoing cash requirements, the Company will be required to scale back or discontinue its technology development programs, or obtain funds, if available (although there can be no certainty), or to discontinue its operations entirely.

4. Significant Accounting Policies and Estimates

Principles of Consolidation

The accompanying consolidated financial statements include the financial position, results of operations and cash flows for the three months ended March 31, 2017. All intercompany transactions and balances have been eliminated in consolidation.

Use of Estimates

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

Fixed Assets

Fixed assets are recorded at cost. Major improvements are capitalized, while maintenance and repairs are charged to expense as incurred. Gains and losses from disposition of property and equipment are included in income and expense when realized. Depreciation and amortization are provided using the straight-line method over the following estimated useful lives:

Office equipment and computers	3-5 years
Furniture and fixtures	5-8 years
Website development costs	2-3 years

Intangible Assets

The intangible assets consist of the cost of a purchase website domain name with an indefinite useful life.

Impairment of Long-Lived Assets

The long-lived assets, consisting of fixed assets and intangible assets, held and used by the Company are reviewed for impairment no less frequently than annually or whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. In the event that facts and circumstances indicate that the cost of any long-lived assets may be impaired, an evaluation of recoverability is performed. Management has determined that there was no impairment in the value of long-lived assets during the period ended March 31, 2017.

Website Development Costs

In accordance with authoritative guidance, the Company begins to capitalize website and software development costs for internal use when planning and design efforts are successfully completed and development is ready to commence. Costs incurred during planning and design, together with costs incurred for training and maintenance, are expensed as incurred and recorded in research and development expense within the consolidated statement of operations. The Company places capitalized website and software development assets into service and commences depreciation/amortization when the applicable project or asset is substantially complete and ready for its intended use. Once placed into service, the Company capitalizes qualifying costs of specified upgrades or enhancements to capitalized website and software development assets when the upgrade or enhancement will result in new or additional functionality.

The Company capitalizes internal labor costs, including compensation, benefits and payroll taxes, incurred for certain capitalized website and software development projects related to the Company's technology platform. The Company's policy with respect to capitalized internal labor stipulates that labor costs for employees working on eligible internal use capital projects are capitalized as part of the historical cost of the project when the impact, as compared to expensing such labor costs, is material.

Research and Development

Research and development costs are charged to operations in the period incurred and amounted to \$64,022 for the three months ended March 31, 2017.

Fair Value Measurements

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820 "*Fair Value Measurements and Disclosures*" clarifies that fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that is determined based on assumptions that market participants would use in pricing an asset or a liability. As a basis for considering such assumptions, FASB ASC 820 establishes a three-tier value hierarchy, which prioritizes the inputs used in the valuation methodologies in measuring fair value:

- Level 1 - Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2 - Include other inputs that are directly or indirectly observable in the marketplace.
- Level 3 - Unobservable inputs which are supported by little or no market activity.

The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

In accordance with FASB ASC 820, the Company measures its derivative liability at fair value. The Company's derivative liability is classified within Level 3.

The carrying value of other current assets and liabilities are considered to be representative of their respective fair values because of the short-term nature of those instruments.

Concentrations of Credit Risk

Cash

The Company maintains cash at a bank where amounts on deposit may exceed the Federal Deposit Insurance Corporation limit throughout the year. The Company has not experienced losses in such accounts and believes it is not exposed to significant credit risk regarding its cash.

Stock-based Compensation

The Company provides stock-based compensation in the form of (a) restricted stock awards to employees, (b) vested stock grants to directors, (c) stock option grants to employees, directors and independent contractors, and (d) common stock warrants to Channel Partners and other independent contractors.

The Company applies FASB ASC 718, "Stock Compensation," when recording stock based compensation to employees and directors. The estimated fair value of stock based awards is recognized as compensation expense over the vesting period of the award. We have adopted ASU 2016-09 in 2016 with early application and account for actual forfeitures of awards as they occur.

The fair value of restricted stock awards by Subsidiary at Inception was estimated on the date of the award using the exchange value used by Integrated and the Subsidiary to establish the relative voting control ratio in the Recapitalization.

Restricted stock that was subject to an escrow arrangement and/or a performance condition in conjunction with the Recapitalization was remeasured and fair value was estimated using the quoted price of our common stock on the date of the Recapitalization. The Company uses a Monte Carlo simulation model to determine the number of shares expected to be released from the performance condition escrow. Each quarter the Company reevaluates the number of shares expected to be released from the performance condition escrow until the final determination is made as of December 31, 2017.

The fair value of fully vested stock awards is estimated using the quoted price of our common stock on the date of the grant. The fair value of stock option awards is estimated at grant date using the Black-Scholes option pricing model that requires various highly judgmental assumptions including expected volatility and option life.

The Company accounts for stock issued to non-employees in accordance with provisions of FASB ASC 505-50, "Equity Based Payments to Non-Employees." FASB ASC 505-50 states that equity instruments that are issued in exchange for the receipt of goods or services should be measured at the fair value of the consideration received or the fair value of the equity instruments issued, whichever is more reliability measurable. The measurement date occurs as of the earlier of (a) the date at which a performance commitment is reached or (b) absent a performance commitment, the date at which the performance necessary to earn the equity instruments is complete (that is, the vesting date). Equity grants with performance conditions that do not have sufficiently large disincentive for non-performance may be measured at fair value that is not fixed until performance is complete. The fair value of common stock warrants is estimated at grant date using the Black-Scholes option pricing model that requires various highly judgmental assumptions including expected volatility and option life. The Company recognizes expense for equity based payments to non-employees as the services are received. The Company has specific objective criteria, such as the date of launch of a Channel on the Company's platform, for determination of the period over which services are received and expense is recognized.

The Company uses a Monte Carlo simulation model to determine the number of shares expected to be earned by Channel Partners based on performance obligations to be satisfied over a defined period which will commence at the launch of a Channel on the Company's platform.

The Company issues common stock upon exercise of equity awards and warrants.

Income Taxes

The Company recognizes the tax effects of transactions in the year in which such transactions enter into the determination of net income regardless of when reported for tax purposes. Deferred taxes are provided in the financial statements to give effect to the temporary differences which may arise from differences in the bases of fixed assets, depreciation methods and allowances based on the income taxes expected to be payable in future years. Deferred tax assets arising primarily as a result of net operating loss carry-forwards, and research and development credit have been offset completely by a valuation allowance due to the uncertainty of their utilization in future periods.

The Company recognizes interest accrued relative to unrecognized tax benefits in interest expense and penalties in operating expense. During the three months ended March 31, 2017, the Company recognized no income tax related interest and penalties. The Company had no accruals for income tax related interest and penalties at March 31, 2017.

Basic and Diluted Loss per Common Share

Basic income or loss per share is computed using the weighted average number of common shares outstanding during the period, and excludes any dilutive effects of common stock equivalent shares, such as options, restricted stock, and warrants. Restricted stock is considered outstanding and included in the computation of basic income or loss per share when underlying restrictions expire and the shares are no longer forfeitable. Diluted income per share is computed using the weighted average number of common shares outstanding and common stock equivalent shares outstanding during the period using the treasury stock method. Common stock equivalent shares are excluded from the computation if their effect is anti-dilutive. Unvested but outstanding restricted stock (which are forfeitable) are included in the diluted income per share calculation. In a period where there is a net loss, the diluted loss per share is computed using the basic share count. At March 31, 2017, potentially dilutive shares outstanding amounted to 16,439,723.

Risks and Uncertainties

The Company has a limited operating history and has not generated revenue to date. The Company's business and operations are sensitive to general business and economic conditions in the U.S. and worldwide. These conditions include short-term and long-term interest rates, inflation, fluctuations in debt and equity capital markets and the general condition of the U.S. and world economy. A host of factors beyond the Company's control could cause fluctuations in these conditions. Adverse developments in these general business and economic conditions could have a material adverse effect on the Company's financial condition and the results of its operations.

