

JPX Global Inc.  
Form 10-K  
April 17, 2017

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM 10-K**

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

**For the year ended December 31, 2016**

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

**For the transition period from                      to**

**Commission file number: 000-54793**

**JPX GLOBAL INC.**

(Exact name of registrant as specified in its charter)

<b>Nevada</b>	<b>26-2801338</b>
(State or other jurisdiction of	(I.R.S. Employer
incorporation or organization)	Identification No.)

<b>9864 E Grand River, Ste 110-301</b>	
<b>Brighton, MI</b>	<b>48116</b>
(Address of principal executive offices)	(Zip Code)

**(780) 349-1755**

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

<b>None</b>	<b>N/A</b>
Title of each class	Name of each exchange on which registered

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

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

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

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

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

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

Indicate by checkmark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

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

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

Based on the closing price of our common stock as listed on the OTC Bulletin Board, the aggregate market value of the common stock of JPX Global, Inc. held by non-affiliates as of June 30, 2016 was \$13,980,871.

As of March 31, 2017, there were 205,473,596 shares of common stock outstanding.

**DOCUMENTS INCORPORATED BY REFERENCE:** None.

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**SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS**

Please see the note under “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operation,” for a description of special factors potentially affecting forward-looking statements included in this report.

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**PART I**

**ITEM 1. BUSINESS.**

**Company History**

JPX Global, Inc., (f.k.a. Jasper Explorations, Inc.) (the “Company”), was organized under the laws of the State of Nevada on December 18, 2008 as Jubilee Resources, Inc., to explore mineral properties in North America. The name of the Company was subsequently changed to Jasper Explorations, Inc. on December 16, 2010. The name of the Company was again changed on January 3, 2013 from Jasper Explorations, Inc. to JPX Global, Inc.

On February 15, 2013, the Company entered into an agreement to acquire all of the assets of Scorpex, Inc. in exchange for 103,250,000 shares of Common Stock and 5,000,000 shares of Series A Preferred Stock of the Company. A material condition of the agreement, production of audited financial statements, was not provided by Scorpex and therefore the acquisition agreement was terminated on May 16, 2013. We then resumed operations that existed prior to February 15, 2013, primarily, the exploration for copper, molybdenum and other minerals.

On February 5, 2014, the Company entered into an agreement to acquire all of the assets of Scorpex, Inc., a Nevada corporation, in exchange for 105,000,000 shares of Common Stock and 10,000,000 shares of Series B Preferred Stock (the “Acquisition”). We are now expanding our business to further develop our operations as a development stage waste disposal and recycling company, with the goal of storing and disposing all types of waste, including those classified as industrial, toxic, and hazardous. With the acquisition of the Scorpex assets, the Company has a business model to capitalize on the opportunities available in the integrated waste, and waste management services sector primarily in Mexico. Through its exclusive license with Tratamientos Ambientales Scorpion S.A. de C.V., (“TAS”) a Mexican corporation, we will participate in TAS’s developing approximately 26 acres it owns located at Fraccion A-2 Del Rancho El Encinito Km 18.7 Carretera A Ensenada-OJOS Delegacion Real Del Castillo, Ensenada, B.C. CP 22800 for the purpose of storing and disposing of residential and commercial, toxic, non-toxic, hazardous and non-hazardous waste. In addition to the Ensenada property detailed above, TAS has finalized a lease for a second property of approximately 5 hectares located at Parcela 45 Y 46 Plan Libertador Blvd. 2000, Rosarito, B.C. This Rosarito lease is a 6-month term lease with a lessee option to renew every 6 months indefinitely. The cost for the lease is \$2500 per month. TAS is a Mexican holding company that owns property, permits, and limited structures and has licensed its assets exclusively to JPX Global, Inc. in return for twenty percent (20%) of net revenues from operations in Mexico.

**Waste Disposal Plan of Operations**

We are a development stage company with no history of operations. As a result of the Acquisition of the Scorpex assets, the Company intends to further capitalize on opportunities in its integrated waste, and waste management service operations, including the receiving, storage, transfer and disposal in an environmental manner. In providing these services, we intend to actively pursue projects and initiatives that we believe make a positive difference for our environment which will be focused on gasification of waste in an environmental manner. It is expected that our customer base will include commercial, industrial, municipal and residential customers, other waste management companies, electric utilities, and governmental entity properties. We are a development stage company and have not

realized any revenues. We do not have sufficient capital to enable us to commence and complete our exploration program. We will require additional financing in order to conduct the exploration programs described herein. Our auditors have issued a going concern opinion, raising substantial doubt about the Company's financial prospects and the Company's ability to continue as a going concern.

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Waste management and collection involves picking up and transporting waste from where it was generated to our planned gasification facilities. We intend to sub-contract our collection services. Waste is defined as nonhazardous waste sent off-site for final disposal through gasification including household waste, commercial, business or institutional waste, construction and demolition debris, regulated medical waste, yard waste, sludge, scrap tires and hazardous waste.

The Waste Gasification/Thermal Oxidation Plant, where we intend to convert waste to ash, is a two-stage waste combustion process that converts combustible organic matter from its existing solid, sludge or liquid state into a gas under an oxygen depleted environment (also known as “oxidation”). The resulting gas product is then well mixed with ambient air before being burnt off in a secondary gas-processing unit. The technology reverts any man made or organic waste product back to its natural state, which is inert ash or breathable air. The technology is capable of handling community solid waste content and biosolids including medical waste, tires, plastics, wood waste, oily waste, furniture and other organic or man-made compounds found in municipal or industrial waste.

The intended plant is comprised of three basic components: a Primary Gasification Cell, a Secondary Gas Processor, and a computerized Process Logic Controller. Combustible waste material is placed into the primary gasification cell through the load access door. In some facilities this can be done via a loading conveyor. The proposed design is to have collection vehicles dump their waste load directly into the primary oxidation cell. None of these components have been built on the property.

The Primary Cell can be either a batch or continuous feed processor. Based on our research, batch processing provides the most efficient and cost effective strategy for the waste management solution. In the case of batch processing once the cell has received that days collected waste, the door is closed and the process is initiated. The cell does not have to be full for the system to be activated.

An operator is responsible for supervising the loading of waste material, and initiating the process startup. A computer keystroke (or optional manual button and lever control) which pre-heats the secondary gas-processing unit accomplishes this start-up. Once that unit reaches its pre-set temperature, the primary gasification cell heater is activated, and the process begins. Approximately 8 to 12 hours later, the organic wastes in the primary cell will have been converted to a gas, and the cycle will generally be complete. The system will move to its “cool down” mode. In another 4-6 hours, the system may be re-loaded, and another process started, with or without the removal of the preceding load’s ash material.

Residual materials (bottles, cans, ash and misc.) need only to be removed periodically. The composition of MSW consists mainly of organic and combustible waste. Glass and metals are easily extracted in our plant design as it includes equipment that will assist in the process and cut down on labor man-hours. Ash removal is either an automated or manual process. In automated unloading, the base of the primary gasification cell contains a ductile iron furnace floor conveyor that evacuates material remaining in the base of the unit through a side access door. This dry waste material empties into a storage bin, which can be removed to another location for recycling.



Aluminum, metal and glass can be completely recovered. Emissions may be captured and used as a nonfossil fuel source for various “on site” processes.

