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

FORM 10-Q

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

For the quarterly period ended September 30, 2017

OR

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

For the transition period from ________to ________

Commission file number: 000-55314

nFüsz, Inc.
(Exact name of Registrant as Specified in its Charter)

Nevada	**90-1118043**
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification Number)

344 S. Hauser Blvd
Suite 414
Los Angeles, CA 90036
(Address of Principal Executive Offices including Zip Code)

(855) 250-2300
(Registrant's Telephone Number, Including Area Code)

(Former name, former address and former fiscal year, if changed since last report)

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 reports), and (2) has been subject to such filing requirements for the past 90 days. YES [X] 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 [X] NO [ ]

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 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 [X]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES [ ] NO [X]

As of November 14, 2017, 118,262,345 shares of the issuer's common stock, par value of $0.0001 per share, were outstanding.

nFÜSZ, INC.
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PART I — FINANCIAL INFORMATION

ITEM 1 – FINANCIAL STATEMENTS

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nFÜSZ, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

	September 30, 2017 (Unaudited)	December 31, 2016
ASSETS		
Current assets:		
Cash	$ 28,906	$ 16,762
Accounts receivable	6,000	8,468
Prepaid expenses	26,551	10,871
Total current assets	61,457	36,101
Property and equipment, net	35,976	52,066
Other assets	8,780	16,036
Total assets	**$ 106,213**	**$ 104,203**
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable and accrued expenses	$ 597,320	$ 431,650
Accrued interest (including $97,732 and $118,451 payable to related parties)	216,722	118,137
Accrued officers' salary	475,654	200,028
Notes payable, net of discount of $51,442 and $48,942, respectively	183,558	177,358
Notes payable - related party	1,964,985	1,964,985
Convertible note payable, net of discount of $114,302 and $0, respectively	786,466	680,268
Total current liabilities	4,224,705	3,572,426
Notes Payable Series A Preferred, net of discount of $10,670	335,830	-
Commitments and contingencies		
Stockholders' deficit		
Preferred stock, $0.0001 par value, 15,000,000 shares authorized, none issued or outstanding	-	-
Common stock, $0.0001 par value, 200,000,000 shares authorized, 112,735,353 and 94,661,566 shares issued and outstanding as of September 30, 2017 and December 31, 2016, respectively	11,274	9,465
Additional paid in capital	21,657,298	17,815,732
Stock subscription	(20)	(20,020)
Accumulated deficit	(26,122,874)	(21,273,400)
Total stockholders' deficit	**(4,454,322)**	**(3,468,223)**
Total liabilities and stockholders' deficit	**$ 106,213**	**$ 104,203**

The accompanying notes are an integral part of these condensed consolidated financial statements

nFÜSZ, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	For the Three Months Ended		For the Nine Months Ended	
	September 30, 2017	*September 30, 2016*	*September 30, 2017*	*September 30, 2016*
Net Sales	$ -	$ -	$ -	$ -
Research and development	109,350	67,350	291,190	189,166
General and administrative	1,082,131	851,815	3,052,161	2,408,753
Loss from operations	(1,191,481)	(919,165)	(3,343,351)	(2,597,919)
Other Income	21,920	16,243	21,921	47,836
Debt Extinguishment	(424,331)	-	(977,201)	-
Interest expense (including $59,434 and $59,434 to related parties for nine month and $176,364 and $182,411 to related parties for three months)	(205,038)	(83,791)	(375,862)	(244,140)
Interest expense - amortization of debt discount	(81,959)	(101,324)	(174,981)	(281,176)
Net loss	**$ (1,880,889)**	**$ (1,088,037)**	**$ (4,849,474)**	**$ (3,075,399)**
Loss per share - basic and diluted	$ (0.02)	$ (0.01)	$ (0.05)	$ (0.04)
Weighted average number of common shares outstanding - basic and diluted	108,542,493	84,601,383	102,376,462	71,626,094

The accompanying notes are an integral part of these condensed consolidated financial statements

nFÜSZ, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS DEFICIT
(Unaudited)

	Common Stock		Additional Paid-in	Stock	Accumulated	
	Shares	Amount	Capital	Subscription	Deficit	Total
Balance at December 31, 2016	**94,661,566**	**$ 9,465**	**$17,815,732**	**$ (20,020)**	**$ (21,273,400)**	**$(3,468,223)**
Fair value vested options	-	-	278,422	-	-	278,422
Proceeds from sale of common stock	6,525,000	653	449,347	20,000	-	470,000
Shares of common stock issued upon conversion of debt	1,026,195	103	181,742			181,845
Shares of common stock issued upon conversion Preferred Series A	2,368,824	237	263,639			263,876
Fair value of warrants issued to extinguish debt and accounts payable	-	-	870,656			870,656
Shares of common stock issued to settle accounts payable	400,000	40	55,960	-	-	56,000
Fair value of common shares, warrants and beneficial conversion feature of issued notes	50,000	5	196,948			196,953
Common shares issued for services	7,703,768	771	1,544,852	-	-	1,545,623
Net loss	-	-	-	-	(4,849,474)	(4,849,474)
Balance at September 30, 2017	**112,735,353**	**$ 11,274**	**$21,657,298**	**$ (20)**	**(26,122,874)**	**$(4,454,322)**

The accompanying notes are an integral part of these condensed consolidated financial statements

nFÜSZ, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	For the Nine Months Ended	
	September 30, 2017	*September 30, 2016*
Operating Activities:		
Net loss	$ (4,849,474)	$ (3,075,399)
Adjustments to reconcile net loss to net cash used in operating activities:		
Share-based compensation	1,824,045	1,145,053
Debt extinguishment	977,201	-
Amortization of debt discount and debt issuance costs	174,981	281,146
Conversion of series A Preferred	118,698	-
Depreciation and amortization	16,090	16,467
Effect of changes in operating assets and liabilities:		
Accounts payable and accrued expenses	569,881	371,141
Accounts receivable	2,468	(3,406)
Other assets	7,256	(15,255)
Prepaid expenses and other current assets	(15,680)	(39,949)
Net cash used in operating activities	(1,174,534)	(1,320,202)
Investing Activities:		
Purchase of property and equipment	-	(2,494)
Other	-	-
Net cash used in investing activities	-	(2,494)
Financing Activities:		
Proceeds from series A preferred stock	555,000	-
Proceeds from sale of common stock	470,000	1,464,850
Proceeds from note payable	300,000	-
Proceeds from notes payable - related parties	-	82,446
Redemption of series A preferred	(138,322)	-
Repurchases of common stock	-	(166,226)
Net cash provided by financing activities	1,186,678	1,381,070
Net change in cash	12,144	58,374
Cash - beginning of period	16,762	103,019
Cash - end of period	$ 28,906	$ 161,393
Supplemental disclosures of cash flow information:		
Cash paid for interest	$ 171,375	$ 11,250
Cash paid for income taxes	$ -	$ -
Supplemental disclosure of non-cash investing and financing activities:		
Fair value of warrants issued to extend debt	$ 860,600	$ -
Conversion of series A Preferred to common stock	$ 263,876	$ -
Fair value of common shares, warrants and beneficial conversion feature of issued convertible note	$ 196,953	$ -
Conversion of note payable to common stock	$ 181,845	$ -
Common stock issued to settle accounts payable	$ 56,000	$ -
Conversion of notes payable to convertible notes payable	$ -	$ 600,000
Conversion of notes payable to related parties to convertible notes payable	$ -	$ 332,446
Conversion of accrued payroll to related party note	$ -	$ 121,875
Conversion of accrued interest on notes payable to convertible notes payable	$ -	$ 66,463
Conversion of accrued interest on notes payable to related parties to convertible notes payable	$ -	$ 10,421

The accompanying notes are an integral part of these condensed consolidated financial statements

nFÜSZ, INC.
Notes to Condensed Consolidated Financial Statements
The Nine Months Ended September 30, 2017 and 2016
(Unaudited)

1. DESCRIPTION OF BUSINESS

Organization

Cutaia Media Group, LLC ("CMG") was a limited liability company formed on December 12, 2012 under the laws of the State of Nevada. On May 19, 2014, bBooth, Inc. was incorporated under the laws of the State of Nevada. On May 19, 2014, CMG was merged into bBooth, Inc. and bBooth, Inc. changed its name to bBooth (USA), Inc. The operations of CMG and bBooth (USA), Inc. are collectively referred to as "bBoothUSA".

On October 16, 2014, bBoothUSA completed a Share Exchange Agreement with Global System Designs, Inc. ("GSD") which was accounted for as a reverse merger transaction. In connection with the closing of the Share Exchange Agreement, GSD management was replaced by bBoothUSA management, and GSD changed its name to bBooth, Inc.

Effective April 21, 2017, the registrant (referred to as "we," "our," or the "Company") changed our corporate name from bBooth, Inc. to nFüsz, Inc. The name change was effected through a parent/subsidiary short-form merger of nFüsz, Inc., our wholly-owned Nevada subsidiary, formed solely for the purpose of the name change, with and into us. We were the surviving entity. To effectuate the merger, we filed Articles of Merger with the Secretary of State of the State of Nevada on April 4, 2017 and a Certificate of Correction with the Secretary of State of the State of Nevada on April 17, 2017. The merger became effective on April 21, 2017. Our board of directors approved the merger, which resulted in the name change on that date. In accordance with Section 92A.180 of the Nevada Revised Statutes, stockholder approval of the merger was not required.

On the effective date of the merger, our name was changed to "nFüsz, Inc." and our Articles of Incorporation, as amended (the "Articles"), were further amended to reflect our new legal name. With the exception of the name change, there were no other changes to our Articles.

Nature of Business

The Company has developed proprietary interactive video technology which serves as the basis for certain products and services that it licenses under the brand name "Notifi". Its NotifiCRM, NotifiADS, NotifiLINKS, and NotifiWEB products are cloud-based, SaaS, CRM, sales lead generation, advertising and social engagement software, accessible on mobile and desktop platforms, for sales-based organizations, consumer brands, marketing and advertising agencies, and artists and social influencers seeking greater levels of viewer engagement, and higher sales conversion rates. The Company's NotifiCRM platform is enterprise scalable and incorporates unique, proprietary, push-to-screen, interactive audio/video messaging and interactive on-screen "virtual salesperson" communications technology. The Company's NotifiLIVE service is a proprietary broadcast video platform allowing viewers to interact with broadcast video content by clicking on links embedded in people, objects, graphics or sponsors' signage displayed on the screen. Viewers can experience NotifiLIVE interactive content and capabilities on most devices available in the market today without the need to download special software or proprietary video players.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying condensed consolidated financial statements are unaudited. These unaudited interim condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and applicable rules and regulations of the Securities and Exchange Commission ("SEC") regarding interim financial reporting. Certain information and note disclosures normally included in the financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to such rules and regulations. Accordingly, these interim condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto contained in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2016 filed with the SEC. The condensed consolidated balance sheet as of December 31, 2016 included herein was derived from the audited consolidated financial statements as of that date.

In the opinion of management, the accompanying unaudited condensed consolidated financial statements contain all adjustments necessary to fairly present the Company's financial position and results of operations for the interim periods reflected. Except as noted, all adjustments contained herein are of a normal recurring nature. Results of operations for the fiscal periods presented herein are not necessarily indicative of fiscal year-end results.

Principles of Consolidation

The condensed consolidated financial statements include the accounts of nFusz, Inc. and its wholly owned subsidiary Songstagram, Inc. ("Songstagram"). All intercompany transactions have been eliminated in consolidation.

Going Concern

We have incurred operating losses since inception and have negative cash flows from operations. We had a stockholders' deficit of $4,454,322 as of September 30, 2017, incurred a net loss of $4,849,474 and utilized $1,174,534 of cash during the period then ended. These factors raise substantial doubt about the Company's ability to continue as a going concern. The ability of the Company to continue as a going concern is dependent upon the Company's ability to raise additional funds and implement its business plan. The financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern. In addition, the Company's independent registered public accounting firm, in its report on the Company's December 31, 2016 consolidated financial statements, has raised substantial doubt about the Company's ability to continue as a going concern.

Our continuation as a going concern is dependent on our ability to obtain additional financing until we can generate sufficient cash flows from operations to meet our obligations. We intend to continue to seek additional debt or equity financing to continue our operations. There is no assurance that we will ever be profitable or that debt or equity financing will be available to us. The consolidated financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classifications of liabilities that may result should we be unable to continue as a going concern.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported periods. Significant estimates include accruals for potential liabilities, assumptions used in determining the fair value of share based payments, and realization of deferred tax assets. Amounts could materially change in the future.