In addition, the Company will compete with many companies that currently have extensive and well-funded projects, marketing and sales operations as well as extensive human capital. The Company may be unable to compete successfully against these companies. The Company's industry is characterized by rapid changes in technology and market demands. As a result, the Company's products, services, and/or expertise may become obsolete and/or unmarketable. The Company's future success will depend on its ability to adapt to technological advances, anticipate customer and market demands, and enhance its current technology under development.

Recently Adopted Standards

In November 2015, the FASB issued Accounting Standards Update No. 2015-17 (ASU 2015-17), Income Taxes (Topic 740): Balance Sheet Classification of Deferred Taxes. ASU 2015-17 requires that deferred tax liabilities and assets be classified as noncurrent in a classified statement of financial position. ASU 2015-17 is effective for financial statements issued for annual periods beginning after December 15, 2016, and interim periods within those annual periods. The adoption of ASU 2015-17 did not have any impact on Company's financial statement presentation or disclosures.

Recent Issued Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842), which supersedes all existing guidance on accounting for leases in ASC Topic 840. ASU 2016-02 is intended to provide enhanced transparency and comparability by requiring lessees to record right-of-use assets and corresponding lease liabilities on the balance sheet. ASU 2016-02 will continue to classify leases as either finance or operating, with classification affecting the pattern of expense recognition in the statement of income. ASU 2016-02 is effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. Early adoption is permitted. ASU 2016-02 is required to be applied with a modified retrospective approach to each prior reporting period presented with various optional practical expedients. The Company is currently assessing the potential impact of adopting ASU 2016-02 on its financial statements and related disclosures.

In August 2016, the FASB issued ASU 2016-15, Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments. ASU 2016-15 refines how companies classify certain aspects of the cash flow statement in regards to debt prepayment, settlement of debt instruments, contingent consideration payments, proceeds from insurance claims and life insurance policies, distribution from equity method investees, beneficial interests in securitization transactions and separately identifiable cash flows. ASU 2016-15 is effective for annual periods beginning after December 15, 2017, and interim periods within those fiscal years. No early adoption is permitted. Management is currently assessing the potential impact of adopting ASU 2016-15 on the financial statements and related disclosures.

In May 2014, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) No. 2014-09 (ASC 606) - Revenue from Contracts with Customers (“ASU 2014-09”), which provides guidance for revenue recognition. This ASU will supersede the revenue recognition requirements in Topic 605, and most industry specific guidance. The standard’s core principle is that revenue is recognized when promised goods or services are transferred to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. To achieve that core principle, an entity should apply the following steps:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

The guidance in ASU 2014-09 also specifies the accounting for some costs to obtain or fulfill a contract with a customer. ASC 606 requires the Company to make significant judgments and estimates. ASC 606 also requires more extensive disclosures regarding the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

The FASB has also issued several additional ASUs which amend ASU 2014-09. The amendments do not change the core principle of the guidance in ASC 606.

Public business entities are required to apply the guidance of ASC 606 to annual reporting periods beginning after December 15, 2017 (2018 for calendar year end reporting companies), including interim reporting periods within that reporting period. Early adoption is permitted.

The Company has not yet estimated the financial statement impact of the expected changes. The Company will continue to assess the impact of ASC 606 as it works through the adoption in 2017.

Management believes that any other recently issued, but not yet effective, authoritative guidance, if currently adopted, would not have a material impact on the Company’s consolidated financial statement presentation or disclosures.

5. Fixed Assets

At March 31, 2017 and December 31, 2016, fixed assets, net consisted of the following:

	<u>March 31, 2017</u>	<u>December 31, 2016</u>
Office equipment and computers	\$ 11,772	\$ 8,048
Furniture and Equipment	13,867	0
Website development costs	1,167,130	540,146
	<u>1,192,769</u>	<u>548,194</u>
Accumulated depreciation and amortization	(1,271)	(390)
Fixed assets, net	<u>\$ 1,191,498</u>	<u>\$ 547,804</u>

At March 31, 2017, the Company has not yet launched its website and accordingly no amortization of capitalized website development cost was recorded during the three months ended March 31, 2017.

6. Investments in Available-for-Sale Securities

The Company maintained an investment portfolio consisting of available-for-sale-securities during the period ended December 31, 2016, which it had acquired through the Recapitalization. All available-for-sale-securities either matured or were liquidated prior to December 31, 2016.

7. Redeemable Convertible Preferred Stock

The Company's Certificate of Incorporation authorized 1,000,000 shares of undesignated, serial preferred stock. Preferred stock may be issued from time to time in one or more series. The Board of Directors is authorized to determine the rights, preferences, privileges, and restrictions granted to and imposed upon any wholly unissued series of preferred stock and designation of any such series without any further vote or action by the Company's stockholders.

As of March 31, 2017, the Company's only outstanding series of convertible preferred stock is the Series G Convertible Preferred Stock ("Series G").

The Series G stock has a stated value of \$1,000 per share, and is convertible into common stock at a conversion price equal to 85% of the lowest sale price of the common stock on its listed market over the five trading days preceding the date of conversion ("Beneficial Conversion Feature"), subject to a maximum conversion price. The number of shares of common stock that may be converted is determined by dividing the stated value of the number of shares of Series G to be converted by the conversion price. The Company may elect to pay the Series G holder in cash at the current market price multiplied by the number of shares of common stock issuable upon conversion.

For the three months ended March 31, 2017, no shares of Series G were converted into shares of common stock. At March 31, 2017, the outstanding Series G shares were convertible into a minimum of 163,827 shares of common stock.

Upon a change in control, sale of or similar transaction, as defined in the Certificate of Designation for the Series G, each holder of the Series G has the option to deem such transaction as a liquidation and may redeem his or her shares at the liquidation value of \$1,000, per share, for an aggregate amount of \$168,496. The sale of all the assets on June 28, 2007 triggered the preferred stockholders' redemption option. As such redemption is not in the control of the Company, the Series G stock has been accounted for as if it was redeemable preferred stock and is classified on the balance sheet between liabilities and stockholders' equity.

The conversion feature of the preferred stock is considered a derivative according to ASC 815 "Derivatives and Hedging", therefore, the fair value of the derivative is reflected in the financial statements as a liability, which was determined to be \$130,067 and \$137,177 as of March 31, 2017 and December 31, 2016, respectively and has been included as "conversion feature liability" on the accompanying balance sheets.

The fair value of the conversion feature liability is calculated under a Black-Scholes Model, using the market price of the Company's common stock on each of the balance sheet dates presented, the expected dividend yield, the expected life of the redemption and the expected volatility of the Company's common stock.

The Company's assessment of the significance of a particular input to the fair value measurement requires judgment and considering factors specific to the conversion feature liability. Since some of the assumptions used by the Company are unobservable, the conversion feature liability is classified within the level 3 hierarchy in the fair value measurement.

The expected volatility of the conversion feature liability was based on the historical volatility of the Company's common stock. The expected life assumption was based on the expected remaining life of the underlying preferred stock redemption. The risk-free interest rate for the expected term of the conversion feature liability was based on the average market rate on U.S. treasury securities in effect during the applicable quarter. The dividend yield reflected historical experience as well as future expectations over the expected term of the underlying preferred stock redemption. Therefore, the fair value of the conversion feature liability is sensitive to changes in above assumptions and changes of the Company's common stock price.

The table below shows the quantitative information about the significant unobservable inputs used in the fair value measurement of level 3 conversion feature liability at March 31, 2017:

Expected life of the redemption in years	1.0
Risk free interest rate	1.03%
Expected annual volatility	168.93%
Annual rate of dividends	0%

The changes in the fair value of the derivative are as follows:

Beginning as of January 1, 2017	\$ 137,177
Decrease in fair value	(7,110)
Ending balance as of March 31, 2017	<u>\$ 130,067</u>

8. Recapitalization on November 4, 2016

As described in Note 2, the Company has accounted for the Recapitalization, which closed on November 4, 2016, as a reverse recapitalization. Because Integrated was a non-operating public shell corporation the transaction is considered to be a capital transaction in substance rather than a business combination. The transaction is equivalent to the issuance of stock by the Subsidiary for the net monetary assets of the Parent accompanied by a recapitalization.