Our intention is to take the ash that is left over from our disposal process and create a brick out of the residue. The machines that will be used, through 60 thousand pounds of pressure, will create this brick that can then be donated back to any municipality for various uses.

We intend to provide our services under two types of agreements:

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For commercial and industrial collection services, we intend to enter a multi-year service agreement. The fees under these agreements will be influenced by factors such as collection frequency, type and volume or weight of the waste collected, distance to our facility, labor costs, cost of gasification and general market factors.

For most residential collection services, we will have a contract with, or a franchise granted by, a municipality, homeowners' association or some other regional authority that will give us the exclusive right to service all or a portion of the homes in an area. These contracts or franchises are typically for periods of one to five years. We expect the fees for residential collection to be either paid by the municipality or authority from their tax revenues or service charges, or are paid directly by the residents receiving the service.

With its current assets, and without further financing, our auditor has expressed substantial doubt as to our ability to continue as a Going Concern. However, the Company plans to raise the capital necessary to fund our business through a private placement and/or a public offering of our common stock.

Because the company has incurred losses, income tax expenses are immaterial. No tax benefits have been booked related to operating loss carry-forwards, given the uncertainty of the Company being able to utilize such loss carry-forwards in future years. The Company anticipates incurring additional losses during the coming year.

## **Market**

We believe that the \$55 billion US waste management industry will play a substantial role in the coming economic recovery and the growth of worldwide trade as traditional waste conversion, as well as the more technical methods such as gasification, plasma arc gasification, hydrolysis, and pyrolysis become cheaper and more efficient. In a world where in 2011 alone, the world's rapidly increasing urban population generated nearly 2 billion tons of municipal solid waste ("MSW"), it is no longer sufficient to discard trash. It is estimated that this number will rise to at least 2.9 billion tons by 2022. Today, more than 800 thermal waste-to-energy ("WTE") plants operate in nearly 40 countries around the globe. Led by Asia-Pacific and Europe, this number is expected to grow rapidly over the next decade, potentially treating 396 million tons of MSW annually by 2022 with an estimated output of 151 terawatt hours (TWh) of electricity. Of the municipal solid waste generated, 33 percent was recycled in 2011, up from 32 percent in 2010.

## **Competition**

The solid waste industry is very competitive. Competition comes from a number of publicly held solid waste companies, private solid waste companies, large commercial and industrial companies handling their own waste

collection or disposal operations and public and private waste-to-energy companies. We also have competition from municipalities and regional government authorities with respect to residential and commercial solid waste collection and solid waste landfills.

Operating costs, disposal costs and collection fees vary widely throughout Mexico. The prices that we intend to charge will be determined locally, and typically vary by the volume and weight, type of waste collected, treatment requirements, risk of handling or disposal, frequency of collections, distance to final disposal sites, labor costs and amount and type of equipment furnished to the customer. We will face intense competition in our core business based on pricing and quality of service. However, we believe that we can distinguish the Company from our competition by providing precise accounting, exceptional customer service,

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comprehensive tax management, and competitive pricing. While we intend to offer some customers credit terms, in most cases the credit lines will be secured by corporate or personal guarantees, deposits, letters of credit or other bank instruments, and liens.

## **Compliance with Government Regulation**

We will be required to conduct all waste disposal activities in accordance with government regulations. Such operations are subject to various laws governing land use, the protection of the environment, production, exports, taxes, labor standards, occupational health, waste disposal, toxic substances, safety and other matters. Unfavorable amendments to current laws, regulations and permits governing operations and activities of resource exploration companies, or more stringent implementation thereof, could have a materially adverse impact and cause increases in capital expenditures which could result in a cessation of operations.

## **Employees**

We use the services of various contract personnel from time to time. Although national unemployment rates remain high relative to historical averages, there exists a significant amount of competition for skilled personnel in the waste management and waste conversion industry. Nevertheless, we expect to be able to attract and retain such additional employees as are necessary, commensurate with the anticipated future expansion of our business resulting from future acquisitions and joint ventures. Further, we expect to continue to use consultants, contract labor, attorneys and accountants as necessary.

## **Available Information**

JPX Global, Inc. is subject to the information requirements of the Securities Exchange Act of 1934, as amended, and in accordance therewith files quarterly and annual reports, as well as other information with the Securities and Exchange Commission (“Commission”) under File No. 000-54793. Such reports and other information filed with the Commission can be inspected and copied at the public reference facilities maintained by the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549 at prescribed rates, and at various regional and district offices maintained by the Commission throughout the United States. Information about the operation of the Commission’s public reference facilities may be obtained by calling the Commission at 1-800-SEC-0330. The Commission also maintains a website at <http://www.sec.gov> that contains reports and other information regarding the Company and other registrants that file electronic reports and information with the Commission.

**ITEM 1A. RISK FACTORS.**

Since we are a smaller reporting company, we are not required to supply the information required by this Item 1A.

**ITEM 1B. UNRESOLVED STAFF COMMENTS.**

None.

**ITEM 2. PROPERTIES.**

Our principal executive offices are located at 9864 E Grand River, Ste 110-301, Brighton, Michigan 48116. We believe that our office facilities are suitable and adequate for our operations as currently conducted and contemplated.

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**ITEM 3. LEGAL PROCEEDINGS.**

We are not now a party to any material legal proceedings and to our knowledge; no such proceedings are threatened or contemplated.

**ITEM 4. MINE SAFETY DISCLOSURES**

Not Applicable

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Our common stock is quoted on OTC Markets under the symbol “JPEX”. We had approximately 355 registered holders of our common stock as of December 31, 2016. Registered holders do not include those stockholders whose stock has been issued in street name. The last reported price for our common stock on April 4, 2017 was \$0.0016 per share.

The following table reflects the high and low closing sales prices per share of our common stock during each calendar quarter as reported on OTC Markets:

	<b>Price Range(1)</b>	
	High	Low
Fiscal 2016		
Fourth quarter	\$0.1405	\$0.012
Third quarter	\$0.30	\$0.05
Second quarter	\$0.35	\$0.0015
First quarter	\$0.08	\$0.0015
Fiscal 2015		
Fourth quarter	\$0.29	\$0.0652
Third quarter	\$0.32	\$0.08
Second quarter	\$1.99	\$0.29
First quarter	\$1.99	\$1.20

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(1) The above quotations reflect inter-dealer prices, without retail mark-up, mark-down, or commission and may not necessarily represent actual transactions.

**Number of Holders**

As of April 4, 2017, there were approximately 355 record holders of our common stock, not counting shares held in “street name” in brokerage accounts which is unknown. As of March 31, 2017, there were 205,859,142 shares of common stock issued and outstanding on record with our stock transfer agent.

## **Dividends**

The Company has not paid any cash dividends on its Common Stock since inception and does not anticipate paying cash dividends in the foreseeable future. The Company anticipates that any future earnings will be retained for use in developing and/or expanding the business.

## **Sales of Unregistered Securities**

On February 5, 2014, the Company entered into an agreement to acquire all of the assets of Scorpex, Inc., a Nevada corporation, in exchange for 105,000,000 shares of common stock and 10,000,000 shares of Series B Preferred Stock of the Company.