Share Based Payment

The Company issues stock options, common stock, and equity interests as share-based compensation to employees and non-employees. The Company accounts for its share-based compensation to employees in accordance with FASB ASC 718 "Compensation – Stock Compensation." Stock-based compensation cost is measured at the grant date, based on the estimated fair value of the award, and is recognized as expense over the requisite service period.

The Company accounts for share-based compensation issued to non-employees and consultants in accordance with the provisions of FASB ASC 505-50 *"Equity - Based Payments to Non-Employees."* Measurement of share-based payment transactions with non-employees is based on the fair value of whichever is more reliably measurable: (*a*) the goods or services received; or (*b*) the equity instruments issued. The final fair value of the share-based payment transaction is determined at the performance completion date. For interim periods, the fair value is estimated and the percentage of completion is applied to that estimate to determine the cumulative expense recorded.

The Company values stock compensation based on the market price on the measurement date. As described above, for employees this is the date of grant, and for non-employees, this is the date of performance completion. The Company values stock options and warrants using the Black-Scholes option pricing model.

Net Loss Per Share

Basic net loss per share is computed by using the weighted-average number of common shares outstanding during the period. Diluted net loss per share is computed giving effect to all dilutive potential common shares that were outstanding during the period. Dilutive potential common shares consist of incremental common shares issuable upon exercise of stock options. No dilutive potential common shares were included in the computation of diluted net loss per share because their impact was anti-dilutive. As of September 30, 2017, the Company had a total of 22,030,953 options and 24,461,413 warrants outstanding, which were excluded from the computation of net loss per share because they are anti-dilutive. As of September 30, 2016, the Company had total of 11,593,333 options and 16,449,734 warrants which were excluded from the computation of net loss per share because they are anti-dilutive.

Recent Accounting Pronouncements

On May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, Revenue from Contracts with Customers. ASU 2014-09 is a comprehensive revenue recognition standard that will supersede nearly all existing revenue recognition guidance under current U.S. GAAP and replace it with a principle based approach for determining revenue recognition. ASU 2014-09 will require that companies recognize revenue based on the value of transferred goods or services as they occur in the contract. The ASU also will require additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to obtain or fulfill a contract. ASU 2014-09 is effective for interim and annual periods beginning after December 15, 2017. Early adoption is permitted only in annual reporting periods beginning after December 15, 2016, including interim periods therein. Entities will be able to transition to the standard either retrospectively or as a cumulative-effect adjustment as of the date of adoption. The Company is in the process of evaluating the impact of ASU 2014-09 on the Company's financial statements and disclosures.

In February 2016, the FASB issued Accounting Standards Update (ASU) No. 2016-02, Leases. ASU 2016-02 requires a lessee to record a right of use asset and a corresponding lease liability on the balance sheet for all leases with terms longer than 12 months. ASU 2016-02 is effective for all interim and annual reporting periods beginning after December 15, 2018. Early adoption is permitted. A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available. The Company is in the process of evaluating the impact of ASU 2016-02 on the Company's financial statements and disclosures.

In March 2016, the FASB issued the ASU 2016-09, Compensation - Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting. The amendments in this ASU require, among other things, that all income tax effects of awards be recognized in the income statement when the awards vest or are settled. The ASU also allows for an employer to repurchase more of an employee's shares than it can today for tax withholding purposes without triggering liability accounting and allows for a policy election to account for forfeitures as they occur. The amendments in this ASU are effective for fiscal years beginning after December 15, 2016, including interim periods within those fiscal years. Early adoption is permitted for any entity in any interim or annual period. The Company is currently evaluating the expected impact that the standard could have on its financial statements and related disclosures.

Other recent accounting pronouncements issued by the FASB, including its Emerging Issues Task Force, the American Institute of Certified Public Accountants, and the Securities and Exchange Commission did not or are not believed by management to have a material impact on the Company's present or future consolidated financial statement presentation or disclosures.

3. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of September 30, 2017 and December 31, 2016.

	September 30, 2017	December 31, 2016
	(Unaudited)	
Furniture and fixtures	$ 56,890	$ 56,890
Office equipment	50,669	50,669
	107,559	107,559
Less: accumulated depreciation	(71,583)	(55,493)
	$ 35,976	$ 52,066

Depreciation expense amounted to $16,090 and $16,467 for nine months ended September 30, 2017 and 2016, respectively.

4. NOTES PAYABLE

The Company has the following notes payable as of September 30, 2017 and December 31, 2016:

Note	Note Date	Maturity Date	Interest Rate	Original Borrowing	Balance at September 30, 2017	Balance at December 31, 2016
					(Unaudited)	
Note payable (a)	March 21, 2015	March 20, 2018	12%	$ 125,000	$ 125,000	$ 125,000
Note payable (b)	December 15, 2016	September 15, 2017	5%	$ 101,300	-	101,300
Note payable (c)	September 26, 2016	September 15, 2017	5%	$ 110,000	110,000	-
Total notes payable					235,000	226,300
Debt discount					(51,442)	(48,942)
Total notes payable, net of debt discount					$ 183,558	$ 177,358

(a) On March 21, 2015, the Company entered into an agreement with DelMorgan Group LLC ("DelMorgan"), pursuant to which DelMorgan agreed to act as the Company's exclusive financial advisor. In connection with the agreement, the Company paid DelMorgan $125,000, which was advanced by a third-party lender in exchange for an unsecured note payable issued by the Company bearing interest at the rate of 12% per annum payable monthly beginning on April 20, 2015.

Effective March 20, 2017, for no additional consideration the Company entered into an extension agreement with DelMorgan to extend the maturity date of the Note to March 20, 2018. All other terms of the Note remain unchanged.

(b) On December 16, 2016 the Company issued a note payable amounting to $101,300 in exchange for cash of $80,000, original issue discount of $8,800 and guaranteed interest of $12,500. The note was unsecured, bore interest rate of 5% per annum and matured in May 2017. In addition, the Company also granted the noteholder a three-year warrant to acquire 176,000 shares of the Company's common stock with an exercise price of $0.25 per share, and 240,000 shares of the Company's common stock. As a result, the Company recorded a debt discount totaling $53,659 to account for the origin original issue discount of $8,800, guaranteed interest of $12,500, relative fair value of the warrants of $10,759 and fair value of the common shares of $21,600. The debt discount was amortized over the term of the note. As of December 31, 2016, outstanding balance of the note amounted to $101,300 and unamortized debt discount of $48,942.

On June 7, 2017, the Company and the noteholder agreed to settle the entire note payable in exchange for the initial issuance of 462,000 shares of its Common Stock (the "Shares") with a fair value of $110,880 at the date of the agreement. In the event the noteholder does not realize sufficient proceeds through sales of the Shares, in accordance with the terms set forth herein, to equal $92,400, after deduction of reasonable sale transaction-related expenses, the Company agrees to issue additional shares to make up the deficiency or to pay such deficiency in cash, at the Company's option. The Parties agree that this "Make Whole" provision shall expire and be of no further force and effect on the date the sum of net proceeds realized from the sale of the initial issuance of 462,000 shares is equal to or great than $92,400; or any deficiency is paid in cash by the Company at its option; or June 7, 2018, whichever occurs first. The noteholder agrees not to sell more than 10 percent (10%) of the total weekly volume of FUSZ common shares traded in the United States domestic over-the-counter stock market in any one week. The noteholder agrees, that upon request of the Company, to provide trading records to the Company reflecting all sales of the Shares, within 1 (one) business days following such request. As a result of this conversion, the Company recognized a loss on extinguishment of $9,580 to account the difference between the fair value of the share issued and the note converted.

As a result of this agreement, during the period ended September 30, 2017, the Company amortized the remaining debt discount of $48,942 and settled the entire note payable of $101,300 in exchange for 1,026,195 shares of common stock with a fair value of $181,845. The Company recognized a loss of $80,545 to account the difference between the fair value of the common shares issued and the balance of the note payable.

(c) Effective September 26, 2017, we entered into the Purchase Agreement, dated September 15, 2017, with Kodiak Capital Group, LLC ("Kodiak"). Under the Purchase Agreement, the Company may from time to time, in our discretion, sell shares of our common stock to Kodiak for aggregate gross proceeds of up to $2,000,000. Unless terminated earlier, Kodiak's purchase commitment will automatically terminate on the earlier of the date on which Kodiak shall have purchased our shares pursuant to the Purchase Agreement for an aggregate purchase price of $2,000,000, or September 15, 2019. We have no obligation to sell any shares under the Purchase Agreement.

As provided in the Purchase Agreement, we may require Kodiak to purchase shares of common stock from time to time by delivering a put notice ("Put Notice") to Kodiak specifying the total number of shares to be purchased (such number of shares multiplied by the Purchase Price described below, equals the "Investment Amount"); provided there must be a minimum of ten trading days between delivery of each Put Notice. We may determine the Investment Amount provided that such amount may not be less than $25,000. Our ability to issue Put Notices to Kodiak and require Kodiak to purchase our common stock is not contingent on the trading volume of our common stock. Kodiak will have no obligation to purchase shares under the applicable Purchase Agreement to the extent that such purchase would cause Kodiak to own more than 9.99% of our then-issued and outstanding common stock (the "Beneficial Ownership Limitation").

For each share of our common stock purchased under the Purchase Agreement, Kodiak will pay a Purchase Price equal to 80% of the Market Price. The Market Price is defined as the volume weighted average price (the "VWAP") on the principal trading platform for the Common Stock, as reported by OTC Markets Group, Inc. ("OTC Markets"), for the five consecutive trading days immediately preceding the closing request date (each, a "Closing Request Date") associated with the applicable Put Notice (the "Valuation Period"). Kodiak's obligation to purchase shares is subject to customary closing conditions, including without limitation a requirement that this registration statement remain effective registering the resale by Kodiak of the shares to be issued under the Purchase Agreement (the "Registration Statement").

As a result of this agreement, on September 26, 2017, the Company issued a note payable to Kodiak Capital Group, LLC amounting to $110,000 in exchange for cash of $100,000 and an original issue discount of $10,000. The note is unsecured, matures on March 26, 2018 and bears interest rate of 5% per annum. In addition, the Company also granted Kodiak a five year, fully vested warrants to purchase 1,000,000 shares of common stock at $0.15 per share. The fair value of the warrants at grant date was determined using the Black-Scholes Option Pricing model with the following assumptions: stock price of $0.08 per share, life of 5 years; risk free interest rate of 1.87%; volatility of 229%, and dividend yield of 0%. As a result, the Company recorded a debt discount of $52,605 to account for the original issue discount of the note of $10,000 and the relative fair value of the warrants of $42,605. The debt discount is being amortized over the term of the note.

In case of a default, the note may also be converted to shares of common stock at a conversion price of $0.25 per share or 70% of the lowest trading price during the ten-trading-day period prior to the conversion date, whichever is lower. As the conversion of the note is subject to a default contingency, pursuant to current accounting guidelines, the Company will only account the beneficial conversion feature, if any, once the default contingency has been met or satisfied.

During the period ended September 30, 2017, the Company amortized $1,163 of the recorded debt discount. As of September 30, 2017, outstanding balance of the note amounted to $110,000 and unamortized debt discount of $51,442.

As part of the agreement with Kodiak, the Company also agreed to issue a promissory note amounting to $100,000 and warrants to purchase a total of 1,000,000 shares of common stock at $0.20 per share and addition warrants to purchase 4,000,000 shares of common stock at $0.25 per share once the Company's Registration Statement with the Securities and Exchange Commission becomes effective. As the issuance of the note payable is subject to a contingency, the Company will record the note payable once the contingency has been met or satisfied.

Total interest expense for notes payable for the nine months ended September 30, 2017 and 2016 was $7,560 and $7,500 respectively. Total interest expense for notes payable for the three months ended September 30, 2017 and 2016 was $3,810 and $3,750, respectively.