Prior to the Recapitalization, Integrated had 9,530,379 issued and outstanding shares of common stock. In the Recapitalization, holders of Subsidiary's common stock received 4.13607 shares of Parent common stock for each Subsidiary share, totaling 12,517,152 shares. After the Recapitalization a total of 22,047,531 shares of Parent common stock are outstanding as of December 31, 2016. As of March 31, 2017, a total of 22,056,461 shares of Parent common stock are issued and outstanding.

Integrated and Subsidiary agreed to the terms of Recapitalization to reflect the arms-length negotiated fair value of the Subsidiary as \$2.5 million relative to the fair value of Integrated's cash and available for sale investment securities. This resulted in the former shareholders of Subsidiary obtaining 56.7% voting control of the Company's issued and outstanding common stock. The intent of the Recapitalization was to provide funding for Subsidiary's operations initially under a loan that was canceled upon closing of the Recapitalization.

The following table summarizes the calculation of the relative voting control:

	Shares	Per Share	Fair Value	Voting %
Integrated shareholders pre-Recapitalization	9,530,379	\$ 0.20	1,903,464	43.3%
Integrated options pre-Recapitalization	175,000		-	0.0%
Warrant issued to MDB Capital Group	1,169,607		-	0.0%
TheMaven Network, Inc. shareholders	12,517,152	\$ 0.20	2,500,000	56.7%
Total fully diluted shares	<u>23,392,138</u>		<u>4,403,464</u>	<u>100.0%</u>
Shares issued and outstanding	<u>22,047,531</u>			

In accordance with the Investment Banking Advisory Agreement more fully described in Note 11, Integrated issued warrants to MDB Capital Group, LLC to purchase 1,169,607 shares of Parent common stock. The warrants have an exercise price of \$0.20 per share and expire on November 4, 2021. Integrated incurred transaction costs of \$921,698 consisting of \$744,105 for the fair value of warrants issued to MDB and \$177,593 in cash for legal and related transaction costs. The costs incurred by Integrated were recorded in financial statements of the Parent prior to Recapitalization and reduced the net monetary assets acquired. The aggregate intrinsic value of the warrants at March 31, 2017 is \$1,216,000.

The Recapitalization resulted in the acquisition of gross assets of \$1,447,000 consisting primarily of cash and available for sale investment securities and the assumption of \$470,000 of liabilities. Included in the total liabilities assumed was 168 shares of Class G Preferred Stock, which is reported as a liability at aggregated liquidation value of \$168,496 because it is a redeemable instrument at the option of the holder (see Note 7).

Prior to the closing of the Recapitalization, the Subsidiary had received \$735,099 in multiple borrowings from Integrated on a note payable beginning on August 11, 2016 and ending on November 4, 2016. The note payable was cancelled as part of the Recapitalization and the proceeds from the borrowing from Integrated is considered as cash received due to the Recapitalization in addition to the net assets acquired. Legal and transaction costs incurred by Subsidiary of \$50,000 related to the capital transaction were expensed and charged to General and Administrative expense in 2016.

9. Stockholders' Equity

The Company has authorized 100,000,000 shares of common stock, \$0.01 par value, of which 22,056,461 shares were issued and outstanding as of March 31, 2017.

Restricted Stock Awards

On August 11, 2016, management and employees of Subsidiary in conjunction with the incorporation on July 22, 2016 received 12,209,677 shares of common stock as adjusted for the Recapitalization exchange ratio of 4.13607. These shares are subject to a Company option to buy back the shares at the original cash consideration paid, which totaled \$2,952 or approximately \$0.0002 per share. A total of 7,966,070 shares were subject to the Company buy back right as of August 1, 2016 and 4,094,708 were made subject to the Company buy back right on November 4, 2016 in conjunction with the Recapitalization. The employees vest their ownership in these shares over a three-year period beginning August 1, 2016 with one-third vesting on August 1, 2017 and the balance monthly over the remaining two years. The fair value of these shares of Subsidiary stock was estimated on the date of the award using the exchange value used by Integrated and the Subsidiary to establish the relative voting control ratio in the Recapitalization (See Note 8). Because these shares require continued service to the Company the estimated fair value is recognized as compensation expense over the vesting period of the award.

On October 13, 2016, Subsidiary granted 62,041 shares of common stock to an employee. On October 16, 2016 an additional 245,434 shares of Subsidiary common stock were granted to a director. The fair value of these shares of Subsidiary stock was estimated on the date of the awards based on the quoted closing stock price on November 4, 2016 since the Recapitalization was pending. These shares are subject to a Company option to buy back the shares at the original cash consideration paid.

As a condition of the Recapitalization, a total of 4,094,708 shares were required to be placed into an escrow arrangement for purposes of enforcement of the Company option to buy back shares for the balance of the three-year service period. A total of 4,381,003 shares, which includes 35% of the 4,094,708 shares added to the buy back option, are escrowed and subject to a performance condition requiring the Company to achieve certain operating metrics regarding monthly unique users by December 31, 2017. Pursuant to a negotiated schedule the performance condition can be satisfied in partial increments up to the full number of shares escrowed. The Company uses a Monte Carlo simulation model to determine the number of shares expected to be released from the performance condition escrow.

Pursuant to FASB ASC 718, escrowed share arrangements in a capital raising transaction are considered to be compensatory, as such, the shares subject to these escrow provisions were remeasured as of November 4, 2016, the date of the Recapitalization. The estimated fair value of these shares was determined based on the quoted closing stock price on November 4, 2016. Because these shares require continued service to the Company the estimated fair value is recognized as compensation expense over the vesting period of the award.

At December 31, 2016, it was estimated that 72.5% of the shares subject to the performance condition will be released. At March 31, 2017, the expected achievement of the performance condition was reevaluated and it was determined that the shares estimated to be released had increased to 95.5%.

Restricted stock award activity for the period from July 22, 2016 (Inception) to March 31, 2017, including the reevaluation of the shares estimated to be release, was as follows:

	Shares	Shares Remeasured	Weighted- Average Price
Stock awards granted at Inception	12,209,677		0.20
Granted October 13, 2016	62,041		0.70
Granted October 16, 2016	245,434		0.70
Remeasurement at November 4, 2016	-	5,837,788*	0.43
Vested	-		-
Reevaluation of shares expected to be released as of March 31, 2017	-	1,007,633	0.06
	-		
Unvested at March 31, 2017	<u>12,517,152</u>		<u>0.47</u>
Expected to vest after March 31, 2017	<u>12,517,152</u>		<u>0</u>

* The number of shares Remeasured as of November 4, 2016 reflect the effect of the Monte Carlo simulation determination of the estimated number of shares expected to be released from the performance condition escrow. This estimate will be reevaluated at each quarter end until the final outcome of the performance condition is satisfied on December 31, 2017.

At March 31, 2017, total compensation cost related to restricted stock awards but not yet recognized was \$4,175,000. This cost will be amortized on a straight-line method over a period of approximately 2.4 years.

Stock Options

On December 19, 2016, the Company's Board of Directors approved the 2016 Stock Incentive Plan ("Plan") and reserved 1,670,867 shares of common stock for issuance under the Plan, including options and restricted performance stock awards. The Plan is administered by the Board of Directors and there were no grants prior to the formation of the Plan. Shares of common stock that are issued under the Plan or subject to outstanding incentive awards will be applied to reduce the maximum number of shares of common stock remaining available for issuance under the Plan, provided, however, that that shares subject to an incentive award that expire will automatically become available for issuance. Options issued under the Plan may have a term of up to ten years and may have variable vesting provisions.