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On January 6, 2014, the Company issued 1,000 shares of Series A Preferred Stock as security for outstanding debts of the Company to Joseph Caywood. Although the preferred stock carries no dividend, distribution, liquidation or conversion rights, each share of Series A preferred stock carries one hundred thousand (100,000) votes, and holders of our preferred stock are able to vote together with our common stockholders on all matters upon which common stockholders may vote. Consequently, the holders of our Series A preferred stock is able to unilaterally control the election of our board of directors and, ultimately, the direction of our Company.

From May 6, 2014 to July 10, 2014, pursuant to the Consulting Agreement with South Bay Holdings, Inc. dated June 1, 2013 (term ended June 1, 2014), the Company issued a total of 7,991,620 shares of common stock to 16 individuals/entities for services rendered to the Company. The stock was valued at a total of \$10,398,916 and is included in consulting fees on the 2014 statement of operations.

From May 23, 2014 to July 16, 2014, the Company sold a total of 2,820,000 shares of common stock to 17 individuals/entities at \$0.10 per share for total cash proceeds of \$282,000.

On July 10, 2014, pursuant to a Consulting Agreement with Joseph Caywood dated July 9, 2014 (term ended December 31, 2014), the Company issued 4,000,000 shares of common stock to Mitchell Dean Hovendick for services rendered to the Company. The stock was valued at \$1,080,000 and is included in consulting fees on the 2014 statement of operations.

On August 7, 2014, pursuant to a Consulting Agreement with Joseph Caywood dated August 7, 2014 (term ended December 31, 2014), the Company issued 10,250,000 shares of common stock to Mitchell Dean Hovendick for services rendered to the Company. The stock was valued at \$12,402,500 and is included in consulting fees on the 2014 statement of operations.

On October 23, 2014, pursuant to a Consulting Agreement with Wild Cherry Limited, LLC dated October 1, 2014 (term ended December 31, 2014), the Company issued 3,000,000 shares of common stock to Wild Cherry Limited, LLC for services rendered to the Company. The stock was valued at \$3,750,000 and is included in consulting fees on the 2014 statement of operations.

On December 2, 2014, the Company issued 150,000 shares of common stock to an individual for services rendered to the Company. The stock was valued at \$300,000 and is included in consulting fees on the 2014 statement of operations.

On February 17, 2015, pursuant to a Consulting Agreement with Joseph Caywood dated January 1, 2015, (term ended March 31, 2015), the Company issued a total of 2,050,000 shares of common stock to 18 individuals/entities for services rendered to the Company. The stock was valued at \$2,050,000 and is included in consulting fees on the 2015 statement of operations.

On July 1, 2016, pursuant to a Consulting Services Agreement with an individual consultant dated June 1, 2016 (term ending November 30, 2016), the Company issued 2,000,000 shares of common stock to such individual for certain marketing consulting services to be rendered to the Company. The stock was valued at \$400,000 and was expensed as consulting fees in the three months ended June 30, 2016.

On June 17, 2016, pursuant to a Consulting and Representation Agreement with an entity consultant dated June 14, 2016 (extended term ending June 14, 2017), the Company issued 1,000,000 shares of common stock to such entity for certain investor relations services to be rendered to the Company. The stock was valued at \$200,000 and was expensed as consulting fees in the three months ended June 30, 2016.

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On October 18, 2016 the Company sold 1,333,333 restricted shares of common stock to an accredited investor at \$0.03 per share for total proceeds of \$40,000.

With respect to the transactions noted above, no solicitation was made and no underwriting discounts were given or paid in connection with these transactions. The Company believes that the issuance of the shares as described above was exempt from registration with the Securities and Exchange Commission pursuant to Section 4(2) of the Securities Act of 1933.

### **Penny Stock Rules**

The SEC has also adopted rules that regulate broker-dealer practices in connection with transactions in “penny stocks” as such term is defined by Rule 15c-9. Penny stocks are generally equity securities with a price of less than \$5.00 (other than securities registered on certain national securities exchanges or quoted on the Nasdaq system provided that current price and volume information with respect to transactions in such securities is provided by the exchange or system).

The shares offered by this prospectus constitute penny stocks under the Exchange Act. The shares may remain penny stocks for the foreseeable future. The classification of our shares as penny stocks makes it more difficult for a broker-dealer to sell the stock into a secondary market, which makes it more difficult for a purchaser to liquidate his or her investment. Any broker-dealer engaged by the purchaser for the purpose of selling his or her shares in JPX Global will be subject to the penny stock rules.

The penny stock rules require a broker-dealer, prior to a transaction in a penny stock not otherwise exempt from those rules, deliver a standardized risk disclosure document approved by the SEC, which: (i) contains a description of the nature and level of risk in the market for penny stocks in both public offerings and secondary trading; (ii) contains a description of the broker’s or dealer’s duties to the customer and of the rights and remedies available to the customer with respect to a violation to such duties or other requirements of the Securities Act; (iii) contains a brief, clear, narrative description of a dealer market, including bid and ask prices for penny stocks and significance of the spread between the bid and ask price; (iv) contains a toll-free telephone number for inquiries on disciplinary actions; (v) defines significant terms in the disclosure document or in the conduct of trading in penny stocks; and (vi) contains such other information and is in such form as the SEC shall require by rule or regulation. The broker-dealer also must provide to the customer, prior to effecting any transaction in a penny stock, (i) bid and offer quotations for the penny stock; (ii) the compensation of the broker-dealer and its salesperson in the transaction; (iii) the number of shares to which such bid and ask prices apply, or other comparable information relating to the depth and liquidity of the market for such stock; and (iv) monthly account statements showing the market value of each penny stock held in the customer’s account.

In addition, the penny stock rules require that, prior to a transaction in a penny stock not otherwise exempt from those rules, the broker-dealer must make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written acknowledgment of the receipt of a risk disclosure statement, a written agreement to transactions involving penny stocks, and a signed and dated copy of a written suitability statement. These disclosure requirements will have the effect of reducing the trading activity in the secondary market for our stock because it will be subject to these penny stock rules. Therefore, stockholders may have difficulty selling those securities.

**ITEM 6. SELECTED FINANCIAL DATA.**

Not required.

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

**Forward-Looking Statements**

This report contains forward-looking statements that involve risks and uncertainties. We use words such as anticipate, believe, plan, expect, future, intend and similar expressions to identify such forward-looking statements. You should not place too much reliance on these forward-looking statements. Our actual results are likely to differ materially from those anticipated in these forward-looking statements for many reasons.

**Overview**

On February 5, 2014, the Company entered into an agreement to acquire all of the assets of Scorpex, Inc., a Nevada corporation, in exchange for 105,000,000 shares of Common Stock and 10,000,000 shares of Series B Preferred Stock. We are now expanding our business to further develop our operations to capitalize on the opportunities available primarily in Mexico, in the integrated waste, and waste management service operations, including the receiving, storage, transfer and disposal of waste in an environmental manner. In providing these services, we intend to actively pursue projects and initiatives that we believe make a positive difference for our environment which will be focused on gasification of waste in an environmental manner. It is expected that our customer base will include commercial, industrial, municipal and residential customers, other waste management companies, electric utilities, and governmental entity properties. We are an exploration stage company and we have not realized any revenues to date. We do not have sufficient capital to enable us to commence and complete our exploration program. We will require additional financing in order to conduct the exploration program described herein." Our auditors have issued a going concern opinion, raising substantial doubt about the Company's financial prospects, and the Company's ability to continue as a going concern. As a waste management company, our principal sources of revenue will result from waste management contracts, but will also include revenue from ancillary services related to the handling and conversion of waste. Expenses which comprise the costs of goods sold include the operational and staffing costs of the trucks and other vehicles used for transporting and special licensing where required. General and administrative expenses have been comprised of administrative wages and benefits; occupancy and office expenses; outside legal, accounting and other professional fees; travel and other miscellaneous office and administrative expenses. Selling and marketing expenses include selling/marketing wages and benefits, advertising and promotional expenses, as well as travel and other miscellaneous related expenses.