5. NOTES PAYABLE – RELATED PARTIES

The Company has the following related parties notes payable as of September 30, 2017 and December 31, 2016:

Note	Issuance Date	Maturity Date	Interest Rate	Original Borrowing	Balance at September 30, 2017	Balance at December 31, 2016
					(Unaudited)	
Note 1	Year 2015	August 8, 2018	12.0%	$1,203,242	$ 1,198,883	$ 1,198,883
Note 2	December 1, 2015	August 8, 2018	12.0%	189,000	189,000	189,000
Note 3	December 1, 2015	April 1, 2017	12.0%	111,901	111,901	111,901
Note 4	August 4, 2016	December 4, 2018	12.0%	343,326	343,326	343,326
Note 5	August 4, 2016	December 4, 2018	12.0%	121,875	121,875	121,875
Total notes payable – related parties, net					$ 1,964,985	$ 1,964,985

- Note 1 - On various dates during the year ended December 31, 2015, Rory J. Cutaia, the Company's majority shareholder and Chief Executive Officer, loaned the Company total principal amounts of $1,203,242. The loans were unsecured and all are due on demand, bearing interest at 12% per annum. On December 1, 2015, the Company entered into a Secured Convertible Note agreement with Mr. Cutaia whereby all outstanding principal and accrued interest owed to Mr. Cutaia from previous loans amounting to an aggregate total of $1,248,883 and due on demand, was consolidated under a note payable agreement, bearing interest at 12% per annum, and converted from due on demand to due in full on April 1, 2017. In consideration for Mr. Cutaia's agreement to consolidate the loans and extend the maturity date, the Company granted Mr. Cutaia a senior security interest in substantially all current and future assets of the Company. Per the terms of the agreement, at Mr. Cutaia's discretion, he may convert up to $374,665 of outstanding principal, plus accrued interest thereon, into shares of common stock at a conversion rate of $0.07 per share.

On May 4, 2017, the Company entered into an extension agreement with Mr. Cutaia to extend the maturity date of the $1,198,883 Secured Note due on April 1, 2017 to August 1, 2018. In consideration for extending the Note, the Company issued Mr. Cutaia 1,755,192 warrants at a price of $0.355. All other terms of the Note remain unchanged. The Company determined that the extension of the note's maturity resulted in a debt extinguishment for accounting purposes since the fair value of the warrants granted was more than 10% of the recorded value of the original convertible note. As a result, Company recorded the fair value of the new note which approximates the original carrying value $1,198,883 and expensed the entire fair value of the warrants granted of $517,291 as part of loss on debt extinguishment. The fair value of the warrants at grant date was determined using the Black-Scholes Option Pricing model with the following assumptions: stock price of $0.36 per share, life of 3 years; risk free interest rate of 1.51%; volatility of 157%, and dividend yield of 0%. As of September 30, 2017, and December 31, 2016, the principal amount of the notes payable was $1,198,883, respectively.

- Note 2 -On December 1, 2015, the Company entered into an Unsecured Convertible Note with Mr. Cutaia, CEO, in the amount of $189,000, bearing interest at 12% per annum, representing a portion of Mr. Cutaia's accrued salary for 2015. The note extends the payment terms from on-demand to due in full on April 1, 2017. The outstanding principal and accrued interest may be converted at Mr. Cutaia's discretion into shares of common stock at a conversion rate of $0.07.

  On May 4, 2017, for no additional consideration, the Company entered into an extension agreement with Mr. Cutaia to extend the maturity date of the $189,000 Unsecured Note due on April 1, 2017 to August 1, 2018. All other terms of the Note remain unchanged.

- Note 3 - On December 1, 2015, the Company entered into an Unsecured Note agreement with a consulting firm owned by Michael Psomas, a former member of the Company's Board of Directors, in the amount of $111,901 representing unpaid fees earned for consulting services previously rendered but unpaid as of November 30, 2015. The outstanding amounts bear interest at 12% per annum, and are due in full on April 1, 2017, and is currently past due.

- Note 4 - On April 4, 2016, the Company issued a secured convertible note to Mr. Cutaia, CEO, in the amount of $343,326, which represents $93,326 that the CEO advanced to the Company during the period from December 2015 through March 2016, and the conversion of $250,000 other pre-existing notes. This note bears interest at the rate of 12% per annum, compounded annually and matures on August 4, 2017. The note is also convertible up to 30% of the principal balance into shares of the Company's common stock at $0.07 per share. In addition, the Company also issued 2,452,325 share purchase warrants, exercisable at $0.07 per share until April 4, 2019, which warrants represent 50% of the amount of such note.

  On August 4, 2017, the Company entered into an extension agreement with Mr. Cutaia to extend the maturity date of the $343,326 Note due on August 4, 2017 to December 4, 2018. In consideration for extending the Note, the Company issued Mr. Cutaia 1,329,157 warrants at a price of $0.15. All other terms of the Note remain unchanged. The Company determined that the extension of the note's maturity resulted in a debt extinguishment for accounting purposes since the fair value of the warrants granted was more than 10% of the recorded value of the original convertible note. As a result, Company recorded the fair value of the new note which approximates the original carrying value $343,326 and expensed the entire fair value of the warrants granted of $172,456 as part of loss on debt extinguishment. The fair value of the warrants at grant date was determined using the Black-Scholes Option Pricing model with the following assumptions: stock price of $0.15 per share, life of 1.5 years; risk free interest rate of 1.36%; volatility of 230%, and dividend yield of 0%. As of September 30, 2017, and December 31, 2016, the principal amount of the notes payable was $343,326.

- Note 5 -On April 4, 2016, the Company issued an unsecured convertible note payable to Mr., Cutaia, CEO, in the amount of $121,875, which represents the amount of the accrued but unpaid salary owed to the CEO for the period from December 2015 through March 2016. The note bears interest at the rate of 12% per annum, compounded annually and matures on August 4, 2017. The note is also convertible into shares of the Company's common stock at $0.07 per share, which approximated the trading price or the Company's common stock on the date of the agreement.

  On August 4, 2017, for no additional consideration, the Company entered into an extension agreement with Mr. Cutaia to extend the maturity date of the $121,875 Unsecured Note due on August 4, 2017 to December 4, 2018. All other terms of the Note remain unchanged.

Total interest expense for notes payable to related parties for the nine months ended September 30, 2017 and 2016 was $176,364 and $182,411, respectively. Total interest expense for notes payable to related parties for the three months ended September 30, 2017 and 2016 was $59,434 and $59,434, respectively.

6. CONVERTIBLE NOTE PAYABLE

The Company has the following notes payable as of September 30, 2017 and December 31, 2016:

Note	Note Date	Maturity Date	Interest Rate	Original Borrowing	Balance at September 30, 2017 (Unaudited)	Balance at December 31, 2016
Note payable (a)	Various	August 4, 2018	12%	$ 600,000	$ 680,268	$ 680,268
Note payable (b)	June 19, 2017	February 19, 2018	5%	$ 110,250	110,250	-
	August 21, 2017	March 21, 2018	5%	$ 110,250	110,250	-

Note payable (c)			
Total notes payable		900,768	680,268
Debt discount		(114,302)	-
Total notes payable, net of debt discount		$ 786,466	$ 680,268

(a) The Company entered into a series of unsecured loan agreement with Oceanside Strategies, Inc. ("Oceanside") a third party-lender, in the aggregate principal amount of $600,000 through December 31, 2015. The loans bear interest at rates ranging from 5% to 12% per annum and were due on demand.

On April 3, 2016, the Company issued an unsecured convertible note payable to Oceanside in the amount of $680,268 (this amount includes $600,000 principal amount and $80,268 accrued and unpaid interest). This note superseded and replaced all previous notes and current liabilities due to Oceanside for sums Oceanside loaned to the Company in 2014 and 2015. This note bears interest at the rate of 12% per annum, compounded annually. In consideration for Oceanside's agreement to convert the prior notes from current demand notes and extend the maturity date to December 4, 2016, the Company granted Oceanside the right to convert up to 30% of the amount of such note into shares of the Company's common stock at $0.07 per share and issued 2,429,530 share purchase warrants, exercisable at $0.07 per share until April 4, 2019.

Effective December 30, 2016, the Company entered into an extension agreement with Oceanside to extend the maturity date of the Note to August 4, 2017. All other terms of the Note remain unchanged. In consideration for Oceanside's agreement to extend the maturity date to August 4, 2017, the Company issued Oceanside 2,429,530 share purchase warrants, exercisable at $0.08 per share until December 29, 2019.

Effective August 4, 2017, the Company entered into an extension agreement with Oceanside to extend the maturity date of the Note to August 4, 2018. All other terms of the Note remain unchanged. In consideration for Oceanside's agreement to extend the maturity date to August 4, 2018, the Company issued Oceanside 1,316,800 share purchase warrants, exercisable at $0.15 per share until August 3, 2022. As a result, Company expensed the entire fair value of the warrants granted of $170,853 as part of loss on debt extinguishment. The fair value of the warrants at grant date was determined using the Black-Scholes Option Pricing model with the following assumptions: stock price of $0.15 per share, life of 3 years; risk free interest rate of 1.36%; volatility of 230%, and dividend yield of 0%.

(b) On June 19, 2017, the Company issued an unsecured convertible note to Lucas Holdings in the amount of $105,000 in exchange for 50,000 shares of common stock and a three-year warrant to acquire 330,000 shares of the Company's common stock with an exercise price of $0.30 per share. The "Maturity Date" is February 18, 2018. A one-time interest charge of five percent (5%) ("Interest Rate") is to be applied on the Issuance Date to the original principal amount. In addition, there is a 5% Original Issue Discount. The note is convertible to common shares at a conversion price of $0.25 per share.

Upon issuance of the note, the Company accounted for an original issue discount of $10,000 which consisted of (i) the 5% original issue discount of $5,000, and (ii) the fixed interest of 5% which aggregated $5,250. The original issue discount of $10,250 has been added to the note balance and will be accreted to interest expense over the life of the note, resulting in a net amount due the holder of $110,250 at maturity. In addition, the (iii) the fair value of the 50,000 common shares of $12,500 issued to the holder, (iv) the relative fair value of the warrants of $40,180, and (v) a beneficial conversion feature of $47,320 were considered as additional valuation discount and will be amortized as interest expense over the life of the note.

The aggregate fair value of the original issue discount and the equity securities issued upon inception of the note of $110,250 has been recorded as a valuation discount. As of September 30, 2017, $46,350 of this amount was amortized as interest expense, resulting in an unamortized balance of $63,900 at September 30, 2017.

(c) On August 28, 2017, the Company issued an unsecured convertible note to Lucas Holdings in the amount of $105,000. The "Maturity Date" is March 28, 2018. A one-time interest charge of five percent (5%) ("Interest Rate") is to be applied on the Issuance Date to the original principal amount. In addition, there is a 5% Original Issue Discount. The note is convertible to common shares at a conversion price of $0.10 per share.

Upon issuance of the note, the Company recorded a debt discount of $64,600 which consisted of (i) the 5% original issue discount of $5,000, (ii) the fixed interest of 5% which aggregated $5,250 and (iii) a beneficial conversion feature of $54,350 and will be amortized as interest expense over the life of the note.

As of September 30, 2017, $14, 198 of this amount was amortized as interest expense, resulting in an unamortized balance of $50,402 at September 30, 2017.

Total interest expense for convertible notes payable for the nine months ended September 30, 2017 and 2016 was $61,056 and $58,576, respectively. Total interest expense for convertible notes payable for the three months ended September 30, 2017 and 2016 was $20,576 and $20,576, respectively.

7. CONVERTIBLE SERIES A PREFERRED STOCK

Effective February 14, 2017, the Company entered into a Securities Purchase Agreement, (the "Purchase Agreement"), by and between an otherwise unaffiliated, accredited investor (the "Purchaser") and the Company in connection with our issuance and sale to the Purchaser of shares of Series A Preferred Stock under the terms and conditions as set forth in the Purchase Agreement (the "Sale").

In connection with the Sale, our Board of Directors (our "Board") authorized and approved a series of preferred stock to be known as "Series A Convertible Preferred Stock", for which 1,050,000 shares, $0.0001 par value per share, were authorized and a Certificate of Designations, Preferences and Rights of the Series A Convertible Preferred Stock, (the "Certificate"), was filed with the Office of the Secretary of State of the State of Nevada (the "State") to effectuate the authorization. Pursuant to the Purchase Agreement, the purchase of shares of our Series A Preferred Stock may occur in several tranches (each, a "Tranche"; and, collectively, the "Tranches"). The first Tranche of $300,000 ($315,000 in stated value, represented by 315,000 shares of our Series A Preferred Stock) closed simultaneously with the execution of the Purchase Agreement on February 14, 2017 (the “First Closing”), and each additional Tranche shall close at such times and on such financial terms as may be agreed to by the Purchaser and us.