The estimated fair value of stock-based awards is recognized as compensation expense over the vesting period of the award. The fair value of restricted stock awards is determined based on the number of shares granted and the quoted price of the Company's common stock on the date of grant. The fair value of stock option awards are estimated at the grant date as calculated using the Black-Scholes option-pricing model. The Black-Scholes model requires various highly judgmental assumptions including expected volatility and option life. The fair values of our stock option grants were estimated with the following average assumptions:

The fair value of stock options granted during the three months ended March 31, 2017 were estimated with the following assumptions:

Expected life	6.0 years
Risk-free interest rate	2.13%
Expected annual volatility	114.20%
Dividend yield	0.00%

For the three months ended March 31, 2017 option activity was as follows:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (in years)	Average Intrinsic Value
Outstanding at January 1, 2017	275,137	0.48	5.15	
Granted	664,000	1.17	9.88	
Exercised	-	-		
Forfeited	-	-		
Outstanding at March 31, 2017	<u>939,137</u>	<u>0.97</u>	<u>8.41</u>	<u>253,000</u>
Vested and expected to vest at March 31, 2017	939,137	0.97	8.41	253,000
Exercisable at March 31, 2017	175,000	0.17	2.12	187,000

The Company has granted 764,137 options under the Plan. None of these options are yet vested. In the three months ended March 31, 2017, the Company recorded stock-based compensation of \$17,278 related to the grants. Of the total stock-based compensation, \$15,496 was expensed in General and Administrative expenses and \$1,782 was capitalized as Website Development Costs. At March 31, 2017, total compensation cost related to stock options granted under the Plan but not yet recognized was \$538,000. This cost will be amortized on a straight-line method over a period of approximately 2.87 years. The aggregate intrinsic value represents the difference between the exercise price of the underlying options and the quoted price of our common stock for the number of options that were in-the-money at March 31, 2017.

In addition, the Company assumed 175,000 fully-vested options in connection with the Recapitalization with an exercise price of \$0.17 per share which expire on May 15, 2019.

The following table summarizes certain information about stock options for the three months ended March 31, 2017:

Weighted average grant-date fair value for options granted during the year	\$ 1.01
Vested options in-the-money at March 31, 2017	175,000
Aggregate intrinsic value of options exercised during the year	\$ -

The following table summarizes the common shares reserved for future issuance under the Plan:

Stock options outstanding	764,137
Stock options available for future grant	906,730
	<u>1,670,867</u>

Common Stock Warrants – Channel Partner Program

On December 19, 2016, the Company’s Board of Directors approved a program to be administered by management that authorized the Company to issue up to 5,000,000 common stock warrants to provide equity incentive to its Channel Partners to motivate and reward them for their services to the Company and to align the interests of the Channel Partners with those of stockholders of the Company. The following table summarizes the activity in Channel Partner Warrants during the three months ended March 31, 2017:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (in years)	Average Intrinsic Value
Outstanding at January 1, 2017	350,000	1.05	4.75	
Granted	1,280,000	1.11	4.82	
Exercised	-	-		
Forfeited	-	-		
Outstanding at March 31, 2017	<u>1,630,000</u>	<u>1.10</u>	<u>4.79</u>	-
Vested and expected to vest at March 31, 2017	1,100,000	1.10	4.79	-
Exercisable at March 31, 2017	-	-	-	-

In the three months ended March 31, 2017, the Company issued 1,280,000 common stock warrants to 28 of the Channel Partners. The warrants have a performance condition and vest over three years and expire in five years from issuance. The exercise prices range from \$1.05 to \$1.33 with a weighted average of \$1.11. The performance conditions are generally based on the average number of unique visitors on the Channel operated by the Channel Partner generated during the period from July 1, 2017 to December 31, 2017 or the revenue generated during the period from issuance date through June 30, 2019. Equity grants with performance conditions that do not have sufficiently large disincentive for non-performance may be measures at fair value that is not fixed until performance is complete. The Company recognizes expense for equity based payments to non-employees as the services are received. The Company has specific objective criteria, such as the date of launch of a Channel on the Company’s platform, for determination of the period over which services are received and expense is recognized.

The Company uses a Monte Carlo simulation model to determine the number of shares expected to be earned by Channel Partners based on performance obligations to be satisfied over a defined period which will commence at the launch of a Channel on the Company's platform. The Company did not record compensation related to Channel Partner warrants in the three months ended March 31, 2017.

Other Warrants

In accordance with the Investment Banking Advisory Agreement more fully described in Note 11, Integrated issued warrants to MDB Capital Group, LLC to purchase 1,169,607 shares of Parent common stock. The warrants have an exercise price of \$0.20 per share and expire on November 4, 2021. The aggregate intrinsic value of the warrants at March 31, 2017 is \$1,216,000.

On March 21, 2017, the Company issued a warrant with performance conditions to be completed prior to June 21, 2017 to purchase 20,000 shares of Parent common stock with an exercise price of \$1.18. Equity grants with performance conditions that do not have sufficiently large disincentive for non-performance may be measured at fair value that is not fixed until performance is complete. No expense was recognized related to this warrant since at quarter end it was not probable that the performance conditions would be satisfied.

Common Stock to be Issued – Private Placement of Common Stock

On April 4, 2017, the Company completed a private placement of its common stock, selling 3,765,000 shares at \$1.00 per share, for total gross proceeds of \$3,765,000. A total of \$3,515,000 of the gross proceeds was received prior to March 31, 2017. In connection with the offering, the Company paid \$188,250 and issued 162,000 shares of common stock to MDB Capital Group LLC, which acted as placement agent. The approximate transaction costs of \$424,000, including \$201,000 of non-cash expenses, have been recorded as a reduction in paid-in capital. The proceeds received prior to March 31, 2017, net of a proportionate share of the transaction costs, in the amount of \$3,120,644 have been recorded as Common Stock to be Issued as of March 31, 2017.

Stock-based Compensation

The impact on our results of operations of recording stock-based compensation expense for the three months ended March 31, 2017 was as follows:

	Restricted Stock at Inception	Stock Options	Channel Partner Warrants	Common Stock to be Issued	Total
Research and development	-	-	-	-	-
General and administrative	270,653	15,496	-	-	286,149
	<u>270,653</u>	<u>15,496</u>	<u>-</u>	<u>-</u>	<u>286,149</u>

In addition, during the three months ended March 31, 2017 stock-based compensation totaling \$212,156 during the application and development stage was capitalized for website development.

10. Income Taxes

The Company accounts for income taxes under FASB ASC 740 "Accounting for Income Taxes." Deferred tax assets are recognized for deductible temporary differences and operating loss and tax credit carryforwards, and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities in the Company's financial statements and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that all or some portion of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

The Parent's net operating loss carryforwards (NOL) and credit carryforwards are subject to limitations on the use of the NOLs by the Company in consolidated tax returns after the Reverse Recapitalization. Where there is a "change in ownership" within the meaning of Section 382 of the Internal Revenue Code, the Parent's net operating loss carryforwards and credit carryforwards are subject to an annual limitation. The Company believes that such an ownership change occurred because the shareholders of the Subsidiary acquired 56.7 percent of the Parent's stock. Because the Parent's value at the date of recapitalization was attributable solely to non-business assets, the utilization of the carryforwards is limited such that the majority of the carryforwards will never be available. Accordingly, the Company has not recorded those NOL carryforwards and credit carryforwards in its deferred tax assets.

The Parent is no longer subject to U.S. federal and state income tax examinations by tax authorities for years before 2012. The Company currently is not under examination by any tax authority.

As of March 31, 2017, the Company had deferred tax assets primarily consisting of net operating losses and accrued liabilities not currently deductible. However, because of the current loss since Inception, the Company has recorded a full valuation allowance such that its net deferred tax asset is zero.

