

MPHASE TECHNOLOGIES INC
Form 10-K/A
November 09, 2018

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

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

FOR THE YEAR ENDED JUNE 30, 2018

COMMISSION FILE NO. **000-30202**

Amendment No. 1 to

FORM 10-K

mPhase Technologies, Inc.

(Exact name of registrant as specified in its charter)

NEW JERSEY

*(State or other jurisdiction of
incorporation or organization)*

22-2287503

*(I.R.S. Employer
Identification
Number)*

587 CONNECTICUT AVE., NORWALK, CT

(Address of principal executive offices)

06854-1711

(Zip Code)

(203) 838-2741

ISSUER'S TELEPHONE NUMBER

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 SHORTER PERIOD THAT THE REGISTRANT WAS REQUIRED TO FILE SUCH REPORT), AND (2) HAS BEEN SUBJECT TO SUCH FILING REQUIREMENTS FOR THE PAST 90 DAYS.

YES NO

THE NUMBER OF SHARES OUTSTANDING OF EACH OF THE REGISTRANT'S CLASSES OF COMMON STOCK AS OF OCTOBER 25, 2018 IS 39,537,976,113 SHARES, ALL OF ONE CLASS OF \$.001 PAR VALUE COMMON STOCK.

EXPLANATORY NOTE

This Amendment includes certain information, made available to the Company on November 6, 2018 by Mr. Abraham Biderman, an outside Director of the Company.

This Amendment also include an edit to total accounts payable for June 30, 2018 in footnote table on page F-10 to \$545,564 from \$421,056. This change had no effect on Net Income, Total Assets and Liabilities, Shareholder's Deficit or Statement of Cash Flows for any periods presented.

There are no other changes to the original Form 10-K filing.

Page 33 of the Form 10K is replaced, in its entirety by the following information:

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Executive officers are selected by the Board of Directors. No family relationships exist between any of the executive officers or directors. The following table sets forth certain information with respect to each person who is an executive officer or director. mPhase's executive officers and directors as of June 30, 2018 are as follows:

NAME	AGE	POSITION(S)
Ronald A. Durando	61	Chief Executive Officer and Director
Gustave T. Dotoli (2)	83	Chief Operating Officer and Director
Martin Smiley	70	Chief Financial Officer

OUTSIDE DIRECTORS

Abraham Biderman (1)(2)	70	Director
Dr. Victor Lawrence	69	Director

(1) Member of the Audit Committee

(2) Member of the Compensation Committee

RONALD A. DURANDO is a co-founder of mPhase and has served as the Company's President, Chief Executive Officer and Director since its inception in October 1996. Since 1994 through February 2015, Mr. Durando had been an Officer of Microphase Corporation. Mr. Durando was a Director of Microphase Corporation and since February 2015, Mr. Durando has been employed as a Strategic Advisor to Microphase Corporation. From 1986-1994, Mr. Durando was President and Chief Executive Officer of Nutley Securities, Inc., a registered broker-dealer. Mr. Durando also served as president of PacketPort until his resignation in February, 2008, when PacketPort merged with Wyndstorm Corporation.

GUSTAVE T. DOTOLI has served as mPhase's Chief Operating Officer as well as a Director since October 1996. Prior to joining the Company, Mr. Dotoli was President and CEO of State Industrial Safety, Inc. from 1986-1996. In addition, Mr. Dotoli previously served as the Vice President of Corporate Development of Microphase Corporation. Mr. Dotoli was also a Director and Vice President of Packet Port. He was formerly the President and Chief Executive

Officer of the following corporations: Imperial Electro- Plating, Inc., World Imports USA, Industrial Chemical Supply, Inc., SISCO Beverage, Inc., and Met Pack, Inc. Mr. Dotoli received a B.S. in Industrial Engineering from Fairleigh Dickenson University in 1959.