The Series A PS has the following rights and privileges:

- Senior rights in terms preference as to dividends, distributions and payments upon the liquidation, dissolution and winding up of the Company;

- Accrues dividends at a rate of 5% per annum;

- Mandatorily redeemable at an installment basis starting August 13, 2017 in the amount of $63,000 plus accrued interest. The Company has the option to redeem the Series A shares in cash or in shares of common stock based upon the Company's 5-day Volume Weighted Average Price ("VWAP").

Pursuant to the terms of the Purchase Agreement, the shares of our Series A Preferred Stock issued in the First Closing are to be redeemed by us in five (5) equal weekly payments (each, a "Redemption Payment"), commencing in approximately 180 days from the First Closing. All but one of the Redemption Payments may be made by us in cash or in shares of our common stock, at our option. The Holder shall have the option to demand payment of one Installment Redemption Payment in shares of Common Stock Redemption Payments made using shares of our common stock will be valued based upon a VWAP formula, tied to the then-current quoted price of shares of our common stock, described with greater particularity in the Purchase Agreement.

The Company considered the guidance of ASC 480-10, Distinguishing Liabilities From Equity to determine the appropriate treatment of the Series A shares. Pursuant to ASC 480-10, the Company determined that the Series A shares is an obligation to be settled, at the option of the Company, in cash or in variable number of shares with a fixed monetary value that should be recorded as a liability under ASC 480-10.

On July 28, 2017, the Company amended the Certificate of Designations to include the mandatory redemption dates. On January 8th the Company will redeem the $52,500 of Preferred Shares and any accrued but unpaid dividends. Beginning the earlier of the effectiveness of a Registration Statement or January 28, 2018, the Company will begin redeeming the 131,250 preferred shares issued on July 28, 2017. The Company shall redeem $26,250 of Preferred Shares an any accrued but unpaid dividends thereon on the first business day of each week for five consecutive weeks.

On September 1, 2017, the Company amended the Certificate of Designations. Solely in respect to the 189,000 Preferred Shares that were issued on February 13, 2017 and outstanding as of August 28, 2017, the Company shall redeem $31,500 of the outstanding amount of such Preferred Shares an any accrued but unpaid dividends thereon on the first business day of each week for six consecutive weeks. Solely in respect to the 52,500 Preferred Shares that were issued on July 7, 2007 and outstanding as of the date of the second amendment, beginning the earlier of the effectiveness of a Registration Statement and January 8, 2018, the Company shall redeem $26,500 of the outstanding amount of such Preferred Shares an any accrued but unpaid dividends thereon on the first business day of each week for two consecutive weeks.

Beginning the earlier of the effectiveness of a Registration Statement and February 28, 2018, the Company will begin redeeming the 131,250 preferred shares issued on September 1, 2017. The Company shall redeem $26,250 of Preferred Shares an any accrued but unpaid dividends thereon on the first business day of each week for five consecutive weeks.

During the period ended September 30, 2017, the Company issued 630,000 shares of Series A Preferred Stock in exchange for cash of $555,000, net of original issue discount and legal fees totaling $75,000. As a result, the Company recorded a liability of $630,000 and a debt discount of $75,000. The debt discount is being amortized to interest expense over the redemption period of the Series A Preferred Stock. During the period ended September 30, 2017, the Company also redeemed 283,500 shares of Series A Preferred stock with a value of $283,500 in exchange for 2,368,824 shares of common stock with a fair value of $263,876 and cash payment of $138,322. As a result of these redemptions, the Company recognize interest expense of $118,698 to account the difference between the fair value of common shares issued and cash payment totaling $402,198 and recorded value of the Series A Preferred stock of $283,500.

As of September 30, 2017, the Company has 346,500 Preferred Series A Shares outstanding amounting to $346,500 and unamortized discount of $10,670 or a net balance of $335,830.

8. EQUITY TRANSACTIONS

The Company's common stock activity for the nine months ended September 30, 2017 is as follows:

Common Stock

Shares Issued for Services – During the period ended September 30, 2017, the Company issued 7,703,768 common shares to employees and vendors for services rendered with a fair value of $1,545,623 and are expensed based on fair market value of the stock price at the date of grant. Included in these issuances were 4,250,000 shares of common stock with a fair value of $740,000 granted to officers of the Company for services rendered.

Shares Issued to Settle Accounts Payable - During the period ended September 30, 2017, the Company amended an agreement with a vendor and issued 400,000 shares of common stock as full and final payment to the vendor on accounts payable owed of $30,000. The fair value of the shares issued was $56,000 which resulted in a loss on extinguishment of debt totaling $26,000 was recorded as part of the transaction.

Shares Issued from Stock Subscription – The Company issued stock subscription to investors. For the nine months ended September 30, 2017, the Company issued 6,525,000 common shares for a net proceed of $470,000, of which,

$20,000 was received in fiscal 2016 and included as part of Subscription Receivable in the accompanying Statement of Stockholders' Deficit as of December 31, 2016.

Shares Issued from Conversion of Preferred Stock – During the period ended September 30, 2017, 283,500 shares of Series A Preferred Stock plus the redemption premium and interest were redeemed through the issuance of 2,368,824 shares of common stock (see Note 7).

Shares Issued from Conversion of Note Payable - During the period ended September 30, 2017, the Company issued 1,026,195 shares of common stock with a fair value of $181,845 upon conversion of a note payable (see Note 4).

Shares Issued as Part of Convertible Note Payable - During the period ended September 30, 2017, the Company issued 50,000 shares of common stock with a fair market value of $12,500 as part of an issuance of the convertible note (see Note 6).

Stock Options

Effective October 16, 2014, the Company adopted the 2014 Stock Option Plan (the "Plan") under the administration of the board of directors to retain the services of valued key employees and consultants of the Company.

At its discretion, the Company grants share option awards to certain employees and non-employees, as defined by ASC 718, Compensation—Stock Compensation, under the 204 Stock Option Plan (the "Plan") and accounts for its share-based compensation in accordance with ASC 718.

A summary of option activity for the nine months ended September 30, 2017 is presented below.

	Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (in Years)	Aggregate Intrinsic Value
Outstanding at December 31, 2016	10,530,953	$ 0.33	4.03	
Granted	11,500,000	0.17		
Exercised	-	-		
Forfeited or expired	-	-		
Outstanding at September 30, 2017	22,030,953	$ 0.27	1.95	$ 4,876
Vested and expected to vest at September 30, 2017	11,318,406	$ 0.32		$ 4,876
Exercisable at September 30, 2017	7,089,286	$ 0.43		$ 4,876

For the nine months ended September 30, 2017, the Company approved and granted 5,100,000 non-qualified stock options to employees and 2,000,000 to a Director with an aggregate fair value of approximately $683,000 Each exercisable into one share of our common stock and vest 100% in three years from the grant date.

For the nine months ended September 30, 2017, the Company approved and granted 4,400,000 non-qualified stock options to consultants with an aggregate fair value of $969,481. Each exercisable into one share of our common stock. A total of 4,000,000 options vest based on consultant achieving quantifiable milestones while the remaining 400,000, options vest over 3 years. As of September 30, 2017, the Company determined that the probability of the consultants achieving these milestones was probable. As a result, the Company recorded compensation expense of $57,087 to account the estimated 880,924 options that vest.

The Company also recognized $221,335 in share-based compensation expense for the nine months ended September 30, 2017 based upon the vesting of these options. As of September 30, 2017, total unrecognized stock-based compensation expense was approximately $961,000, which is expected to be recognized as an operating expense through August 2020.

The fair value of each share option award on the date of grant is estimated using the Black-Scholes method based on the following weighted-average assumptions:

	3 Months Ended September 30,		9 Months Ended September 30,	
	2017	2016	2017	2016
Risk-free interest rate	1.77% - 1.89%	1.22 - 1.24	1.22% - 1.93%	1.22% - 1.65%
Average expected term (years)	5 years	5 years	5 years	5 years
Expected volatility	157.09%	100.18 – 101.25	153.07 – 160%	100.18 – 101.25
Expected dividend yield	-	-	-	-

The risk-free interest rate is based on the U.S. Treasury yield curve in effect at the time of measurement corresponding with the expected term of the share option award; the expected term represents the weighted-average period of time that share option awards granted are expected to be outstanding giving consideration to vesting schedules and historical participant exercise behavior; the expected volatility is based upon historical volatility of the Company's common stock; and the expected dividend yield is based upon the Company's current dividend rate and future expectations

Warrants

The Company has the following warrants outstanding as of September 30, 2017 all of which are exercisable:

	Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (in Years)	Aggregate Intrinsic Value
Outstanding at December 31, 2016	18,455,264	$ 0.19	1.72	
Granted	6,006,149	0.20		
Exercised	-	-		
Forfeited or expired	-	-		
Outstanding at September 30, 2017	24,461,413	$ 0.19	2.00	$ 146,107
Vested and exercisable at September 30, 2017	24,461,413	$ 0.19		$ 146,107

For the nine months ended September 30, 2017, the Company granted the following warrants:

a. warrants to purchase 1,755,192 shares of common stock to an officer of the Company pursuant to an extension of a note payable (see Note 5);
b. warrants to purchase 330,000 shares of common stock pursuant to the issuance of a convertible note payable (see Note 6);
c. warrants to purchase 1,329,157 shares of common stock to an officer of the Company pursuant to an extension of a note payable (see Note 5);
d. warrants to purchase 1,316,800 shares of common stock pursuant to extension of a convertible note payable (see Note 6);
e. warrants to purchase 275,000 shares of common stock in full settlement and release of a disputed, unasserted claim with a fair value of $10,056 which was recorded as part of loss on debt extinguishment; and
f. warrants to purchase 1,000,000 shares of common stock pursuant to the issuance of a note payable (see Note 4).

9. COMMITMENTS AND CONTINGENCIES

Litigation

We had one litigation, filed on September 19, 2016. The action was captioned as Multicore Technologies, an Indian Corporation, plaintiff, v. Rocky Wright, an individual, bBooth, Inc., a Nevada corporation, and Blabeey, Inc, a Nevada corporation, defendants. The action is pending in the United States District Court for the Central District of California under Case No.: 2:16-cv-7026 DSF (AJWx). The First Amended Complaint was filed on January 27, 2017, alleging breach of Implied-in-fact Contract and Quantum Meruit relating to services Multicore allegedly performed on behalf of bBooth in connection with various web and mobile applications. Multicore was seeking damages of approximately $157,000 plus interest and cost of suit. We filed an Answer denying Multicore's claims on March 13, 2017.

On September 15, 2017, the Multicore Action was dismissed by plaintiff as against us in exchange for our guarantee of two payments to be made by another defendant in the action totaling $5,000, for which we have a right of off-set against any sums we may owe such party for services currently being rendered to us by such party.

We know of no other material proceedings in which any of our directors, officers or affiliates, or any registered or beneficial stockholder is a party adverse to our company or any of our subsidiaries or has a material interest adverse to our company or any of our subsidiaries.

10. SUBSEQUENT EVENTS

In October 2017, the Company redeemed a total of 48,043 shares of Series A Preferred stock with a carrying value of approximately $48,000 in exchange for 493,182 shares of common stock with fair value of $54,000. As a result, the Company will record interest expense of $6,000 to account the difference between the carrying value of the redeemed Series A Preferred stock and the fair value of the common shares issued.

On October 25, 2017, the Company issued a total of 100,000 shares to charitable organizations, with a fair value of $9,000.

On November 3, 2017, the Company issued 4,657,143 common shares for a net proceed of $326,000.

Subsequent to September 30, 2017, the Company issued 400,000 non-qualified stock options with an exercise price of $0.25 to employees for services to be rendered. The options vest annually in equal installments over three years on each of the employee's anniversary dates with an estimated fair value of $29,086.

On October 13, 2017, the Company filed an S-1 for the offer and resale by Kodiak Capital Group, LLC, of up to 25,000,000 shares of common stock. As a condition of the filing, the Company received $100,000 in exchange for a $110,000 note payable and 1,000,000 warrants with an exercise price of $.20. The aggregate fair value of the original issue discount and the Warrants issued was $45,349 and was recorded as a valuation discount. On November 13, 2017, the S-1 Registration became effective.

Subsequent to September 30, 2017, 276,667 shares of common stock that were subject to vesting schedules and previously accounted for were issued.

ITEM 1A – RISK FACTORS

Not applicable to smaller reporting companies.

ITEM 2 – MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Forward-Looking Statements

This quarterly report contains "forward-looking statements". All statements other than statements of historical fact are "forward-looking statements" for purposes of federal and state securities laws, including, but not limited to, any projections of earnings, revenue or other financial items; any statements of the plans, strategies and objections of management for future operations; any statements concerning proposed new services, products or developments; any statements regarding future economic conditions or performance; any statements of belief; and any statements of assumptions underlying any of the foregoing.