Deferred tax assets consist of the following components:

	March 31, 2017
Deferred tax assets:	
Accrued liabilities not currently deductible	\$ 74,355
Net operating loss and capital loss carryforwards	882,892
Gross deferred tax assets	957,247
Valuation allowance	(663,317)
Gross deferred tax assets net of valuation allowance	293,930
Deferred tax liabilities	
Stock-based compensation	16,625
Website development costs and fixed assets	277,305
Net deferred tax asset	\$ -

The Company must make judgments as to whether the deferred tax assets will be recovered from future taxable income. To the extent that the Company believes that recovery is not likely, it must establish a valuation allowance. A valuation allowance has been established for deferred tax assets which the Company does not believe meet the "more likely than not" criteria. The Company's judgments regarding future taxable income may change due to changes in market conditions, changes in tax laws, tax planning strategies or other factors. If the Company's assumptions and consequently its estimates change in the future, the valuation allowances it has established may be increased or decreased, resulting in a respective increase or decrease in income tax expense.

At March 31, 2017, the Company had net operating loss carryforwards of approximately \$2.6 million for federal income tax purposes. The NOL carryforward may be used to reduce taxable income, if any, in future years through their expiration in 2036 and 2037.

The provision for income taxes on the statement of comprehensive loss differs from the amount computed by applying the statutory Federal income tax rate to income before the provision for income taxes for the three months ended, as follows:

	March 31, 2017	
Federal expense expected at statutory rate	\$ (344,010)	34.0%
Permanent differences	97,895	-9.7%
Change in valuation allowance	246,115	-24.5%
Tax benefit and effective tax rate	<u>\$ -</u>	<u>0%</u>

The Company recognizes tax benefits from an uncertain position only if it is “more likely than not” that the position is sustainable, based on its technical merits. The Company’s policy is to include interest and penalties in general and administrative expenses. There were no interest and penalties recorded for the three months ended March 31, 2017. The Company has evaluated and concluded that there are no uncertain tax positions requiring recognition in the Company’s financial statements for the three months ended March 31, 2017.

11. Related Party Transactions

On April 4, 2017, the Company completed a private placement of its common stock, selling 3,765,000 shares at \$1.00 per share, for total gross proceeds of \$3,765,000. In connection with the offering, the Company paid \$188,250 and issued 162,000 shares of common stock to MDB Capital Group LLC, which acted as placement agent.

Mr. Christopher Marlett, a director of the Company, is also the Chief Executive Officer of MDB. Mr. Gary Schuman, who was the Chief Financial Officer of the Company until May 15, 2017, is also the Chief Financial Officer and Chief Compliance Officer of MDB. The Company compensates Mr. Schuman for his services at the rate of \$3,000 per month. Mr. Robert Levande, who is director of the Company, is also a senior managing director of MDB.

12. Commitments and Contingencies

From time to time, the Company may be subject to claims and litigation arising in the ordinary course of business. The Company is not currently a party to any legal proceedings that it believes would reasonably be expected to have a material adverse effect on the Company’s business, financial condition or results of operations.

The Company may have a liability for additional state franchise taxes payable in the amount of approximately \$44,000, plus interest at 18% per annum, for the years 2008-2014. Because of state statutory provisions, the underpaid amount will only be due once assessed and demanded by the state. The tax liability and associated interest has not been included as an accrued liability because management has determined that the likelihood of the state making the assessment is low. Depending on circumstances, management may change its estimate of the probability of an assessment and establish either an accrual or record a payment for the tax liability if assessed.

13. Subsequent Events

On April 4, 2017, the Company completed a private placement of its common stock, selling 3,765,000 shares at \$1.00 per share, for total gross proceeds of \$3,765,000. A total of \$3,515,000 of the gross proceeds was received prior to March 31, 2017. In connection with the offering, the Company paid \$188,250 and issued 162,000 shares of common stock to MDB Capital Group LLC, which acted as placement agent. The approximate transaction costs of \$424,000, including \$201,000 of non-cash expenses, have been recorded as a reduction in paid-in capital. The net cash proceeds were approximately \$3.5 million. The shares issued through this offering have registration rights, and a registration statement on Form S-1 was timely filed on May 15, 2017 within forty-five days of the offering completion date. The registration rights provide for liquidated damages upon the occurrence of certain events, including the Company's failure to file the registration statement or cause it to become effective by the deadline.

From April 1, 2017 to May 19, 2017, the Company has issued warrants to ten of the Channel Partners to purchase up to 555,000 shares of common stock with an average exercise price of \$1.23, and ranging from \$1.19 to \$1.25. The warrants vest over three years and expire in five years from issuance. In addition to the three-year vesting condition, the warrants have performance conditions that determine how many warrants are earned. The performance conditions are generally based on the average number of unique visitors on the Channel operated by the Channel Partner during the period from July 1, 2017 to December 31, 2017 or the revenue generated in any consecutive 12-month period during the period from issuance date to June 30, 2019. These performance conditions do not have sufficiently large disincentive for non-performance such that the fair value measure is not fixed until performance is complete. The Company recognizes expense for equity based payments to non-employees as the services are received. The Company has specific objective criteria, such as the date of launch on the Company's platform, for determination of the period over which services are received and expense is recognized.

From April 1, 2017 to May 19, 2017, the Company has granted options under the Stock Incentive Plan to five employees for up to 485,000 shares with exercise prices ranging from \$1.19 to \$1.23 per share. The plan has not been approved by the shareholders of the Company at this time.

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

The following discussion and analysis should be read in conjunction with the Company’s financial statements, including the notes thereto, appearing elsewhere in this report. This discussion may contain certain forward-looking statements based on current expectations that involve risks and uncertainties. Actual results and timing of certain events may differ significantly from those projected in such forward-looking statements due to a number of factors, including those set forth elsewhere in this Report.

Overview

The Company was incorporated under the name of Integrated Surgical Systems, Inc. (“Integrated”) in Delaware in 1990. It was founded to design, manufacture, sell and service image-directed, computer-controlled robotic software and hardware products for use in orthopedic surgical procedures. On June 28, 2007, Integrated completed the sale of substantially all of its operating assets. After completion of the sale, the Integrated no longer engaged in any business activities and then sought to locate a suitable acquisition target to complete a business combination. From June 2007 until the closing of the Recapitalization (as defined in Note 2 of Item 1. Financial Statements) on November 4, 2016, Integrated was a non-active “shell company” as defined by regulations of the SEC. As a result of the Recapitalization, on a going forward basis, the Company continued to file its public reports with the SEC on an operating company basis. On December 2, 2016, the corporate name was changed from “Integrated Surgical Systems, Inc.” to “theMaven, Inc.”

theMaven Network, Inc. was incorporated in Nevada on July 22, 2016, under the name “Amplify Media, Inc.” On July 27, 2016, the corporate name was amended to “Amplify Media Network, Inc.” and on October 14, 2016, the corporate name was changed to “theMaven Network, Inc.” theMaven Network, Inc. is a 100% owned subsidiary of the theMaven, Inc.

Going Concern

The Company’s consolidated financial statements have been presented on the basis that it is a going concern, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. The Company’s activities are subject to significant risks and uncertainties, including the need for additional capital, as described below.

The Company has not generated any operating revenues since July 22, 2016 (Inception) and has financed its operations through (a) the Recapitalization transaction with Parent, (b) a loan from Parent that was cancelled upon closing of the Recapitalization, and (c) a private placement of common stock in April 2017. The Company has incurred operating losses and negative operating cash flows since July 22, 2016 (Inception), and it expects to continue to incur operating losses and negative operating cash flows for at least the next few years. As a result, management has concluded that there is substantial doubt about the Company’s ability to continue as a going concern, and the Company’s independent registered public accounting firm, in its report on the Company’s 2016 consolidated financial statements, has raised substantial doubt about the Company’s ability to continue as a going concern.

In April 2017, the Company completed a private placement of its common stock, raising proceeds of \$3,765,000 in gross proceeds. The Company believes that it does not have sufficient funds to support its operations through the end of the first quarter of 2018. In order to continue business operations past that point, the Company currently anticipates that it will need to raise additional debt and/or equity capital. There can be no assurances that the Company will be able to secure any additional financing on acceptable terms and conditions, or at all. If cash resources become insufficient to satisfy the Company’s ongoing cash requirements, the Company would be required to scale back or discontinue its technology development programs, or obtain funds, if available (although there can be no certainty), or to discontinue its operations entirely.