ABRAHAM BIDERMAN has been a member of the Board since August 3, 2000. He currently is the Managing Director of Eagle Advisers, Inc, a small investment banking firm. From 1990 through September 30, 2003, Mr. Biderman had been employed by Lipper & Co. as Executive Vice President; Executive Vice President, Secretary and Treasurer of the Lipper Funds; and Co-Manager of Lipper Convertibles, L.P. Prior to joining Lipper & Co. in 1990, Mr. Biderman was Commissioner of the New York City Department of Housing, Preservation and Development from 1988 to 1989 and Commissioner of the New York City Department of Finance from 1986 to 1987. He was Chairman of the New York City Retirement System from 1986 to 1989. Mr. Biderman was Special Advisor to former Mayor Edward I. Koch from 1985 to 1986 and assistant to former Deputy Mayor Kenneth Lipper from 1983 to 1985. Mr. Biderman is a Director of the Municipal Assistance Corporation for the City of New York. Mr. Biderman graduated from Brooklyn College and is a certified public accountant. Effective July 2, 2018 FINRA, accepted a Letter of Acceptance, Waiver and Consent (“AWC”) from Mr. Biderman in connection with his termination of employment as a Principal of Palladium Capital Advisors LLC. In February of 2018 Palladium filed a Uniform Termination Notice for Securities Industry Registration for possible violations of the Firm’s procedures. In connection with the AWC FINRA has barred Mr. Biderman from being associated with any FINRA member. mPhase, with the consent of Mr. Biderman, has cancelled approximately \$7,500 in fees previously accrued since February of 2018.

MARTIN SMILEY was elected on June 28, 2006 to the Board of Directors. He joined mPhase as Executive Vice President, Chief Financial Officer and General Counsel in August 2000. Mr. Smiley has over forty years of experience as a corporate finance and securities attorney and as an investment banker. Prior to joining the company, Mr. Smiley served as a Principal at Morrison & Kibbey, Ltd., a mergers and acquisitions and investment banking firm, from 1998 to 2000, and as a Managing Director for CIBC Oppenheimer Securities from 1994 to 1998. He served as a Vice President of Investment Banking at Chase Manhattan Bank from 1989 to 1994, and as a Vice President and Associate General Counsel for Chrysler Capital Corporation from 1984 to 1989. Mr. Smiley graduated with a B.A. in Mathematics from the University of Pennsylvania and earned his law degree from the University of Virginia, School of Law.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**JUNE 30, 2018****3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)****DISCONTINUED OPERATIONS**

The Company has classified the operating results and associated assets and liabilities from its Jump line of products, which ceased having material sales in the first quarter of Fiscal 2017, as Discontinued Operations in the Consolidated Financial Statements for the Fiscal Years ended June 30, 2018 and 2017.

THE ASSETS AND LIABILITIES ASSOCIATED WITH DISCONTINUED OPERATIONS INCLUDED IN OUR CONSOLIDATED BALANCE SHEET WERE AS FOLLOWS:

	June 30, 2018			June 30, 2017		
	Total	<i>Discontinued</i>	Continuing	<i>Total</i>	<i>Discontinued</i>	Continuing
ASSETS						
CURRENT ASSETS						
Cash	\$261	\$ -	\$261	\$4,163	\$ -	\$4,163
Inventory, net	-	-	-	3,477	3,477	-
Prepaid and other current assets	-	-	-	1,050	1,050	-
TOTAL CURRENT ASSETS	261	-	261	8,690	4,527	4,163
Property and equipment, net	-	-	-	683	-	683
Other assets	800	-	800	800	-	800
TOTAL ASSETS	\$1,061	\$ -	\$1,061	\$10,173	\$ 4,527	\$5,646
LIABILITIES AND STOCKHOLDERS' DEFICIT						
CURRENT LIABILITIES						
Accounts payable	\$545,564	\$ 124,508	\$421,056	\$839,825	\$ 397,078	\$442,746
Accrued expenses	1,273,569	142,195	1,131,374	1,037,124	142,195	894,930
Due to related parties	226,045	-	226,045	217,045	-	217,045
Notes payable, Officers'	777,912	-	777,912	658,311	-	658,311

Edgar Filing: MPHASE TECHNOLOGIES INC - Form 10-K/A

Notes payable, Director & Investor	133,274	-	133,274	123,609	-	123,609
Note Payable, Finance Company	39,468	39,468	-	27,936	27,936	-
Current Portion, Long term convertible debentures	997,698	-	997,698	1,615,266	-	1,615,266
TOTAL LIABILITIES	3,993,530	306,171	3,687,359	4,519,116	567,209	3,951,907

SIGNATURES

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

mPHASE TECHNOLOGIES, INC.

Dated: November 9, 2018 By: /s/ Martin S. Smiley
Martin S. Smiley
Executive Vice President

Chief Financial Officer and General Counsel