Forward-looking statements may include the words "may," "could," "estimate," "intend," "continue," "believe," "expect" or "anticipate" or other similar words. These forward-looking statements present our estimates and assumptions only as of the date of this quarterly report. Accordingly, readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the dates on which they are made. Except as required by applicable law, we undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise, even if experience or future changes make it clear that any projected results or events expressed or implied therein will not be realized. You are advised, however, to consult any further disclosures we make in future public filings, statements and press releases.

Forward-looking statements in this quarterly report include express or implied statements concerning our future revenues, expenditures, capital and funding requirements; the adequacy of our current cash and working capital to fund present and planned operations and financing needs; our proposed expansion of, and demand for, product offerings; the growth of our business and operations through acquisitions or otherwise; and future economic and other conditions both generally and in our specific geographic and product markets. These statements are based on currently available operating, financial and competitive information and are subject to various risks, uncertainties and assumptions that could cause actual results to differ materially from those anticipated or implied in the forward-looking statements due to a number of factors including, but not limited to, those set forth below in the section entitled "Risk Factors" in this quarterly report, which you should carefully read. Given those risks, uncertainties and other factors, many of which are beyond our control, you should not place undue reliance on these forward-looking statements. You should be prepared to accept any and all of the risks associated with purchasing any securities of our company, including the possible loss of all of your investment.

In this quarterly report, unless otherwise specified, all references to "common shares" refer to the common shares in our capital stock.

As used in this quarterly report on Form 10-Q, the terms "we", "us" "our" and "nFusz" refer to nFusz, Inc., a Nevada corporation unless otherwise specified.

The discussion and analysis of our financial condition and results of operations are based on our financial statements, which we have prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of these condensed consolidated financial statements requires us 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 condensed consolidated financial statements, as well as the reported revenues and expenses during the reporting periods. On an ongoing basis, we evaluate estimates and judgments, including those described in greater detail below. We base our estimates on historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

The following discussion should be read together with the information contained in the unaudited condensed consolidated financial statements and related notes included in Item 1 – Financial Statements, in this Form 10-Q.

Overview

The Company has developed proprietary interactive video technology which serves as the basis for certain products and services that it licenses under the brand name "Notifi". Its NotifiCRM, NotifiADS, NotifiLINKS, and NotifiWEB products are cloud-based, SaaS, CRM, sales lead generation, advertising, and social engagement software, accessible on mobile and desktop platforms, for sales-based organizations, consumer brands, marketing and advertising agencies, and artists and social influencers seeking greater levels of viewer engagement and higher sales conversion rates. The Company's NotifiCRM platform is enterprise scalable and incorporates unique, proprietary, push-to-screen, interactive audio/video messaging and interactive on-screen "virtual salesperson" communications technology. The Company's NotifiLIVE service is a proprietary broadcast video platform allowing viewers to interact with broadcast video content by clicking on links embedded in people, objects, graphics or sponsors' signage displayed on the screen. Viewers can experience NotifiLIVE interactive content and capabilities on most devices available in the market today without the need to download special software or proprietary video players.

The Company was previously engaged in the manufacture, marketing, and operation of audition booths deployed in shopping malls and other high-traffic venues in the United States and in the production of interactive television content. The audition booths were portable recording studio kiosks, branded and marketed as "bBooth," in which customers could audition for TV shows such as American Idol. The kiosks were Internet connected and integrated into a social media, messaging, gaming, music streaming and video sharing app called bBoothGO.

Critical Accounting Policies

Our Company's financial statements have been prepared in accordance with accounting principles generally accepted in the United States, which require that we make certain assumptions and estimates that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of net revenue and expenses during each reporting period. On an ongoing basis, management evaluates its estimates, including those related to valuation of the fair value of financial instruments, share based compensation arrangements and long-lived assets. These estimates are based on historical experience and on various other factors that it believes to be reasonable under the circumstances. Actual results could differ from those estimates.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported periods. Significant estimates include the value of share based payments. Amounts could materially change in the future.

Long-Lived Assets

The Company evaluates long-lived assets for impairment whenever events or changes in circumstances indicate that their net book value may not be recoverable. When such factors and circumstances exist, the Company compares the projected undiscounted future cash flows associated with the related asset or group of assets over their estimated useful lives against their respective carrying amount. Impairment, if any, is based on the excess of the carrying amount over the fair value, based on market value when available, or discounted expected cash flows, of those assets and is recorded in the period in which the determination is made. No impairment of long-lived assets was required for the nine months ended September 30, 2017.

Stock- Compensation

The Company periodically issues stock options and warrants to employees and non-employees in non-capital raising transactions for services and for financing costs. The Company accounts for stock option and warrant grants issued and vesting to employees based on the authoritative guidance provided by the Financial Accounting Standards Board whereas the value of the award is measured on the date of grant and recognized over the vesting period. The Company accounts for stock option and warrant grants issued and vesting to non-employees in accordance with the authoritative guidance of the Financial Accounting Standards Board whereas the value of the stock compensation is based upon the measurement date as determined at either a) the date at which a performance commitment is reached, or b) at the date at which the necessary performance to earn the equity instruments is complete. Non-employee stock-based compensation charges generally are amortized over the vesting period on a straight-line basis. In certain circumstances where there are no future performance requirements by the non-employee, option grants are immediately vested and the total stock-based compensation charge is recorded in the period of the measurement date.

The fair value of the Company's common stock option grant is estimated using the Black-Scholes Option Pricing model, which uses certain assumptions related to risk-free interest rates, expected volatility, expected life of the common stock options, and future dividends. Compensation expense is recorded based upon the value derived from the Black-Scholes Option Pricing model, and based on actual experience. The assumptions used in the Black-Scholes Option Pricing model could materially affect compensation expense recorded in future periods.

Recent Accounting Policies

For a summary of our recent accounting policies, refer to Note 2 of our unaudited condensed consolidated financial statements included under Item 1 – Financial Statements in this Form 10-Q.

Results of Operations for the Three Months Ended September 30, 2017 as Compared to the Three Months Ended September 30, 2016.

Revenues

We did not have any revenue in 2017 or 2016.

Operating Expenses

Research and development expenses were $109,350 for the three months ended September 30, 2017, as compared to $67,350 for the three months ended September 30, 2016. The increase was primarily due to an increase in fees for coders dedicated to software development enhancements and modifications.

General and administrative expenses for the three months ended September 30, 2017 and 2016 was $1,082,131 and $851,815, respectively. The increase was primarily due to an increase in stock based compensation expense of approximately $186,529.

Other expense, net, for the three months ended September 30, 2017 amounted to $689,408, which represented interest expense of $205,038 on outstanding notes payable and $81,959 as interest expense for amortization of debt discount. We also incurred a loss from debt extinguishment in the amount of $424,331. The amount of other expense, net, was higher in 2017 as we did not have loss from debt extinguishment, plus additional interest related to the redemption of Series A Preferred stock, offset by lower amortization of debt discount.

Other Income

Other income for the three months ended September 30, 2017 and 2016 was $21,920 and $16,243, respectively. During 2017 and 2016, we earned income from rental of our interactive booths.

Results of Operations for the Nine Months Ended September 30, 2017 as Compared to the Nine Months Ended September 30, 2016.

Revenues

We did not have any revenue in 2017 or 2016.

Operating Expenses

Research and development expenses were $291,190 for the nine months ended September 30, 2017, as compared to $189,166 for the nine months ended September 30, 2016. The increase was primarily due to an increase in fees for coders dedicated to software development enhancements and modifications during.

General and administrative expenses for the nine months ended September 30, 2017 and 2016 was $3,052,161 and $2,408,753 respectively. The increase was primarily due to an increase in stock based compensation expense of approximately $678,191.

Other expense, net, for the nine months ended September 30, 2017 amounted to $1,528,044 which represented interest expense of $375,862 on outstanding notes payable and $174,981 as interest expense for amortization of debt discount. We also incurred a loss from debt extinguishment in the amount of $977,201. The amount of other expense, net, was higher in 2017 as we did not have loss from debt extinguishment, plus additional interest related to the redemption of Series A Preferred stock offset by lower amortization of debt discount as most of the debt discounts.

Other Income

Other income for the three months ended September 30, 2017 and 2016 was $21,921 and $47,836, respectively. During 2017 and 2016, we earned income from rental of our interactive booths.

Liquidity and Capital Resources

The following is a summary of our cash flows from operating, investing and financing activities for the nine months ended September 30, 2017 and 2016.

	For the Nine Months Ended	
	September 30, 2017	September 30, 2016
Cash used in operating activities	$ (1,174,534)	$ (1,320,202)
Cash used in investing activities	-	(2,494)
Cash provided by financing activities	1,186,678	1,381,070
Increase in cash	$ 12,144	$ 58,374

For the nine months ended September 30, 2017, our cash flows used in operating activities amounted to $1,174,534 compared to cash used in 2016 of $1,320,202. The change is due to an increase in business activity which resulted in an additional consulting, salary, and various operating expenses in 2017 compared to 2016. The net decrease is driven by an increase in accounts payable and accrued expenses in 2017 versus 2016.

Our cash provided by financing activities for the nine months ended September 30, 2017 amounted to $1,186,678 which represented $470,000 of proceeds received from issuances of common stock, $555,000 of proceeds received from the issuance of convertible series A preferred stock, $200,000 of proceeds from the issuance of convertible debt, and $100,000 of proceeds from the issuance of notes payable, offset by $138,322 of redemption payments against series A preferred stock. Our cash provided by financing activities for the nine months ended September 30, 2016 amounted to $1,381,000 which represented $1,464,850 of proceeds received from common stock subscriptions, $82,446 of additional borrowings from our Chief Executive Officer offset by $166,226 of repurchases of the Company’s common stock.

As of September 30, 2017, we had cash of $28,906. We estimate our operating expenses for the next three months may continue to exceed any revenues we generate, and we may need to raise capital through either debt or equity offerings to continue operations.

We are in the early stages of our business. We are required to fund growth from financing activities, and we intend to rely on a combination of equity and debt financings. Due to market conditions and the early stage of our operations, there is considerable risk that our company will not be able to raise such financings at all, or on terms that are not overly dilutive to our existing shareholders. We can offer no assurance that we will be able to raise such funds.

Going Concern

We have incurred operating losses since inception and have negative cash flows from operations. We had a stockholders’ deficit of $4,454,322 as of September 30, 2017 and incurred a net loss of $4,849,474 and utilized $1,174,534 in cash during the period ended. As a result, our continuation as a going concern is dependent on our ability to obtain additional financing until we can generate sufficient cash flows from operations to meet our obligations. We intend to continue to seek additional debt or equity financing to continue our operations.

Our condensed consolidated financial statements have been prepared on a going concern basis, which implies we may not continue to meet our obligations and continue our operations for the next fiscal year. The continuation of our Company as a going concern is dependent upon our ability to obtain necessary debt or equity financing to continue operations until our Company begins generating positive cash flow.

There is no assurance that we will ever be profitable or that debt or equity financing will be available to us. The consolidated financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classifications of liabilities that may result should we be unable to continue as a going concern.

NOTES PAYABLE

The Company has the following notes payable as of September 30, 2017 and December 31, 2016:

Note	Note Date	Maturity Date	Interest Rate	Original Borrowing	Balance at September 30, 2017	Balance at December 31, 2016
					(Unaudited)	
Note payable (a)	March 21, 2015	March 20, 2018	12%	$ 125,000	$ 125,000	$ 125,000
Note payable (b)	December 15, 2016	September 15, 2017	5%	$ 101,300	-	101,300
Note payable (c)	September 26, 2016	September 15, 2017	5%	$ 110,000	110,000	-
Total notes payable					235,000	226,300
Debt discount					(51,442)	(48,942)
Total notes payable, net of debt discount					$ 183,558	$ 177,358

(a) On March 21, 2015, the Company entered into an agreement with DelMorgan Group LLC ("DelMorgan"), pursuant to which DelMorgan agreed to act as the Company's exclusive financial advisor. In connection with the agreement, the Company paid DelMorgan $125,000, which was advanced by a third-party lender in exchange for an unsecured note payable issued by the Company bearing interest at the rate of 12% per annum payable monthly beginning on April 20, 2015.