Because we have incurred losses, income tax expenses are immaterial. No tax benefits have been booked related to operating loss carryforwards, given our uncertainty of being able to utilize such loss carryforwards in future years. We anticipate incurring additional losses during the coming year.

## **Results of Operations**

Following is management's discussion of the relevant items affecting results of operations for the years ended December 31, 2016 and 2015.

*Revenues.* The Company generated net revenues of \$-0- during both years ended December 31, 2016 and 2015.

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*Consulting Fees.* Consulting fees for the year ended December 31, 2016 were \$630,000 compared to \$2,050,000 for the year ended December 31, 2015. During the year ended December 31, 2016 the Company issued 3,000,000 shares of common stock for services rendered to the Company. The shares were valued at \$600,000 which represented the market price on the dates of issuance. During the year ended December 31, 2015 the Company issued 2,050,000 shares of common stock for services rendered to the Company. The shares were valued at \$2,050,000 which represented the market price on the dates of issuance.

*Professional Fees.* Professional fees for the year ended December 31, 2016 were \$124,332 compared to \$52,557 for the year ended December 31, 2015. Professional fees consist mainly of the fees for the audits and reviews of the Company's financial statements as well as the filings with the SEC. We anticipate that professional fees will increase in future periods as we scale up our operations.

*Other General and Administrative Expenses.* Other general and administrative expenses for the year ended December 31, 2016 were \$26,189 compared to \$1,592 for the year ended December 31, 2015. The Company expects other general and administrative expenses to increase in future periods as we scale up our operations.

*Other Income (Expense).* The Company had net other expenses of \$674,170 for the year ended December 31, 2016 compared to \$752 during 2015. The net other expense in 2016 includes expense from the change in fair value of derivative liability of \$558,364. This derivative liability was calculated using the Black-Scholes model. Other expenses consist of interest expenses on promissory notes payable.

## **Liquidity and Capital Resources**

As of December 31, 2016, the Company's primary source of liquidity consisted of \$583 in cash and cash equivalents. Since inception, the Company has financed its operations through a combination of short-term loans from related parties and others and through the private placement of its common stock.

The Company has sustained significant net losses which have resulted in an accumulated deficit at December 31, 2016 of \$34,758,025 and is currently experiencing a substantial shortfall in operating capital which raises doubt about the Company's ability to continue as a going concern. The Company generated a net loss for the year ended December 31, 2016 of \$1,454,691 compared to a net loss for the year ended December 31, 2015 of \$2,104,901. Without additional revenues, working capital loans, or equity investment, there is substantial doubt as to our ability to continue operations.

We believe these conditions have resulted from the inherent risks associated with small public companies. Such risks include, but are not limited to, the ability to (i) generate revenues and sales of our products and services at levels sufficient to cover our costs and provide a return for investors, (ii) attract additional capital in order to finance growth, and (iii) successfully compete with other comparable companies having financial, production and marketing resources significantly greater than those of the Company.

We believe that our capital resources are insufficient for ongoing operations, with minimal current cash reserves, particularly given the resources necessary to expand our waste management business. We will likely require considerable amounts of financing to make any significant advancement in our business strategy. There is presently no agreement in place that will guarantee financing for our Company, and we cannot assure you that we will be able to raise any additional funds, or that such funds will be available on acceptable terms. Funds raised through future equity financing will likely be substantially dilutive to current shareholders. Lack of additional funds will materially affect our Company and our business, and may cause us to substantially curtail or even cease operations. Consequently, you could incur a loss of your entire investment in the Company.



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**Off-Balance Sheet Arrangements**

We do not have any off-balance sheet arrangements.

**Critical Accounting Policies**

We believe the following critical accounting policies are used in the preparation of our financial statements:

*Use of Estimates.* The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. On a periodic basis, management reviews those estimates, including those related to valuation allowances, loss contingencies, income taxes, and projection of future cash flows.

*Research and Development.* Research and development costs are charged to operations when incurred and are included in operating expenses.

**Recent Accounting Pronouncements**

See Note 3 in the Notes to the Financial Statements for recent accounting pronouncements.

There were various other accounting standards and interpretations recently issued, none of which are expected to have a material impact on the Company's financial position, operations or cash flows.

**Forward-Looking Statements**

This report contains or incorporates by reference forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995 concerning our future business plans and strategies, the receipt of working capital, future revenues and other statements that are not historical in nature. In this report, forward-looking statements are often identified by the words “anticipate,” “plan,” “believe,” “expect,” “estimate,” and the like. These forward-looking statements reflect our current beliefs, expectations and opinions with respect to future events, and involve future risks and uncertainties which could cause actual results to differ materially from those expressed or implied.

Other uncertainties that could affect the accuracy of forward-looking statements include:

- the worldwide economic situation;
- any changes in interest rates or inflation;
- the willingness and ability of third parties to honor their contractual commitments;
- our ability to raise additional capital, as it may be affected by current conditions in the stock market and competition for risk capital;
- our capital expenditures, as they may be affected by delays or cost overruns;
- environmental and other regulations, as the same presently exist or may later be amended;
- our ability to identify, finance and integrate any future acquisitions; and
- the volatility of our common stock price.

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This list is not exhaustive of the factors that may affect any of our forward-looking statements. You should read this report completely and with the understanding that our actual future results may be materially different from what we expect. These forward-looking statements represent our beliefs, expectations and opinions only as of the date of this report. We do not intend to update these forward looking statements except as required by law. We qualify all of our forward-looking statements by these cautionary statements.

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

Not Applicable.

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**ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA**

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**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Board of Directors and Stockholders of

JPX Global, Inc.

I have audited the accompanying balance sheets of JPX Global, Inc. (the “Company”) as of December 31, 2016 and 2015 and the related statements of operations, stockholders’ deficit, and cash flows for the years then ended. These financial statements are the responsibility of the Company’s management. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audits provide a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of JPX Global, Inc. as of December 31, 2016 and 2015 and the results of its operations and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States.

The accompanying financial statements referred to above have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the financial statements, the Company’s present financial situation raises substantial doubt about its ability to continue as a going concern. Management’s plans in regard to this matter are also described in Note 2. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ MICHAEL T. STUDER, CPA, P.C.

Michael T. Studer, CPA, P.C.

Freeport, New York

April 17, 2017

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## JPX GLOBAL, INC.