Results of Operations

For the three months ended March 31, 2017, total net loss was approximately \$1,004,828 or \$0.11 loss per basic and diluted share.

Research and development expenses	\$ 64,022
General and administrative expenses	\$ 947,970
Loss from operations	\$ (1,011,992)

Research and development expenses

In the three months ended March 31, 2017, the Company spent \$691,006 including \$212,156 of stock-based compensation of which \$626,984 was capitalized as Website Development Costs incurred during the application development stage and \$64,022 was expensed as Research and Development Costs. The Company was actively developing the software and the underlying technology platform for an exclusive network of professionally managed online media channels. As of March 31, 2017, the online media network had not launched and no capitalized Website Development Costs were amortized to expense.

General and administrative expenses

General and administrative expenses for the three months ended March 31, 2017 were \$947,970 including of stock based compensation of \$286,149. Our expenses are due to our general administrative expenses of carrying on a business, including administrative compensation, office space lease expense, and legal and accounting expenses.

Liquidity and Capital Resources

Working Capital

The Company had working capital of approximately \$2.3 million as of March 31, 2017. This was an increase of approximately \$2 million due to the receipt of gross proceeds of \$3.5 million received during the quarter from the private placement, net of stock issuance costs and cash used in operations and for investment during the quarter.

	March 31, 2017	December 31, 2016
Current Assets	\$ 3,230,210	\$ 719,881
Current Liabilities	\$ (886,229)	\$ (346,327)
Working Capital	\$ 2,343,981	\$ 373,554

The following table summarizes the Company's cash flows during the three months ended March 31, 2017:

	March 31, 2017
Net Cash Used in Operating Activities	\$ (535,471)
Net Cash Used in Investing Activities	(432,419)
Net Cash Provided by Financing Activities	3,483,935
Increase in Cash during the Period	\$ 2,516,045
Cash at Beginning of Period	598,294
Cash at End of Period	\$ 3,114,339

For the three months ended March 31, 2017, net cash used in operating activities was \$535,471 which was due to the net loss reduced by non-cash expenses for stock-based compensation of approximately \$286,000 and working capital changes of approximately \$196,000 of expenses accrued and paid after the end of the quarter.

We anticipate needing a substantial amount of additional capital to sustain our current operations and implement the current business plan of the Company as now budgeted. We do not believe that the proceeds of the private placement of common stock completed on April 4, 2017, will be sufficient to allow us to implement our business plan to the point where our revenues will cover our operating costs and the expansion of our business offerings. Without additional funding, we will have to modify our longer-term business plan. The funds that we will need may be raised through equity financing, debt financing, or other sources, which may result in further dilution in the equity ownership of our shares. We anticipate thereafter that we will need additional capital as we expand our operations, and do not anticipate that our income will cover our full operating expenses for the foreseeable future. We have no contracts or arrangements for any additional funding at this time. There can be no assurance that we will be able to raise any funding or will be able to meet our accrued obligations. If we are not able to obtain the additional financing on a timely basis, we will be unable to conduct our operations as planned, and we will not be able to meet our other obligations as they become due. In such event, we will be forced to scale down or perhaps even cease our operations. These estimates may change significantly depending on the nature of our business activities and our ability to raise capital from our shareholders or other sources.

There are no assurances that we will be able to obtain further funds required for our continued operations. We will pursue various financing alternatives to meet our immediate and long-term financial requirements. There can be no assurance that additional financing will be available to us when needed or, if available, that it can be obtained on commercially reasonable terms. If we are not able to obtain the additional financing on a timely basis, we will be unable to conduct our operations as planned, and we will not be able to meet our other obligations as they become due. In such event, we will be forced to scale down or perhaps even cease our operations.

Contractual Obligations

As a “smaller reporting company”, we are not required to provide tabular disclosure obligations.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements, including any outstanding derivative financial instruments, off-balance sheet guarantees, interest rate swap transactions or foreign currency contracts. We do not engage in trading activities involving non-exchange traded contracts.

Seasonality

Once we are actively providing services to our customer base, we expect to experience typical media company ad and sponsorship sales seasonality, which is strong in the fourth quarter and slower in the first quarter.

Effects of Inflation

To date inflation has not had a material impact on our business or operating results.

Significant Accounting Policies and Estimates

The Company’s discussion and analysis of the financial condition and results of operations is based upon the Company’s audited financial statements included elsewhere in this Report, which have been prepared in accordance with generally accepted accounting principles in the United States of America (“GAAP”). The Company believes the following critical accounting policies affect the Company’s more significant judgments and estimates used in the preparation of the financial statements. Actual results may differ from these estimates under different assumptions or conditions.

Principles of Consolidation

The accompanying consolidated financial statements include the financial position, results of operations and cash flows of Subsidiary for the period from July 22, 2016 (Inception) to December 31, 2016 and that of Integrated after the Closing of the Recapitalization. All intercompany transactions and balances have been eliminated in consolidation.

Use of Estimates

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

Fixed Assets

Fixed assets are recorded at cost. Major improvements are capitalized, while maintenance and repairs are charged to expense as incurred. Gains and losses from disposition of property and equipment are included in income and expense when realized. Depreciation and amortization are provided using the straight-line method over the following estimated useful lives:

Office equipment and computers	3-5 years
Furniture and fixtures	5-8 years
Website development costs	2-3 years

Intangible Assets

The intangible assets consist of the cost of a purchased website domain name with an indefinite useful life.

Impairment of Long-Lived Assets

The long-lived assets, consisting of fixed assets and intangible assets, held and used by the Company are reviewed for impairment no less frequently than annually or whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. In the event that facts and circumstances indicate that the cost of any long-lived assets may be impaired, an evaluation of recoverability is performed. Management has determined that there was no impairment in the value of long-lived assets during the period ended March 31, 2017.

Website Development Costs

In accordance with authoritative guidance, the Company begins to capitalize website and software development costs for internal use when planning and design efforts are successfully completed and development is ready to commence. Costs incurred during planning and design, together with costs incurred for training and maintenance, are expensed as incurred and recorded in research and development expense within the consolidated statement of comprehensive loss. The Company places capitalized website and software development assets into service and commences depreciation/amortization when the applicable project or asset is substantially complete and ready for its intended use. Once placed into service, the Company capitalizes qualifying costs of specified upgrades or enhancements to capitalized website and software development assets when the upgrade or enhancement will result in new or additional functionality.

The Company capitalizes internal labor costs, including compensation, benefits and payroll taxes, incurred for certain capitalized website and software development projects related to the Company's technology platform. The Company's policy with respect to capitalized internal labor stipulates that labor costs for employees working on eligible internal use capital projects are capitalized as part of the historical cost of the project when the impact, as compared to expensing such labor costs, is material.

Research and Development Expenses

In the three months ended March 31, 2017, the Company spent \$691,006 including \$212,156 of stock-based compensation of which \$626,984 was capitalized as Website Development Costs incurred during the application development stage and \$64,022 was expensed as Research and Development Costs.

Fair Value Measurements

Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820 "*Fair Value Measurements and Disclosures*" clarifies that fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that is determined based on assumptions that market participants would use in pricing an asset or a liability. As a basis for considering such assumptions, FASB ASC 820 establishes a three-tier value hierarchy, which prioritizes the inputs used in the valuation methodologies in measuring fair value:

- Level 1 - Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.
- Level 2 - Include other inputs that are directly or indirectly observable in the marketplace.
- Level 3 - Unobservable inputs which are supported by little or no market activity.

The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

In accordance with FASB ASC 820, the Company measures its derivative liability at fair value. The Company's derivative liability is classified within Level 3.

The carrying value of other current assets and liabilities are considered to be representative of their respective fair values because of the short-term nature of those instruments.