Effective March 20, 2017, the Company entered into an extension agreement (the "Extension Agreement") with DelMorgan to extend the maturity date of the Note to March 20, 2018. All other terms of the Note remain unchanged.

(b) On December 15, 2016, the Company entered into an agreement with a buyer, whereby the Company agreed to issue and sell to the Buyer, and the Buyer agreed to purchase from the Company, (i) a non-interest bearing Note in the original principal amount of $250,000, (ii) Warrants, and (iii) shares of the Company's common stock in an amount equal to 30% of the purchase price of the respective tranche divided by the closing price of the Common Stock on the trading day immediately prior to the date of funding of the respective tranche (collectively, the "Inducement Shares"). The "Maturity Date" shall be six months from the date of each payment of Consideration. A one-time interest charge of five percent (5%) ("Interest Rate") is to be applied on the Issuance Date to the original principal amount. In addition, there is a 10% Original Issue Discount that is to be prorated based on the consideration paid by the Buyer.

On December 16, 2016, the Buyer purchased for $80,000 the first tranche of the Note and the respective securities to be issued and the Company sold to it including (i) a three-year warrant to acquire 176,000 shares of the Company's common stock with an exercise price of $0.25 per share, and (ii) 240,000 shares of the Company's common stock.

On June 7, 2017, the Company converted the debt and issued the Buyer 462,000 shares of its Common Stock (the "Shares") with a fair value of $110,880 at the date of the agreement. In the event the Buyer does not realize sufficient proceeds through sales of the Shares, in accordance with the terms set forth herein, to equal $92,400, after deduction of reasonable sale transaction-related expenses, the Company agrees to issue additional shares to make up the deficiency or to pay such deficiency in cash, at the Company's option. The Parties agree that this "Make Whole" provision shall expire and be of no further force and effect on the date the sum of net proceeds realized from the sale of the initial issuance of 462,000 shares is equal to or great than $92,400; or any deficiency is paid in cash by the Company at its option; or June 7, 2018, whichever occurs first. The buyer agrees not to sell more than 10 percent (10%) of the total weekly volume of FUSZ common shares traded in the United States domestic over-the-counter stock market in any one week. The Buyer agrees, that upon request of the Company, to provide trading records to the Company reflecting all sales of the Shares, within 1 (one) business days following such request.

As a result of this agreement, the Company issued a total of 1,026,195 shares of common stock with a fair value of $181,845 to settle the note payable.

(c) Effective September 26, 2017, we entered into the Purchase Agreement, dated September 15, 2017, with Kodiak Capital Group, LLC ("Kodiak"). Under the Purchase Agreement, the Company may from time to time, in our discretion, sell shares of our common stock to Kodiak for aggregate gross proceeds of up to $2,000,000. Unless terminated earlier, Kodiak's purchase commitment will automatically terminate on the earlier of the date on which Kodiak shall have purchased our shares pursuant to the Purchase Agreement for an aggregate purchase price of $2,000,000, or September 15, 2019. We have no obligation to sell any shares under the Purchase Agreement.

As provided in the Purchase Agreement, we may require Kodiak to purchase shares of common stock from time to time by delivering a put notice ("Put Notice") to Kodiak specifying the total number of shares to be purchased (such number of shares multiplied by the Purchase Price described below, equals the "Investment Amount"); provided there must be a minimum of ten trading days between delivery of each Put Notice. We may determine the Investment Amount provided that such amount may not be less than $25,000. Our ability to issue Put Notices to Kodiak and require Kodiak to purchase our common stock is not contingent on the trading volume of our common stock. Kodiak will have no obligation to purchase shares under the applicable Purchase Agreement to the extent that such purchase would cause Kodiak to own more than 9.99% of our then-issued and outstanding common stock (the "Beneficial Ownership Limitation").

For each share of our common stock purchased under the Purchase Agreement, Kodiak will pay a Purchase Price equal to 80% of the Market Price. The Market Price is defined as the volume weighted average price (the "VWAP") on the principal trading platform for the Common Stock, as reported by OTC Markets Group, Inc. ("OTC Markets"), for the five consecutive trading days immediately preceding the closing request date (each, a "Closing Request Date") associated with the applicable Put Notice (the "Valuation Period"). Kodiak's obligation to purchase shares is subject to customary closing conditions, including without limitation a requirement that this registration statement remain effective registering the resale by Kodiak of the shares to be issued under the Purchase Agreement (the "Registration Statement").

Effective September 26, 2017, as a commitment fee under the Purchase Agreement for which we received no proceeds, we issued to Kodiak an unsecured Promissory Note (the "Commitment Note"), dated September 15, 2017, for the principal amount of $100,000 with interest at the rate of 5% per annum, payable nine months from the issue date. The Purchase Agreement provides that in the event this Registration Statement is not effective by December 31, 2017, through no fault of ours, the Commitment Note shall be deemed cancelled, null and void, and of no further force and effect. In exchange for proceeds of $100,000, we issued to Kodiak an additional unsecured Promissory Note (the "First Note"), dated September 15, 2017 and effective September 26, 2017, in the principal amount of $110,000 with interest at the rate of 5% per annum, payable six months from the issue date. Upon the filing of this Registration Statement, and in exchange for additional proceeds of $100,000, we issued to Kodiak an additional note (the "Second Note") for the principal amount of $110,000 with interest at the rate of 5% per annum, payable six months from the issue date. (the Commitment Note, the First Note, and the Second Note hereinafter referred to collectively as the "Notes") The principal amount and accrued interest under the Notes are not convertible except in the event of default. In the event of default, the conversion price for the Notes shall be the lesser of $0.25 per share or 70% of the lowest trading price during the ten-trading-day period prior to the conversion date. Conversion of the Notes is subject to the Beneficial Ownership Limitation.

Effective September 26, 2017, and as an additional commitment fee under the Purchase Agreement, we issued to Kodiak two Common Stock Purchase Warrants, the first of which entitles Kodiak to purchase up to 1,000,000 shares of our Common Stock at an exercise price of $0.15 per share (the "First Warrant"), and the second of which entitles Kodiak to purchase up to 1,000,000 shares of our Common Stock at an exercise price of $0.20 per share (the "Second Warrant"), to be issued only upon, and subject to, the filing of the registration statement. The Purchase Agreement also provides for the issuance of a third Common Stock Purchase Warrant as an additional commitment fee, entitling Kodiak to purchase up to 4,000,000 shares of our common stock at an exercise price of $0.25 per share (the "Third Warrant"), to be issued only upon, and subject to, the occurrence of the first Closing Date.

As of September 30, 2017, only the First Note and First Warrant were effective. The aggregate fair value of the original issue discount and the Warrants issued was $52,605 and was recorded as a valuation discount. The balance of the valuation discount at September 30, 2017 was $51,442.

NOTES PAYABLE – RELATED PARTIES

The Company has the following related parties notes payable:

Note	Issuance Date	Maturity Date	Interest Rate	Original Borrowing	Balance at September 30, 2017	Balance at December 31, 2016
					(Unaudited)	
Note 1	Year 2015	August 8, 2018	12.0%	$1,203,242	$ 1,198,883	$ 1,198,883
Note 2	December 1, 2015	August 8, 2018	12.0%	189,000	189,000	189,000
Note 3	December 1, 2015	April 1, 2017	12.0%	111,901	111,901	111,901
Note 4	August 4, 2016	December 4, 2018	12.0%	343,326	343,326	343,326
Note 5	August 4, 2016	December 4, 2018	12.0%	121,875	121,875	121,875
Total notes payable – related parties, net					$ 1,964,985	$ 1,964,985

- On various dates during the year ended December 31, 2015, Rory J. Cutaia, the Company's majority shareholder and Chief Executive Officer, loaned the Company total principal amounts of $1,203,242. The loans were unsecured and all due on demand, bearing interest at 12% per annum. On December 1, 2015, the Company entered into a Secured Convertible Note agreement with Mr. Cutaia whereby all outstanding principal and accrued interest owed to Mr. Cutaia from previous loans amounting to an aggregate total of $1,248,883 and due on demand, was consolidated under a note payable agreement, bearing interest at 12% per annum, and converted from due on demand to due in full on April 1, 2017. In consideration for Mr. Cutaia's agreement to consolidate the loans and extend the maturity date, the Company granted Mr. Cutaia a senior security interest in substantially all current and future assets of the Company. Per the terms of the agreement, at Mr. Cutaia's discretion, he may convert up to $374,665 of outstanding principal, plus accrued interest thereon, into shares of common stock at a conversion rate of $0.07 per share.

  On May 4, 2017, the Company entered into an extension agreement (the "Extension Agreement") with Rory J. Cutaia to extend the maturity date of the $1,198,883 Secured Note due on April 1, 2017 to August 1, 2018.

- On December 1, 2015, the Company entered into an Unsecured Convertible Note with Mr. Cutaia in the amount of $189,000, bearing interest at 12% per annum, representing a portion of Mr. Cutaia's accrued salary for 2015. The note extends the payment terms from on-demand to due in full on April 1, 2017. The outstanding principal and accrued interest may be converted at Mr. Cutaia's discretion into shares of common stock at a conversion rate of $0.07.

  On May 4, 2017, the Company entered into an extension agreement (the "Extension Agreement") with Rory J. Cutaia to extend the maturity date of the $189,000 Unsecured Note due on April 1, 2017 to August 1, 2018. All other terms of the Note remain unchanged.

- On December 1, 2015, the Company entered into an Unsecured Note agreement with a consulting firm owned by Michael Psomas, a former member of the Company's Board of Directors, in the amount of $111,901 representing unpaid fees earned for consulting services previously rendered but unpaid as of November 30, 2015. The outstanding amounts bear interest at 12% per annum, and are due in full on April 1, 2017, and is currently past due.

- On April 4, 2016, the Company issued a secured convertible note to the Chief Executive Officer ("CEO") and a director of the Company, in the amount of $343,326, which represents additional sums of $93,326 that the CEO advanced to the Company during the period from December 2015 through March 2016, and the conversion of $250,000 other pre-existing notes. This note bears interest at the rate of 12% per annum, compounded annually and matures on August 4, 2017. The note is also convertible up to 30% of the principal balance into shares of the Company's common stock at $0.07 per share. In addition, the Company also issued 2,452,325 share purchase warrants, exercisable at $0.07 per share until April 4, 2019, which warrants represent 50% of the amount of such note.

  On August 4, 2017, the Company entered into an extension agreement (the "Extension Agreement") with Rory J. Cutaia to extend the maturity date of the $343,326 Unsecured Note due on August 4, 2017 to December 4, 2018.

- On April 4, 2016, the Company issued an unsecured convertible note payable to the CEO in the amount of $121,875, which represents the amount of the accrued but unpaid salary owed to the CEO for the period from

December 2015 through March 2016. The note bears interest at the rate of 12% per annum, compounded annually and matures on August 4, 2017. The note is also convertible into shares of the Company's common stock at $0.07 per share, which approximated the trading price or the Company's common stock on the date of the agreement.

On August 4, 2017, the Company entered into an extension agreement (the "Extension Agreement") with Rory J. Cutaia to extend the maturity date of the $121,875 Unsecured Note due on August 4, 2017 to December 4, 2018. All other terms of the Note remain unchanged.

CONVERTIBLE NOTE PAYABLE

The Company has the following notes payable as of September 30, 2017 and December 31, 2016:

Note	Note Date	Maturity Date	Interest Rate	Original Borrowing	Balance at September 30, 2017	Balance at December 31, 2016
					(Unaudited)	
Note payable (a)	Various	August 4, 2017	12%	$ 600,000	$ 680,268	$ 680,268
Note payable (b)	June 19, 2017	February 19, 2018	5%	$ 110,250	110,250	-
Note payable (c)	August 21, 2017	March 21, 2018	5%	$ 110,250	110,250	-
Total notes payable					900,768	680,268
Debt discount					(114,302)	-
Total notes payable, net of debt discount					$ 786,466	$ 680,268

(a) The Company entered into a series of unsecured loan agreement with Oceanside Strategies, Inc. ("Oceanside") a third party-lender, in the aggregate principal amount of $600,000 through December 31, 2015. The loans bear interest at rates ranging from 5% to 12% per annum and were due on demand.