## Balance Sheets

ASSETS

	December 31, 2016	December 31, 2015
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$583	\$83
Total Current Assets	583	83
<b>TOTAL ASSETS</b>	<b>\$583</b>	<b>\$83</b>
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities	\$47,989	\$29,902
Advances from related party	14,594	243,864
Notes payable to related parties	171,864	18,000
Notes payable	148,146	—
Convertible loan payable - related party	1,500	1,500
Derivative liability	724,364	—
Total Current Liabilities	1,108,457	293,266
<b>TOTAL LIABILITIES</b>	<b>1,108,457</b>	<b>293,266</b>
<b>STOCKHOLDERS' DEFICIT</b>		
Preferred stock, \$0.001 par value; 40,000,000 shares authorized:		
Series A Preferred Stock, \$0.001 par value; 1,000 and 1,000 shares issued and outstanding, respectively	1	1
Series B Preferred Stock, \$0.001 par value; 10,000,000 and 10,000,000 shares issued and outstanding, respectively	10,000	10,000
Common stock, \$0.001 par value; 500,000,000 shares authorized, 171,789,142 and 167,455,809 shares issued and outstanding, respectively	171,789	167,456
Additional paid-in capital	33,468,361	32,832,694
Accumulated deficit	(34,758,025)	(33,303,334)
Total Stockholders' Deficit	(1,107,874 )	(293,183 )
<b>TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT</b>	<b>\$583</b>	<b>\$83</b>

The accompanying notes are an integral part of these financial statements

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JPX GLOBAL, INC. Statements of Operations	For the Years Ended December 31,	
	2016	2015
NET REVENUES	\$—	\$—
OPERATING EXPENSES		
Consulting fees (including stock-based compensation of \$600,000 and \$2,050,000, respectively)	630,000	2,050,000
Professional and accounting fees	124,332	52,557
Other general and administrative	26,189	1,592
Total Operating Expenses	780,521	2,104,149
LOSS FROM OPERATIONS	(780,521 )	(2,104,149 )
OTHER INCOME (EXPENSES)		
Income (expense) from derivative liability	(558,364 )	—
Interest expense (including the amortization of debt discounts of \$98,146 and \$-0-, respectively)	(115,806 )	(752 )
Total Other Income (Expenses)	(674,170 )	(752 )
NET INCOME (LOSS)	\$(1,454,691 )	\$(2,104,901 )
Net income (loss) per common share - basic and diluted	\$(0.01 )	\$(0.01 )
Weighted average common shares outstanding - basic and diluted	169,435,772	167,186,220

The accompanying notes are an integral part of these financial statements



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## JPX GLOBAL, INC.

## Statements of Stockholders' Deficit

From January 1, 2015 through December 31, 2016

	Series A Preferred Stock		Series B Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Par	Shares	Par	Shares	Amount			
Balance, January 1, 2015	1,000	1	10,000,000	10,000	165,405,809	165,406	30,784,744	(31,198,433)	(238,282 )
Shares issued for services	—	—	—	—	2,050,000	2,050	2,047,950	—	2,050,000
Net loss for the year ended December 31, 2015	—	—	—	—	—	—	—	(2,104,901 )	(2,104,901)
Balance, December 31, 2015	1,000	1	10,000,000	10,000	167,455,809	167,456	32,832,694	(33,303,334)	(293,183 )
Shares issued for services	—	—	—	—	3,000,000	3,000	597,000	—	600,000
Shares issued for cash	—	—	—	—	1,333,333	1,333	38,667	—	40,000
Net loss for the year ended December 31, 2016	—	—	—	—	—	—	—	(1,454,691 )	(1,454,691)
Balance, December 31, 2016	1,000	\$1	10,000,000	\$10,000	171,789,142	\$171,789	\$33,468,361	\$(34,758,025)	\$(1,107,874)

The accompanying notes are an integral part of these financial statements



Table of ContentsJPX GLOBAL, INC.  
Statements of Cash Flows

	For the Years Ended	
	2016	2015
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net income (loss)	(1,454,691)	\$(2,104,901)
Adjustments to reconcile net loss to net cash used by operating activities:		
Common stock issued for services	600,000	2,050,000
Note payable issued for legal services	50,000	—
Amortization of debt discount	98,146	—
Expense (income) from derivative liability	558,364	—
Changes in operating assets and liabilities:		
Accounts payable and accrued liabilities	18,087	14,564
Net Cash Used by Operating Activities	(130,094 )	(40,337 )
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
	—	—
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from sale of common stock	40,000	—
Proceeds from note payable	166,000	—
Proceeds from notes payable to related party	5,000	18,000
Proceeds from advances from related party	25,094	22,078
Payments on note payable to related party	(105,500 )	—
Net Cash Provided by Financing Activities	130,594	40,078
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>500</b>	<b>(259 )</b>
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD</b>	<b>83</b>	<b>342</b>
<b>CASH AND CASH EQUIVALENTS, END OF PERIOD</b>	<b>583</b>	<b>\$83</b>
<b>SUPPLEMENTAL CASH FLOW INFORMATION</b>		
Cash Payments For:		
Interest	—	\$—
Taxes	—	\$—
Non-cash investing and financing activities:		

Issuance of note payable to related party in satisfaction of advances from related party liability	254,364	\$—
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The accompanying notes are an integral part of these financial statements

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**JPX Global, Inc.**

**NOTES TO THE FINANCIAL STATEMENTS**

**December 31, 2016 and 2015**

NOTE 1. ORGANIZATION

The Company was incorporated under the laws of the state of Nevada on December 18, 2008, with 75,000,000 authorized common shares with a par value of \$0.001. On January 3, 2013, the Company approved the action to amend and restate the Articles of Incorporation to increase the authorized common shares to 500,000,000 and create and authorize 40,000,000 shares of Preferred Stock which was approved by written consent of the holder representing approximately 67% of the outstanding voting securities of the Company. Series A Preferred Stock was created and designated with super-voting rights of 100,000 votes per share of Series A Preferred Stock held, but no conversion, dividend, and liquidation rights.

On February 5, 2014, the Company entered into an agreement to acquire all of the operating assets of Scorpex, Inc. (“Scorpex”) (an entity related by common control) in exchange for 105,000,000 shares of common stock and 10,000,000 shares of Series B Preferred Stock of the Company. Scorpex is majority owned and controlled by JPX Global, Inc.’s then controlling shareholder, Joseph Caywood. Each share of Series B preferred stock is convertible into 10 shares of common stock and is entitled to vote ratably together with our common stockholders on all matters upon which common stockholders may vote. With the acquisition of these assets, which consist primarily of a license agreement, the Company has modified its business plan to include the development of waste management services including the storage, recycling, and disposal of waste. The Company does not presently have any waste management operations.

The acquired assets consist primarily of a license agreement between Scorpex and Tratamientos Ambientales Scorpion, S.A. de C.V. (a corporation formed under the laws of Mexico) (“TAS”). This license agreement with TAS has been assigned to JPX. TAS is a wholly owned subsidiary of Scorpex, and is, therefore, a common control entity. ASC 805-50-30-5 provides guidance on measuring assets and liabilities transferred between entities under common control. As the entities are under common control and the license agreement had no basis on Scorpex’s books they are being acquired at their carrying amounts (with no cost basis) on the date of transfer and, therefore, the transaction value is \$-0-.

The license agreement was dated July 30, 2011 and provided Scorpex with an exclusive worldwide license for the permits, property, and any and all of TAS’s other assets necessary for the business of storing, recycling, disposing, and treating waste in Mexico for a term of 10 years. The agreement also provided for Scorpex’s annual payment to TAS of 20% of its Net Revenues (gross cash receipts less cost of processing and other expenses excluding general, administrative, interest, and taxes) from the license. Pursuant to the Assignment Consent dated February 3, 2014, TAS agreed to extend the term of the agreement every 10 years if operations have commenced pursuant to the license agreement.