Concentrations of Credit Risk

Cash

The Company maintains cash at a bank where amounts on deposit may exceed the Federal Deposit Insurance Corporation limit throughout the year. The Company has not experienced losses in such accounts and believes it is not exposed to significant credit risk regarding its cash.

Stock-based Compensation

The Company provides stock-based compensation in the form of (a) restricted stock awards to employees, (b) vested stock grants to directors, (c) stock option grants to employees, directors and independent contractors, and (d) common stock warrants to Channel Partners and other independent contractors.

The Company applies FASB ASC 718, "Stock Compensation," when recording stock based compensation to employees and directors. The estimated fair value of stock based awards is recognized as compensation expense over the vesting period of the award. We have adopted ASU 2016-09 in 2016 with early application and account for actual forfeitures of awards as they occur.

The fair value of restricted stock awards by Subsidiary at Inception was estimated on the date of the award using the exchange value used by Integrated and the Subsidiary to establish the relative voting control ratio in the Recapitalization.

Restricted stock that was subject to an escrow arrangement and/or a performance condition in conjunction with the Recapitalization was remeasured and fair value was estimated using the quoted price of our common stock on the date of the Recapitalization. The Company uses a Monte Carlo simulation model to determine the number of shares expected to be released from the performance condition escrow.

The fair value of fully vested stock awards is estimated using the quoted price of our common stock on the date of the grant. The fair value of stock option awards is estimated at grant date using the Black-Scholes option pricing model that requires various highly judgmental assumptions including expected volatility and option life.

The Company accounts for stock issued to non-employees in accordance with provisions of FASB ASC 505-50, "Equity Based Payments to Non-Employees." FASB ASC 505 -50 states that equity instruments that are issued in exchange for the receipt of goods or services should be measured at the fair value of the consideration received or the fair value of the equity instruments issued, whichever is more reliability measurable. The measurement date occurs as of the earlier of (a) the date at which a performance commitment is reached or (b) absent a performance commitment, the date at which the performance necessary to earn the equity instruments is complete (that is, the vesting date). Equity grants with performance conditions that do not have sufficiently large disincentive for non-performance may be measured at fair value that is not fixed until performance is complete. The fair value of common stock warrants is estimated at grant date using the Black-Scholes option pricing model that requires various highly judgmental assumptions including expected volatility and option life. The Company recognizes expense for equity based payments to non-employees as the services are received. The Company has specific objective criteria, such as the date of launch of a Channel on the Company's platform, for determination of the period over which services are received and expense is recognized.

The Company uses a Monte Carlo simulation model to determine the number of shares expected to be earned by Channel Partners based on performance obligations to be satisfied over a defined period which will commence at the launch of a Channel on the Company's platform.

The Company issues common stock upon exercise of equity awards and warrants.

Income Taxes

The Company recognizes the tax effects of transactions in the year in which such transactions enter into the determination of net income regardless of when reported for tax purposes. Deferred taxes are provided in the financial statements to give effect to the temporary differences which may arise from differences in the bases of fixed assets, depreciation methods and allowances based on the income taxes expected to be payable in future years. Deferred tax assets arising primarily as a result of net operating loss carry-forwards, and research and development credit have been offset completely by a valuation allowance due to the uncertainty of their utilization in future periods.

The Company recognizes interest accrued relative to unrecognized tax benefits in interest expense and penalties in operating expense. During the three months ended March 31, 2017, the Company recognized no income tax related interest and penalties. The Company had no accruals for income tax related interest and penalties at March 31, 2017.

Basic and Diluted Loss per Common Share

Basic income or loss per share is computed using the weighted average number of common shares outstanding during the period, and excludes any dilutive effects of common stock equivalent shares, such as options, restricted stock, and warrants. Restricted stock is considered outstanding and included in the computation of basic income or loss per share when underlying restrictions expire and the shares are no longer forfeitable. Diluted income per share is computed using the weighted average number of common shares outstanding and common stock equivalent shares outstanding during the period using the treasury stock method. Common stock equivalent shares are excluded from the computation if their effect is anti-dilutive. Unvested but outstanding restricted stock (which are forfeitable) are included in the diluted income per share calculation. In a period where there is a net loss, the diluted loss per share is computed using the basic share count. At March 31, 2017, potentially dilutive shares outstanding amounted to 16,439,723.

Risks and Uncertainties

The Company has a limited operating history and has not generated revenue to date. The Company's business and operations are sensitive to general business and economic conditions in the U.S. and worldwide. These conditions include short-term and long-term interest rates, inflation, fluctuations in debt and equity capital markets and the general condition of the U.S. and world economy. A host of factors beyond the Company's control could cause fluctuations in these conditions. Adverse developments in these general business and economic conditions could have a material adverse effect on the Company's financial condition and the results of its operations.

In addition, the Company will compete with many companies that currently have extensive and well-funded projects, marketing and sales operations as well as extensive human capital. The Company may be unable to compete successfully against these companies. The Company's industry is characterized by rapid changes in technology and market demands. As a result, the Company's products, services, and/or expertise may become obsolete and/or unmarketable. The Company's future success will depend on its ability to adapt to technological advances, anticipate customer and market demands, and enhance its current technology under development.

Recently Adopted Standards

In November 2015, the FASB issued Accounting Standards Update No. 2015-17 (ASU 2015-17), Income Taxes (Topic 740): Balance Sheet Classification of Deferred Taxes. ASU 2015-17 requires that deferred tax liabilities and assets be classified as noncurrent in a classified statement of financial position. ASU 2015-17 is effective for financial statements issued for annual periods beginning after December 15, 2016, and interim periods within those annual periods. The adoption of ASU 2015-17 did not have any impact on Company's financial statement presentation or disclosures.

Recent Issued Accounting Pronouncements

In November 2015, the FASB issued Accounting Standards Update No. 2015-17 (ASU 2015-17), Income Taxes (Topic 740): Balance Sheet Classification of Deferred Taxes. ASU 2015-17 requires that deferred tax liabilities and assets be classified as noncurrent in a classified statement of financial position. ASU 2015-17 is effective for financial statements issued for annual periods beginning after December 15, 2016, and interim periods within those annual periods. Earlier application is permitted as of the beginning of an interim or annual reporting period. The adoption of ASU 2015-17 is not expected to have any impact on Company's financial statement presentation or disclosures.

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842), which supersedes all existing guidance on accounting for leases in ASC Topic 840. ASU 2016-02 is intended to provide enhanced transparency and comparability by requiring lessees to record right-of-use assets and corresponding lease liabilities on the balance sheet. ASU 2016-02 will continue to classify leases as either finance or operating, with classification affecting the pattern of expense recognition in the statement of income. ASU 2016-02 is effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. Early adoption is permitted. ASU 2016-02 is required to be applied with a modified retrospective approach to each prior reporting period presented with various optional practical expedients. The Company is currently assessing the potential impact of adopting ASU 2016-02 on its financial statements and related disclosures.

In August 2016, the FASB issued ASU 2016-15, Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments. ASU 2016-15 refines how companies classify certain aspects of the cash flow statement in regards to debt prepayment, settlement of debt instruments, contingent consideration payments, proceeds from insurance claims and life insurance policies, distribution from equity method investees, beneficial interests in securitization transactions and separately identifiable cash flows. ASU 2016-15 is effective for annual periods beginning after December 15, 2017, and interim periods within those fiscal years. No early adoption is permitted. Management is currently assessing the potential impact of adopting ASU 2016-15 on the financial statements and related disclosures.

In May 2014, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) No. 2014-09 (ASC 606) - Revenue from Contracts with Customers (“ASU 2014-09”), which provides guidance for revenue recognition. This ASU will supersede the revenue recognition requirements in Topic 605, and most industry specific guidance. The standard’s core principle is that revenue is recognized when promised goods or services are transferred to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. To achieve that core principle, an entity should apply the following steps:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

The guidance in ASU 2014-09 also specifies the accounting for some costs to obtain or fulfill a contract with a customer. ASC 606 requires the Company to make significant judgments and estimates. ASC 606 also requires more extensive disclosures regarding the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

The FASB has also issued several additional ASUs which amend ASU 2014-09. The amendments do not change the core principle of the guidance in ASC 606.