On April 3, 2016, the Company issued an unsecured convertible note payable to Oceanside in the amount of $680,268 (this amount includes $600,000 principal amount and $80,268 accrued and unpaid interest). This note superseded and replaced all previous notes and current liabilities due to Oceanside for sums Oceanside loaned to the Company in 2014 and 2015. This note bears interest at the rate of 12% per annum, compounded annually. In consideration for Oceanside's agreement to convert the prior notes from current demand notes and extend the maturity date to December 4, 2016, the Company granted Oceanside the right to convert up to 30% of the amount of such note into shares of the Company's common stock at $0.07 per share and issued 2,429,530 share purchase warrants, exercisable at $0.07 per share until April 4, 2019.

Effective December 30, 2016, the Company entered into an extension agreement (the "Extension Agreement") with Oceanside to extend the maturity date of the Note to August 4, 2017. All other terms of the Note remain unchanged. In consideration for Oceanside's agreement to extend the maturity date to August 4, 2017, the Company issued Oceanside 2,429,530 share purchase warrants, exercisable at $0.08 per share until December 29, 2019.

Effective August 4, 2017, the Company entered into an extension agreement (the "Extension Agreement") with Oceanside to extend the maturity date of the Note to August 4, 2018. All other terms of the Note remain unchanged. In consideration for Oceanside's agreement to extend the maturity date to August 4, 2018, the Company issued Oceanside 1,318,800 share purchase warrants, exercisable at $0.15 per share until August 3, 2022.

(b) On June 19, 2017, the Company issued an unsecured convertible note to Lucas Holdings in the amount of $105,000 in exchange for 50,000 shares of common stock and a three-year warrant to acquire 330,000 shares of the Company's common stock with an exercise price of $.30 per share. The "Maturity Date" is February 18, 2018. A one-time interest charge of five percent (5%) ("Interest Rate") is to be applied on the Issuance Date to the original principal amount. In addition, there is a 5% Original Issue Discount.

(c) On August 28, 2017, the Company issued an unsecured convertible note to Lucas Holdings in the amount of $105,000. The "Maturity Date" is March 28, 2018. A one-time interest charge of five percent (5%) ("Interest Rate") is to be applied on the Issuance Date to the original principal amount. In addition, there is a 5% Original Issue Discount.

CONVERTIBLE SERIES A PREFERRED STOCK

Effective February 14, 2017, the Company entered into a Securities Purchase Agreement, (the "Purchase Agreement"), by and between an otherwise unaffiliated, accredited investor (the "Purchaser") and the Company in connection with our issuance and sale to the Purchaser of shares of Series A Preferred Stock under the terms and conditions as set forth in the Purchase Agreement (the "Sale").

In connection with the Sale, our Board of Directors (our "Board") authorized and approved a series of preferred stock to be known as "Series A Convertible Preferred Stock", for which 1,050,000 shares, $0.0001 par value per share, were authorized and a Certificate of Designations, Preferences and Rights of the Series A Convertible Preferred Stock, (the "Certificate"), was filed with the Office of the Secretary of State of the State of Nevada (the "State") to effectuate the authorization. Pursuant to the Purchase Agreement, the purchase of shares of our Series A Preferred Stock may occur in several tranches (each, a "Tranche"; and, collectively, the "Tranches"). The first Tranche of $300,000 ($315,000 in stated value, represented by 315,000 shares of our Series A Preferred Stock) closed simultaneously with the execution of the Purchase Agreement on February 14, 2017 (the "First Closing"), and each additional Tranche shall close at such times and on such financial terms as may be agreed to by the Purchaser and us. The net proceeds to us after offering costs was $255,000.

The Series A PS has the following rights and privileges:

- Senior rights in terms preference as to dividends, distributions and payments upon the liquidation, dissolution and winding up of the Company;
- Accrues dividends at a rate of 5% per annum;
- Mandatorily redeemable at an installment basis starting August 13, 2017 in the amount of $63,000 plus accrued interest. The Company has the option to redeem the Series A shares in cash or in shares of common stock based upon the Company's 5 day Volume Weighted Average Price ("VWAP").

Pursuant to the terms of the Purchase Agreement, the shares of our Series A Preferred Stock issued in the First Closing are to be redeemed by us in five (5) equal weekly payments (each, a "Redemption Payment"), commencing in approximately 180 days from the First Closing. All but one of the Redemption Payments may be made by us in cash or in shares of our common stock, at our option. The Holder shall have the option to demand payment of one Installment Redemption Payment in shares of Common Stock Redemption Payments made using shares of our common stock will be valued based upon a VWAP formula, tied to the then-current quoted price of shares of our common stock, described with greater particularity in the Purchase Agreement.

The Company considered the guidance of ASC 480-10, Distinguishing Liabilities From Equity to determine the appropriate treatment of the Series A shares. Pursuant to ASC 480-10, the Company determined that the Series A shares is an obligation to be settled, at the option of the Company, in cash or in variable number of shares with a fixed monetary value that should be recorded as a liability under ASC 480-10. As a result, the Company determined the fair value of the Series A to be $300,000 upon issuance with the difference of $15,000 from the face amount, and incurred legal fees of $45,000, to be accounted as a debt discount which will be amortized over the term of the redemption period of the Series A shares. As a result of this transaction, the Company recorded a liability of $315,000 and a debt discount of $60,000, upon issuance.

On July 7, 2017, the Company issued 52,500 shares of Series A Preferred stock for cash proceeds of $50,000 (the "Second Closing"). As a result of this transaction the Company will record liability of $52,500 and a debt discount of $2,500 upon issuance.

On July 28, 2017, the Company has agreed to issue 262,500 shares of Series A Preferred stock for cash proceeds of $250,000. $125,000 was paid to the Company on July 28, 2017 (the "Third Closing"), and the remaining $125,000 was paid on September 1, 2017 (the "Fourth Closing"). As a result of this transaction, the Company will record liability of $262,500 and debt discount of $12,500 upon issuance.

On July 28, 2017, the Company amended the Certificate of Designations to include the mandatory redemption dates. On January 8th the Company will redeem the $52,500 of Preferred Shares and any accrued but unpaid dividends. Beginning the earlier of the effectiveness of a Registration Statement or January 28, 2018, the Company will begin redeeming the 131,250 preferred shares issued on July 28, 2017. The Company shall redeem $26,250 of Preferred Shares an any accrued but unpaid dividends thereon on the first business day of each week for five consecutive weeks.

On September 1, 2017, the Company amended the Certificate of Designations. Solely in respect to the 189,000 Preferred Shares that were issued on February 13, 2017 and outstanding as of August 28, 2017, the Company shall redeem $31,500 of the outstanding amount of such Preferred Shares an any accrued but unpaid dividends thereon on the first business day of each week for six consecutive weeks. Solely in respect to the 52,500 Preferred Shares that were issued on July 7, 2007 and outstanding as of the date of the second amendment, beginning the earlier of the effectiveness of a Registration Statement and January 8, 2018, the Company shall redeem $26,500 of the outstanding amount of such Preferred Shares an any accrued but unpaid dividends thereon on the first business day of each week for two consecutive weeks. Beginning the earlier of the effectiveness of a Registration Statement and February 28, 2018, the Company will begin redeeming the 131,250 preferred shares issued on September 1, 2017. The Company shall redeem $26,250 of Preferred Shares an any accrued but unpaid dividends thereon on the first business day of each week for five consecutive weeks.

During the period ending September 30, 2017, 283,500 of Series A Preferred Stock plus the redemption premium and interest were redeemed through the issuance of 2,368,824 shares of common stock and a payment of $138,500. The fair value of the 2,368,824 shares was $263,876, the $118,698 over the $283,500 of Preferred Stock redeemed was recorded as interest expense as of September 30, 2017.

ITEM 3 - QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable.

ITEM 4 - CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended, (the "Exchange Act"), that are designed to ensure that information required to be disclosed in our reports under the Exchange Act, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our principal executive officer and our principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

We carried out an evaluation under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, of the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d- 15(e) under the Exchange Act) as of the end of the period covered by this quarterly report. Based on this evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures were not effective as of September 30, 2017.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended September 30, 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

We have one pending litigation filed on September 19, 2016. The action is captioned as Multicore Technologies, an Indian Corporation, plaintiff, v. Rocky Wright, an individual, bBooth, Inc., a Nevada corporation, and Blabeey, Inc, a Nevada corporation, defendants. The action is pending in the United States District Court for the Central District of California under Case No.: 2:16-cv-7026 DSF (AJWx). The First Amended Complaint was filed on January 27, 2017, alleging breach of Implied-in-fact Contract and Quantum Meruit relating to services Multicore allegedly performed on behalf of bBooth in connection with various web and mobile applications. Multicore is seeking damages of approximately $157,000 plus interest and cost of suit. We filed an Answer denying Multicore's claims on March 13, 2017. We do not believe plaintiff's claims of an implied contract or quantum meruit have any basis in fact, nor do we believe they have any other viable claims against us. We intend to vigorously defend the action and have determined not to create a reserve in our financial statements for an unfavorable outcome.

On September 15, 2017, the Multicore Action was dismissed by plaintiff as against us in exchange for our guarantee of two payments to be made by another defendant in the action totaling $5,000, for which we have a right of off-set against any sums we may owe such party for services currently being rendered to us by such party.

We know of no other material pending legal proceedings to which our company or any of our subsidiaries is a party or of which any of our assets or properties, or the assets or properties of any of our subsidiaries, is the subject. In addition, we do not know of any such proceedings contemplated by any governmental authorities.

We know of no material proceedings in which any of our directors, officers or affiliates, or any registered or beneficial stockholder is a party adverse to our company or any of our subsidiaries or has a material interest adverse to our company or any of our subsidiaries.

ITEM 2 - UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Common Stock

Shares Issued for Services – The Company issued common shares to vendors for services rendered and are expensed based on fair market value of the stock price at the date of grant. For the nine months ended September 30, 2017, the Company issued 7,703,768 shares of common stock to vendors and recorded stock compensation expense of $1,545,623.

The Company amended an agreement with a vendor and issued 400,000 shares of common stock as full and final payment to the vendor on accounts payable owed of $30,000. The fair value of the shares was $56,000, a loss on extinguishment of debt totaling $26,000 was recorded as part of the transaction. In addition, the Company extended the term for an additional six months and agreed to issue 700,000 shares of common stock for services to be rendered. The shares vest in equal installments every two months and will be valued based upon its vesting.

Shares Issued from Stock Subscription – The Company issued stock subscription to investors. For the nine months ended September 30, 2017, the Company issued 6,525,000 common shares for a net proceed of $450,000.

Shares Issued from Conversion of Note Payable - The Company converted a $92,400 note payable into 462,000 shares of its Common Stock (the "Shares"). In the event the Buyer does not realize sufficient proceeds through sales of the Shares, in accordance with the terms set forth herein, to equal $92,400, after deduction of reasonable sale transaction-related expenses, the Company agrees to issue additional shares to make up the deficiency or to pay such deficiency in cash, at the Company's option. The Parties agree that this "Make Whole" provision shall expire and be of no further force and effect on the date the sum of net proceeds realized from the sale of the initial issuance of 462,000 shares is equal to or great than $92,400; or any deficiency is paid in cash by the Company at its option; or June 7, 2018, whichever occurs first. The buyer agrees not to sell more than 10 percent (10%) of the total weekly volume of FUSZ common shares traded in the United States domestic over-the-counter stock market in any one week. The Buyer agrees, that upon request of the Company, to provide trading records to the Company reflecting all sales of the Shares, within 1 (one) business days following such request.

On August 29, 2017 the Company issued 403,739 shares to make-whole the $43,515 short-fall from the initial issuance. As a result of the issuance, the Company recognized a loss on extinguishment of $56,523 to account for the fair market value of the shares issued (see Note 4).

On September 25, 2017 the Company issued 160,456 shares to make-whole the $13,029 short-fall from the second issuance. As a result of the issuance, the Company recognized a loss on extinguishment of $14,441 to account for the fair market value of the shares issued (See Note 4).

Preferred Stock - Effective February 14, 2017, the Company entered into a Securities Purchase Agreement, (the "Purchase Agreement"), by and between an otherwise unaffiliated, accredited investor (the "Purchaser") and the Company in connection with our issuance and sale to the Purchaser of shares of Series A Preferred Stock under the terms and conditions as set forth in the Purchase Agreement (the "Sale").