NOTE 2. GOING CONCERN

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. The company does not have sufficient working capital for its planned activity, and to service its debt, which raises substantial doubt about its ability to continue as a going concern. The Company has incurred accumulated losses of \$34,758,025 since inception through December 31, 2016.

Continuation of the company as a going concern is dependent upon obtaining additional working capital. The management of the Company has developed a strategy which it believes will accomplish this objective through short term loans from related parties, and additional equity investments, which will enable the company to continue operations for the coming year. These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts, or amounts and classification of liabilities that might result from this uncertainty.

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**JPX Global, Inc.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2016 and 2015**

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Methods

The Company recognizes income and expenses based on the accrual method of accounting. The Company follows accounting principles generally accepted in the United States.

Income Tax

The Company utilizes the liability method of accounting for income taxes. Under the liability method deferred tax assets and liabilities are determined based on the differences between financial reporting and the tax bases of the assets and liabilities and are measured using the enacted tax rates and laws that will be in effect, when the differences are expected to be reversed. An allowance against deferred tax assets is recorded, when it is more likely than not that such tax benefits will not be realized.

Basic and Diluted Net Income (loss) Per Share

The Company follows ASC Topic 260 to account for the earnings per share. Basic earnings per common share (“EPS”) calculations are determined by dividing net income by the weighted average number of shares of common stock outstanding during the year. Diluted earnings per common share calculations are determined by dividing net income by the weighted average number of common shares and dilutive common share equivalents outstanding.

For the years ended December 31, 2016 and 2015, the common shares underlying the following dilutive securities were excluded from the calculation of diluted shares outstanding as the effect of their inclusion would be anti-dilutive:

Common Shares Issuable

	Year Ended December 31,	
	2016	2015
Convertible loan payable – related party	1,500,000	1,500,000
Series B Preferred Stock	100,000,000	100,000,000
Total common shares issuable	101,500,000	101,500,000

### Cash & Cash Equivalents

For the purposes of the statement of cash flows, the Company considers all highly liquid investments with a maturity of three months or less to be cash equivalents.

### Revenue Recognition

Revenue is recognized upon completion of services or delivery of goods where the sales price is fixed or determinable and the collectability is reasonably assured. The Company has no revenue to date.

### Advertising and Market Development

The Company expenses advertising and market development costs. As of December 31, 2016, the company has not incurred any advertising and market development costs.



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**JPX Global, Inc.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2016 and 2015**

Impairment of Long-Lived Assets

The Company reviews and evaluates long-lived assets for impairment when events or changes in circumstances indicate that the related carrying amounts may not be recoverable. The assets are subject to impairment consideration under FASB ASC 360-10-35-17 if events or circumstances indicate that their carrying amount might not be recoverable. When the Company determines that an impairment analysis should be done, the analysis will be performed using the rules of FASB ASC 930-360-35, Asset Impairment, and 360-10 through 15-5, Impairment or Disposal of Long-Lived Assets.

Environmental Requirements

At the report date, environmental requirements related to a formally held mineral claim are unknown and therefore any estimate of future costs cannot be made.

Mineral Property Acquisition Costs

Costs of acquisition and option costs of mineral rights are capitalized upon acquisition. Mine development costs incurred to develop new ore deposits, to expand the capacity of mines, or to develop mine areas substantially in advance of current production are also capitalized once proven and probable reserves exist and the property is a commercially mineable property.

Costs incurred to maintain current production or to maintain assets on a standby basis are charged to operations. If the Company does not continue with exploration after the completion of the feasibility study, the mineral rights will be expensed at that time. Costs of abandoned projects are charged to mining costs including related property and equipment costs. To determine if these costs are in excess of their recoverable amount, periodic evaluation of carrying value of capitalized costs and any related property and equipment costs are based upon expected future cash flows and/or estimated salvage value in accordance with FASB Accounting Standards Codification (ASC) 360-10-35-15, Impairment or Disposal of Long-Lived Assets.

Various factors could impact our ability to achieve forecasted production schedules. Additionally, commodity prices, capital expenditure requirements and reclamation costs could differ from the assumptions the Company may use in cash flow models from exploration stage mineral interests. This, however, involves further risks in addition to those factors applicable to mineral interests where proven and probable reserves have been identified, due to the lower level of confidence that the identified mineralized material can ultimately be mined economically.

#### Estimates and Assumptions

Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of the assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were assumed in preparing these financial statements.

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**JPX Global, Inc.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2016 and 2015**

-

Stock-based compensation

The Company records stock based compensation in accordance with the guidance in ASC Topic 505 and 718 which requires the Company to recognize expenses related to the fair value of its employee stock option awards. This eliminates accounting for share-based compensation transactions using the intrinsic value and requires instead that such transactions be accounted for using a fair-value-based method. The Company recognizes the cost of all share-based awards on a graded vesting basis over the vesting period of the award.

The Company accounts for equity instruments issued in exchange for the receipt of goods or services from other than employees in accordance with FASB ASC 718-10 and the conclusions reached by the FASB ASC 505-50. Costs are measured at the estimated fair market value of the consideration received or the estimated fair value of the equity instruments issued, whichever is more reliably measurable. The value of equity instruments issued for consideration other than employee services is determined on the earliest of a performance commitment or completion of performance by the provider of goods or services as defined by FASB ASC 505-50.

Fair value of financial instruments

Fair value estimates discussed herein are based upon certain market assumptions and pertinent information available to management as of December 31, 2016. The respective carrying value of certain on-balance-sheet financial instruments approximated their fair values. These financial instruments include cash and cash equivalents, accounts payable and accrued liabilities, advances from related party, notes payable to related parties, notes payable, and convertible loan payable – related party. Fair values were assumed to approximate carrying values for cash and payables because they are short term in nature and their carrying amounts approximate fair values or they are payable on demand.

Level 1: The preferred inputs to valuation efforts are "quoted prices in active markets for identical assets or liabilities," with the caveat that the reporting entity must have access to that market. Information at this level is based on direct observations of transactions involving the same assets and liabilities, not assumptions, and thus offers superior reliability. However, relatively few items, especially physical assets, actually trade in active markets.

Level 2: FASB acknowledged that active markets for identical assets and liabilities are relatively uncommon and, even when they do exist, they may be too thin to provide reliable information. To deal with this shortage of direct data, the board provided a second level of inputs that can be applied in three situations.

Level 3: If inputs from levels 1 and 2 are not available, FASB acknowledges that fair value measures of many assets and liabilities are less precise. The board describes Level 3 inputs as "unobservable," and limits their use by saying they "shall be used to measure fair value to the extent that observable inputs are not available." This category allows "for situations in which there is little, if any, market activity for the asset or liability at the measurement date". Earlier in the standard, FASB explains that "observable inputs" are gathered from sources other than the reporting company and that they are expected to reflect assumptions made by market participants.

### Recent Accounting Pronouncements

The Company has evaluated recent accounting pronouncements and believes that none of them will have a material effect on the company's financial statements.

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**JPX Global, Inc.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**December 31, 2016 and 2015**

## NOTE 4. ADVANCES FROM RELATED PARTY

The advances from related party liability at December 31, 2016 (\$14,594) and 2015 (\$243,864) is due to Joseph Caywood, significant stockholder of the Company. The liability is non-interest bearing and due on demand.