Public business entities are required to apply the guidance of ASC 606 to annual reporting periods beginning after December 15, 2017 (2018 for calendar year end reporting companies), including interim reporting periods within that reporting period. Early adoption is permitted.

The Company has not yet estimated the financial statement impact of the expected changes. The Company will continue to assess the impact of ASC 606 as it works through the adoption in 2017.

Management believes that any other recently issued, but not yet effective, authoritative guidance, if currently adopted, would not have a material impact on the Company’s consolidated financial statement presentation or disclosures.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Not required of smaller reporting companies.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures are designed to ensure that information required to be disclosed in the reports filed or submitted under the Securities and Exchange Act of 1934, as amended (“Exchange Act”) is recorded, processed, summarized and reported, within the time period specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in the reports filed under the Exchange Act is accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer. We carried out an evaluation, 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 our disclosure controls and procedures as of March 31, 2017 (the “Evaluation Date”). Based upon the evaluation of our disclosure controls and procedures as of the Evaluation Date, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were not effective because of the identification of material weaknesses in our internal control over financial reporting which were disclosed in Item 9A. Controls and Procedures in our 2016 annual report on Form 10-K.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting during the three months ended March 31, 2017, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Part II – Other Information

Item 1. Legal Proceedings

From time to time, the Company may be subject to other claims and litigation arising in the ordinary course of business. The Company is not currently a party to any legal proceedings that it believes would reasonably be expected to have a material adverse effect on the Company's business, financial condition or results of operations.

Item 1A. Risk Factors

There have been no material changes in the risk factors set forth in Part I, Item 1A, "Risk Factors" in our Annual Report on Form 10-K for the period ended December 31, 2016.

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

None.

Item 3. Default Upon Senior Securities

None.

Item 4. Mine Safety Disclosure

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

Exhibit	Description
3.1	Amended and Restated Certificate of Incorporation of the Registrant, as amended. (5)
3.2	Amendment to Certificate of Incorporation of the Registrant (Change of name – December 2016) (7)
3.3	By-laws of the Registrant, as amended. (1)
3.4	Certificate of Designations for Series G Convertible Preferred Stock. (3)
4.1	Specimen Common Stock Certificate. (2)
4.3	Channel Partners Stock Program – Form of Warrants (10)
4.4	2016 Stock Incentive Plan (10)
10.1	Securities Purchase Agreement (9)
10.2	Registration Rights Agreement (9)
10.3	William Sornsins Employment Agreement (6) (8)
10.4	Benjamin Joldersma Employment Agreement (6) (8)
10.5	Share Exchange Agreement, dated October 14, 2016 (8)
10.6	Amendment to the Share Exchange Agreement, dated November 4, 2016 (8)
10.7	Form of MDB Warrant issued in connection with the Share Exchange Agreement (8)
10.8	Form of Indemnification Escrow Agreement dated November 4, 2016 (8)
10.9	Form of Employee Confidentiality and Proprietary Rights Agreement (8)
10.10	Form of Lock Up Agreement (8)
10.11	Form of Registration Rights Agreement for the shares of pre-merger shareholders (8)
10.12	Preferred Stock Purchase Agreement for Series G Convertible Preferred Stock. (3)
10.13	James C. Heckman Employment Agreement (6) (8)
10.14	Martin Heimbigner Employment Letter (6) (11)
31.1*	Certification Pursuant to Exchange Act Rule 13a-14(a) of Chief Executive Officer.
31.2*	Certification Pursuant to Exchange Act Rule 13a-14(a) of Chief Financial Officer
32.1*	Certification Pursuant to Section 1350 of the Sarbanes-Oxley Act of 2002 of Chief Executive Officer.
32.2*	Certification Pursuant to Section 1350 of the Sarbanes-Oxley Act of 2002 of Chief Financial Officer
101*	
101.INS*	XBRL Instance Document
101.SCH*	XBRL Taxonomy Extension Schema Document
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document

* Filed Herewith

- (1) Incorporated by reference to the Registrant's Annual Report on Form 10-KSB for the fiscal year ended December 31, 2002.
- (2) Incorporated by reference to the Registrant's Registration Statement on Form SB-2 (Registration No. 333-48040) declared effective on October 31, 2000.
- (3) Incorporated by reference to the Registrant's Registration Statement on Form S-3 (Registration No. 333-40710), declared effective on July 28, 2000.
- (4) Incorporated by reference to the Registrant's Annual Report on Form 10-KSB for the fiscal year ended December 31, 1997.
- (5) Incorporated by reference to the Registrant's Annual Report on Form 10-KSB for the fiscal year ended December 31, 2007.
- (6) Management employment agreement.
- (7) Incorporated by reference to the Registrant's Current Report on Form 8-K, filed on December 18, 2016.
- (8) Incorporated by reference to the Registrant's Current Report on Form 8-K, filed on November 7, 2016.
- (9) Incorporated by reference to Registrant's Current Report on Form 8-K, filed on April 10, 2017.
- (10) Incorporated by reference to Registrant's Annual Report on Form 10-K, filed on May 10, 2017.
- (11) Incorporated by reference to Registrant's Current Report on Form 8-K, filed on May 19, 2017.

SIGNATURES

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

theMaven, Inc.

By: /s/ James C. Heckman, Jr.
James C. Heckman, Jr.
Chief Executive Officer

By: /s/ Martin L. Heimbigner
Martin L. Heimbigner
Chief Financial Officer

Dated: May 22, 2017

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, James C. Heckman, Jr., Chief Executive Officer of theMaven, Inc., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended March 31, 2017 of theMaven, 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 Quarterly 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 Quarterly Report;
4. The registrant’s other certifying officer 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 13a-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 Quarterly 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 Quarterly Report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Quarterly Report based on such evaluation; and
 - (d) Disclosed in this Quarterly 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 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.

Dated: May 22, 2017

By: /s/ James C. Heckman, Jr.
James C. Heckman, J.
Chief Executive Officer

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Martin L. Heimbigner, Chief Financial Officer of theMaven, Inc., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended March 31, 2017 of theMaven, 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 Quarterly 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 Quarterly Report;
4. The registrant’s other certifying officer 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 13a-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 Quarterly 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 Quarterly Report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this Quarterly Report based on such evaluation; and
 - (d) Disclosed in this Quarterly 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 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.

Dated: May 22, 2017

By: /s/ Martin L. Heimbigner
Martin L. Heimbigner
Chief Financial Officer

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

I, James C. Heckman, Jr., Chief Executive Officer of theMaven, Inc. (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 Quarterly Report on Form 10-Q of the Company for the quarter ended March 31, 2017, which this certification accompanies (the "Periodic Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Periodic Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 22, 2017

/s/ James C. Heckman, Jr.

James C. Heckman, Jr.
Chief Executive Officer

A signed original of this written statement required by Section 906 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. This written statement accompanies the Form 10-Q to which it relates, is not deemed filed with the Securities and Exchange Commission, and will not be incorporated by reference into any filing of theMaven, Inc. under the Securities Act of 1933 or the Securities Exchange Act of 1934, irrespective of any general incorporation language contained in such filing.

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

I, Martin L. Heimbigner, Chief Financial Officer of theMaven, Inc. (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 Quarterly Report on Form 10-Q of the Company for the quarter ended March 31, 2017, which this certification accompanies (the “Periodic Report”), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Periodic Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 22, 2017

/s/ Martin L. Heimbigner

Martin L. Heimbigner

Chief Financial Officer

A signed original of this written statement required by Section 906 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. This written statement accompanies the Form 10-Q to which it relates, is not deemed filed with the Securities and Exchange Commission, and will not be incorporated by reference into any filing of theMaven, Inc. under the Securities Act of 1933 or the Securities Exchange Act of 1934, irrespective of any general incorporation language contained in such filing.