In connection with the Sale, our Board of Directors (our "Board") authorized and approved a series of preferred stock to be known as "Series A Convertible Preferred Stock", for which 1,050,000 shares, $0.0001 par value per share, were authorized and a Certificate of Designations, Preferences and Rights of the Series A Convertible Preferred Stock, (the "Certificate"), was filed with the Office of the Secretary of State of the State of Nevada (the "State") to effectuate the authorization. Pursuant to the Purchase Agreement, the purchase of shares of our Series A Preferred Stock may occur in several tranches (each, a "Tranche"; and, collectively, the "Tranches"). The first Tranche of $300,000 ($315,000 in stated value, represented by 315,000 shares of our Series A Preferred Stock) closed simultaneously with the execution of the Purchase Agreement on February 14, 2017 (the "First Closing"), and each additional Tranche shall close at such times and on such financial terms as may be agreed to by the Purchaser and us.

On July 7, 2017, the Company issued 52,500 shares of Series A Preferred stock for cash proceeds of $50,000 (the "Second Closing"). As a result of this transaction the Company will record liability of $52,500 and a debt discount of $2,500 upon issuance.

On July 28, 2017, the Company has agreed to issue 262,500 shares of Series A Preferred stock for cash proceeds of $250,000. $125,000 was paid to the Company on July 28, 2017 (the "Third Closing"), and the remaining $125,000 was paid on September 1, 2017 (the "Fourth Closing"). As a result of this transaction, the Company will record liability of $262,500 and debt discount of $12,500 upon issuance.

On July 28, 2017, the Company amended the Certificate of Designations to include the mandatory redemption dates. On January 8th the Company will redeem the $52,500 of Preferred Shares and any accrued but unpaid dividends. Beginning the earlier of the effectiveness of a Registration Statement or January 28, 2018, the Company will begin redeeming the 131,250 preferred shares issued on July 28, 2017. The Company shall redeem $26,250 of Preferred Shares an any accrued but unpaid dividends thereon on the first business day of each week for five consecutive weeks.

During the period ending September 30, 2017, 283,500 of Series A Preferred Stock plus the redemption premium and interest were redeemed through the issuance of 2,368,824 shares of common stock and a payment of $138,500. The fair value of the 2,368,824 shares was $263,876, the $118,698 over the $283,500 of Preferred Stock redeemed was recorded as interest expense as of September 30, 2017.

Shares Issued as Part of Convertible Note Payable - The Company issued 50,000 shares of common stock with a fair market value of $12,500.

ITEM 3 - DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4 - MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5 - OTHER INFORMATION

None.

ITEM 6 - EXHIBITS

The following exhibits are filed as part of, or incorporated by reference into this Report:

Exhibit No.	Description
2.1[2]	Share Exchange Agreement dated as of August 11, 2014 by and among Global System Designs, Inc., bBooth (USA), Inc. (formerly bBooth, Inc.) and the stockholders of bBooth (USA), Inc. (formerly bBooth, Inc.)
3.1[1]	Articles of Incorporation
3.2[1]	Bylaws
3.3[2]	Certificate of Change
3.4[2]	Articles of Merger
4.1[20]	Common Stock Purchase Warrant (First Warrant) dated September 15, 2017, issued to Kodiak Capital Group, LLC
4.2[20]	Common Stock Purchase Warrant (Second Warrant dated September 15, 2017, issued to Kodiak Capital Group, LLC
4.3[20]	Common Stock Purchase Warrant (Third Warrant) dated September 15, 2017, issued to Kodiak Capital Group, LLC
4.4[20]	Promissory Note (Commitment Note), dated September 15, 2017, to Kodiak Capital Group, LLC
4.5[20]	Promissory Note (First Note), dated September 15, 2017, to Kodiak Capital Group, LLC
4.6[20]	Promissory Note (Second Note), dated September 15, 2017, issued to Kodiak Capital Group, LLC
10.1[2]	2014 Stock Option Plan
10.3[3]	Employment Agreement – Rory Cutaia
10.4[4]	Secured Promissory Note dated December 11, 2014 from Songstagram, Inc.
10.5[4]	Secured Promissory Note dated December 11, 2014 from Rocky Wright
10.6[4]	Security Agreement dated December 11, 2014 from Songstagram, Inc.
10.7[4]	Security Agreement dated December 11, 2014 from Rocky Wright
10.8[5]	Acquisition Agreement dated January 20, 2015 among our company, Songstagram, Inc. and Rocky Wright
10.9[5]	Surrender of Collateral, Consent to Strict Foreclosure and Release Agreement dated January 20, 2015 between our company and Songstagram, Inc.
10.10[5]	Form of Termination Agreement and Release dated January 20, 2015
10.11[6]	Settlement and Release Agreement dated February 6, 2015 among our company, Songstagram, Inc. and Jeff Franklin
10.12[7]	Engagement letter dated March 20, 2015 among bBooth, Inc., DelMorgan Group LLC and Globalist Capital, LLC
10.13[7]	Form of Note Purchase Agreement dated March 20, 2015
10.14[7]	Form of Warrant Certificate dated March 20, 2015
10.15[8]	12% Secured Convertible Note Issued to Rory J. Cutaia
10.16[8]	Security Agreement Issued to Rory J. Cutaia in Connection with 12% Secured Convertible Note
10.17[8]	12% Unsecured Convertible Note issued to Rory J. Cutaia
10.18[8]	12% Unsecured Note issued to Audit Prep Services, LLC
10.19[9]	Form of Stock Repurchase Agreements
10.20[10]	Form of Private Placement Subscription Agreement
10.21[10]	Form of 12% Secured Convertible Note Issued to Rory J. Cutaia
10.22[10]	Form of Security Agreement Issued to Rory J. Cutaia in Connection with 12% Secured Convertible Note
10.23[10]	Form of Warrant Agreement for Rory J. Cutaia
10.24[10]	Form of 12% Unsecured Convertible Note issued to Rory J. Cutaia
10.25[10]	Form of 12% Unsecured Convertible Note issued to Oceanside Strategies, Inc.
10.26[10]	Form of Warrant Agreement for Oceanside Strategies, Inc.
10.27[11]	Private Placement Subscription Agreement
10.28[11]	Form of Option Agreement for Messrs. Geiskopf and Cutaia
10.29[12]	July 12, 2016 Term Sheet with Nick Cannon
10.30[12]	Form of Option Agreement for Jeff Clayborne
10.31[13]	Form of Engagement Agreement dated August 8, 201 between bBooth, Inc. and International Monetary

10.32[14]	Private Placement Subscription Agreement
10.33[15]	April 2016 12% Unsecured Convertible Note issued to Oceanside Strategies, Inc.
10.34[15]	Extension Agreement and Amendment to 12% Unsecured Convertible Note issued to Oceanside Strategies, Inc.
10.35[15]	Warrant Agreement for Oceanside Strategies, Inc.
10.36[16]	Securities Purchase Agreement by and between the Company and the Purchaser, dated February 13, 2017
10.37[16]	Certificate of Designations, Preferences and Rights of the Series A Convertible Preferred Stock, dated February 13, 2017
10.37(a)[19]	Amended Certificate of Designations, Preferences and Rights of the Series A Convertible Preferred Stock, dated July 28, 2017
10.38[16]	Letter from Anton & Chia, LLP, dated February 15, 2017 to the Securities and Exchange Commission
10.39[17]	Articles of Merger, as filed with the Secretary of State of the State of Nevada on April 4, 2017
10.40[17]	Certificate of Correction, as filed with the Secretary of State of the State of Nevada on April 17, 2017
10.41[18]	On June 22, 2017, the Company moved its headquarters to 344. S. Hauser Blvd., Ste 414, Los Angeles CA 90036. The Company's telephone number remains the same; 855-250-2300.
10.42[20]	Equity Purchase Agreement dated September 15, 2017 between nFüsz, Inc. and Kodiak Capital Group, LLC
10.43[20]	Registration Rights Agreement dated September 15, 2017 between nFüsz, Inc. and Kodiak Capital Group, LLC
10.44[22]	Amendment to Registration Rights Agreement, dated October 12, 2017, between nFüsz, Inc. and Kodiak Capital Group, LLC
14.1[2]	Code of Ethics and Business Conduct
21.1	Subsidiaries bBooth (USA), Inc. (Nevada) Global System Designs Inc. (Canada)
31.1*	Certification of Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Principal Financial Officer and Principal Accounting Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1*	Certification of Principal Executive Officer, Principal Financial Officer and Principal Accounting Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2*	Certification of Principal Financial Officer and Principal Accounting Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

* Filed herewith

(1) Previously filed as exhibits to our company's registration statement on Form S-1, on April 8, 2013, File Number 333-187782 and incorporated herein.

(2) Previously filed as exhibits to our company's current report on Form 8-K on October 22, 2014 and incorporated herein.

(3) Previously filed as an exhibit to our company's current report on Form 8-K on November 24, 2014 and incorporated herein.

(4) Previously filed as an exhibit to our company's current report on Form 8-K on December 17, 2014 and incorporated herein.

(5) Previously filed as an exhibit to our company's current report on Form 8-K on January 26, 2015 and incorporated herein.

(6) Previously filed as an exhibit to our company's current report on Form 8-K on March 9, 2015 and incorporated herein.

(7) Previously filed as an exhibit to our company's current report on Form 8-K on March 27, 2015 and incorporated herein.

(8) Previously filed as an exhibit to our company's current report on Form 8-K on December 1, 2015 and incorporated herein.

(9) Previously filed as an exhibit to our company's current report on Form 8-K on January 28, 2016 and incorporated herein.

(10) Previously filed as an exhibit to our company's current report on Form 8-K on April 4, 2016 and incorporated herein.

(11) Previously filed as an exhibit to our company's current report on Form 8-K on May 5, 2016 and incorporated herein.

(12) Previously filed as an exhibit to our company's current report on Form 8-K on July 12, 2016 and incorporated herein.

(13) Previously filed as an exhibit to our company's current report on Form 8-K on August 8, 2016 and incorporated herein.

(14) Previously filed as an exhibit to our company's current report on Form 8-K on September14, 2016 and incorporated herein.

(15) Previously filed as an exhibit to our company's current report on Form 8-K on January 7, 2017 and incorporated herein.

(16) Previously filed as an exhibit to our company's current report on Form 8-K on February 14, 2017 and incorporated herein.

(17) Previously filed as an exhibit to our company's current report on Form 8-K on April 21, 2017 and incorporated herein.

(18) Previously filed as an exhibit to our company's current report on Form 8-K on June 22, 2017 and incorporated herein.

(19) Filed as an exhibit to our company's quarterly report on Form 10-Q on August 10, 2017 and incorporated herein.

(20) Previously filed as an exhibit to our Company's Current Report on Form 8-K on October 2, 2017 and incorporated herein.

(21) Previously filed as an exhibit to our Company's Current Report on Form 8-K on October 13, 2017 and incorporated herein.

SIGNATURES

Pursuant to the requirements 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.

nFÜSZ, INC.

November 14, 2017	By: */s/ Rory Cutaia* Rory J. Cutaia President, Chief Executive Officer, Secretary, and Director (Principal Executive Officer)
November 14, 2017	By: */s/ Jeff Clayborne* Jeff Clayborne Chief Financial Officer

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

I, Rory J. Cutaia, certify that:

1. I have reviewed this quarterly report on Form 10-Q nFüsz, Inc.;

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

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

4. I am 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 my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to me by others within those entities, particularly during the period in which this report is being prepared;

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

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

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

5. I have disclosed, based on my 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.

November 14, 2017

/s/ Rory Cutaia

Rory Cutaia
President, Secretary, Chief Executive Officer, Director, and
Principal Executive Officer

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

I, Jeff Clayborne, certify that:

1. I have reviewed this quarterly report on Form 10-Q of nFüsz, Inc.;

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

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

4. I am 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 my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to me by others within those entities, particularly during the period in which this report is being prepared;

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

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

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

5. I have disclosed, based on my 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.

November 14, 2017

/s/ Jeff Clayborne

Jeff Clayborne
Chief Financial Officer, Principal Financial Officer, and
Principal Accounting Officer

CERTIFICATION PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The undersigned, Rory J. Cutaia, hereby certifies, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that

1. the quarterly report on Form 10-Q of nFüsz, Inc. for the quarterly period ended September 30, 2017 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 Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of nFüsz Inc.

November 14, 2017

/s/ Rory Cutaia

Rory J. Cutaia
President, Secretary, Chief
Executive Officer, Director, and Principal Executive Officer

**CERTIFICATION PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

The undersigned, Jeff Clayborne, hereby certifies, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that

1. the quarterly report on Form 10-Q of nFüsz, Inc. for the quarterly period ended September 30, 2017 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 Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of nFüsz, Inc.

November 14, 2017

/s/ Jeff Clayborne

Jeff Clayborne
Chief Financial Officer, Principal Financial Officer, and
Principal Accounting Officer