## NOTE 5. NOTES PAYABLE TO RELATED PARTIES

The notes payable to related parties at December 31, 2016 and 2015 consist of:

	December 31,	
	2016	2015
Promissory note dated May 20, 2015, interest at 8% per annum, interest and principal due November 20, 2015	\$8,000	\$8,000
Promissory note dated June 24, 2015, interest at 8% per annum, interest and principal due December 24, 2015	8,000	8,000
Promissory note dated November 15, 2015, interest at 8% per annum, interest and principal due May 15, 2016	2,000	2,000
Promissory note dated April 15, 2016, interest at 8% per annum, interest and principal due May 15, 2016	3,000	—
Promissory note dated May 21, 2016, interest at 8% per annum, interest and principal due May 15, 2016	2,000	—
Promissory note dated July 1, 2016, interest at 8% per annum, interest and principal due May 15, 2016	148,864	—
Total	\$171,864	\$18,000

## NOTE 6. NOTES PAYABLE

The notes payable to at December 31, 2016 consisted of the following:

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Convertible note payable dated July 22, 2016, interest at 10% due on April 22, 2017 – net of discount of \$67,854 (A)	\$98,146
Promissory note dated July 1, 2016, interest at 8% per annum, interest and principal due on demand (B)	50,000
Total	\$148,146

(A) On July 22, 2016, the Company issued a \$166,000 Convertible Promissory Note to Auctus Fund, LLC (“Auctus”) for net loan proceeds of \$150,000. The note bears interest at a rate of 10% per annum (24% per annum default rate), is due April 22, 2017, and is convertible at the option of Auctus into shares of the Company common stock at a Conversion Price equal to the lesser of (a) 55% of the lowest Trading Price during the 25 Trading Day period prior to July 22, 2016 or (b) 55% of the lowest Trading Price during the 25 Trading Day period prior to the Conversion Date. (See Note 8 – Derivative Liability).

(B) This note is payable to the Company’s law firm for legal services rendered.

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Table of Contents**JPX Global, Inc.****NOTES TO THE FINANCIAL STATEMENTS****December 31, 2016 and 2015****NOTE 7. CONVERTIBLE LOAN PAYABLE – RELATED PARTY**

On December 18, 2008, the Company entered into a Promissory Note agreement with the then CEO of the Company. The note is for a sum of \$1,500, is non-interest bearing, and was due and payable on December 31, 2010. The note provides that if the note was not paid on December 31, 2010, the note can be converted to shares of common stock of the Company for \$.001 per share. At the time the note was issued, the Company did not have a fair value for the stock; therefore, no beneficial conversion feature was recorded. The Company and Joseph Caywood, the current note holder, have verbally agreed that the Company will pay the loan off as it is able to without penalty, and the current note holder will not convert the debt into shares of common stock. As of December 31, 2016 and December 31, 2015, the balance of the loan is \$1,500.

**NOTE 8. DERIVATIVE LIABILITY**

The derivative liability at December 31, 2016 consisted of the following:

	Face Value	Derivative Liability
Convertible note payable issued July 22, 2016, due April 22, 2017	\$ 166,000	\$ 724,364
Totals	\$ 166,000	\$ 724,364

The above convertible note contains a variable conversion feature based on the future trading price of the Company common stock. Therefore, the number of shares of common stock issuable upon conversion of the note is indeterminate. Accordingly, we have recorded the \$730,400 fair value of the embedded conversion feature as a derivative liability at the July 22, 2016 issuance date and charged \$166,000 to debt discounts and the remaining \$564,400 to expense from derivative liability. The \$6,036 decrease in the fair value of the derivative liability from \$730,400 at July 22, 2016 to \$724,364 at December 31, 2016 was credited to expense from derivative liability. The fair value of the derivative liability is measured at the respective issuance date and quarterly thereafter using the Black Scholes option pricing model. Assumptions used for the calculation of the derivative liability of the note at December 31, 2016 include (1) stock price of \$0.03 per share, (2) exercise price of \$0.0066 per share, (3) term of 112 days, (4) expected volatility of 609% and (5) risk free interest rate of 0.62%.

NOTE 9. CAPITAL STOCK

On February 17, 2015, pursuant to a Consulting Agreement with Joseph Caywood dated January 1, 2015, (term ended March 31, 2015), the Company issued a total of 2,050,000 shares of common stock to 18 individuals/entities for services rendered to the Company. The stock was valued at \$2,050,000 and is included in consulting fees on the 2015 statement of operations.

On July 1, 2016, pursuant to a Consulting Services Agreement with an individual consultant dated June 1, 2016 (term ending November 30, 2016), the Company issued 2,000,000 shares of common stock to such individual for certain marketing consulting services to be rendered to the Company. The stock was valued at \$400,000 and was expensed as consulting fees in the three months ended June 30, 2016.



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On June 17, 2016, pursuant to a Consulting and Representation Agreement with an entity consultant dated June 14, 2016 (extended term ending June 14, 2017), the Company issued 1,000,000 shares of common stock to such entity for certain investor relations services to be rendered to the Company. The stock was valued at \$200,000 and was expensed as consulting fees in the three months ended June 30, 2016.

On October 18, 2016 the Company sold 1,333,333 restricted shares of common stock to an accredited investor at \$0.03 per share for total proceeds of \$40,000.

NOTE 10. INCOME TAXES

The Financial Accounting Standards Board (FASB) has issued FASB ASC 740-10. FASB ASC 740-10 clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements. This standard requires a company to determine whether it is more likely than not that a tax position will be sustained upon examination based upon the technical merits of the position. If the more-likely-than-not threshold is met, a company must measure the tax position to determine the amount to recognize in the financial statements. As a result of the implementation of this standard, the Company performed a review of its material tax positions in accordance with recognition and measurement standards established by FASB ASC 740-10.

Deferred taxes are provided on a liability method whereby deferred tax assets are recognized for deductible temporary differences and operating loss and tax credit carryforwards and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

At December 31, 2016 the Company had net operating loss carryforwards of approximately \$869,000 that may be offset against future taxable income through 2036. No tax benefits have been reported in the financial statements, because the potential tax benefits of the net operating loss carry forwards are offset by a valuation allowance of the same amount.

Due to the change in ownership provisions of the Tax Reform Act of 1986, net operating loss carryforwards for Federal income tax reporting purposes are subject to annual limitations. Should a significant change in ownership occur, net operating loss carryforwards may be limited as to use in the future.

Net deferred tax assets consist of the following components as of December 31, 2016 and 2015:

	2016	2015
Deferred tax assets:		
NOL Carryover	\$295,574	\$228,193
Valuation allowance	(295,574)	(228,193)
Net deferred tax asset	\$—	\$—

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The income tax provision (benefit) differs from the amount of income tax determined by applying the U.S. federal tax rates of 34% to pretax income for the years ended December 31, 2016 and 2015 due to the following:

	2016	2015
Expected tax at 34%	\$(494,595)	\$(715,666)
Non-deductible stock-based compensation	204,000	697,000
Non-deductible amortization of debt discounts	33,370	—
Non-deductible expense from derivative liability	189,844	—
Change in valuation allowance	67,381	18,666
Provision for (benefit from) income taxes	\$—	\$—

A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

	Year ended December 31,	
	2016	2015
Beginning balance	\$—	\$—
Additions based on tax positions related to current year	—	—
Additions for tax positions of prior years	—	—
Reductions for tax positions of prior years	—	—
Reductions in benefit due to income tax expense	—	—
Ending balance	\$—	\$—

At December 31, 2016, the Company had no unrecognized tax benefits that, if recognized, would affect the effective tax rate.

The Company did not have any tax positions for which it is reasonably possible that the total amount of unrecognized tax benefits will significantly increase or decrease within the next 12 months.

The Company includes interest and penalties arising from the underpayment of income taxes in the consolidated statements of operations in the provision for income taxes. As of December 31, 2016 and 2015, the Company had no accrued interest or penalties related to uncertain tax positions.

The tax years that remain subject to examination by major taxing jurisdictions are those for the years ended December 31, 2016, 2015, 2014, 2013 and 2012.

NOTE 11. SUBSEQUENT EVENTS

In February and March 2017, the Company issued a total of 33,684,454 shares of common stock to Auctus Fund, LLC in satisfaction of a total of \$11,672 principal (of the \$166,000 note payable) and a total of \$2,938 accrued interest.

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**ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.**

On January 28, 2015, JPX Global, Inc. (hereafter, “we” “us” “our” or the “Company”) dismissed its independent registered accountant, Pritchett, Siler & Hardy, P.C. (hereafter “PSH”). The company engaged PSH as its independent registered accountant on April 1, 2014.

The report of PSH regarding the Company’s financial statements for the fiscal year ended December 31, 2013 contained in its annual report on Form 10-K for the fiscal year ended December 31, 2013, did not contain any adverse opinion or a disclaimer of opinion and was not qualified or modified as to uncertainty, audit scope or accounting principles, except that such report on our financial statements contained an explanatory paragraph in respect to uncertainty as to the Company’s ability to continue as a going concern.

During the period from April 1, 2014 through to January 28, 2015, the date of dismissal, there were no disagreements with PSH on any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedures, which disagreements, if not resolved to the satisfaction of PSH would have caused it to make reference to the subject matter of the disagreements in connection with its report.

On January 28, 2015 we engaged Michael T. Studer CPA P.C. (“Studer”), registered independent public accounting firm, as our independent accountant. Prior to the engagement of Studer, the Company has not consulted with Studer regarding either:

a) the application of accounting principles to a specified transaction, either completed or proposed; or the type of audit opinion that might be rendered on the Company's financial statements, and neither a written report was provided to the Company nor oral advice was provided that Studer concluded was an important factor considered by the Company in reaching a decision as to the accounting, auditing or financial reporting issue; or

b) any matter that was either the subject of a disagreement (as that term is defined in Item 304(a)(1)(iv) of Regulation S-K and the related instructions to Item 304 of Regulation S-K), or a "reportable event" (as that term is defined in Item 304(a)(1)(v) of Regulation S-K).

We have not had any disagreements with any of our existing accountants during the past two fiscal years.

**ITEM 9A. CONTROLS AND PROCEDURES**

(a) We maintain a system of controls and procedures designed to ensure that information required to be disclosed by us in reports that we file or submit under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within time periods specified in the SEC's rules and forms and to ensure that information required to be disclosed by us in the reports that we file or submit under the Securities Exchange Act of 1934, as amended, is accumulated and communicated to our management, including our Chief Executive Officer and Principal Financial Officer, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. As of December 31, 2016, under the supervision and with the participation of our Chief Executive Officer and Principal Financial Officer, management has evaluated the effectiveness of the design and operation of our disclosure controls and procedures. Based on that evaluation, the Chief Executive Officer and Principal Financial Officer concluded that our disclosure controls and procedures were effective.

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As permitted by applicable SEC rules, this report does not include an attestation report of our independent registered public accounting firm regarding internal control over financial reporting. Management's report, which is included below, was not subject to attestation by our registered public accounting firm pursuant to temporary rules of the SEC that permit us to provide only management's report in this annual report.

(b) There were no changes in our internal control over financial reporting during the year ended December 31, 2016 that materially affected, or is reasonably likely to materially affect, our internal controls over financial reporting.

**MANAGEMENT'S REPORT ON INTERNAL CONTROLS OVER FINANCIAL REPORTING**

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rules 13a-15(f) under the Exchange Act.

Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles and includes those policies and procedures that:

Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and disposition of assets;

Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorizations of management and our directors; and

Provide reasonable assurance regarding prevention and timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on our financial statements.

Internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems that are determined to be effective provide only reasonable assurance with respect to financial statement preparation and presentation. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of our internal control over financial reporting based on criteria for effective internal control over financial reporting described in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission as determined to apply to a company our size.

Based on its assessment, management concluded that we maintained effective internal control over financial reporting as of December 31, 2016.

**ITEM 9B. OTHER INFORMATION.**

None.

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**PART III**

**ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE.**

Board of Directors

Our board of directors consists of the following two individuals:

<b>Name and Year First Elected Director(1)</b>	<b>Age</b>	<b>Background Information</b>
James P. Foran (2012)	57	Mr. Foran, age 57, is a director and the Chief Executive Officer for Continental Industrial Services since 1999, a company that specializes in mechanical installation and maintenance of water and waste treatment facilities. Mr. Foran is also the Senior Project Manager for the Detroit Incinerator Rehabilitation since November 2010, renovation of one of the world's largest incineration complex's. Mr. Foran has more than twenty years of experience at managing personnel and projects in the Heavy Civil Engineering Construction field. His involvement has included a diverse background in multiple management areas: establishing budgets, schedules, project management, mechanical process, monitoring and coordination, and extensive personnel management experience. He has experience in the design and construction of industrial facilities and processes for chemical and municipal customers. Mr. Foran has a Juris Doctorate degree from the University of Detroit School of Law, and a Bachelor's degree in English Literature and Communications. Mr. Foran is currently licensed to practice law in Michigan.

(1) The business address of our sole director is 9864 E Grand River, Ste 110-301, Brighton, MI 48116.

**Director Independence**

We do not consider our sole member of the board of directors an "independent director" in accordance with the published listing requirements of the NYSE Euronext Stock Exchange. The independence definition of the NYSE includes a series of objective tests, such as that the director is not, and has not been for at least three years, one of our employees and that neither the director, nor any of his family members has engaged in various types of business

dealings with us. In addition, we are required to consider “all relevant facts and circumstances” in making our determination as to the independence of our directors.

### **Compensation of Directors**

Although we anticipate compensating the members of our board of directors in the future at industry levels, our current director is not paid cash compensation for his service as director. The director may be reimbursed for certain expenses incurred in attending board of directors and committee meetings.

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**Board of Directors Meetings and Committees**

Although various items were reviewed and approved by the Board of Directors via unanimous written consent during 2016 and 2015, the Board held no in-person meetings during the fiscal years ended December 31, 2016 and 2015.

We do not have Audit or Compensation Committees of our board of directors. Because of the lack of financial resources available to us, we also do not have an “audit committee financial expert” as such term is described in Item 401 of Regulation S-K promulgated by the SEC.

**Changes in Procedures by which Security Holders May Recommend Nominees to the Board**

Any security holder who wishes to recommend a prospective director nominee should do so in writing by sending a letter to the Board of Directors. The letter should be signed, dated and include the name and address of the security holder making the recommendation, information to enable the Board to verify that the security holder was the holder of record or beneficial owner of the company’s securities as of the date of the letter, and the name, address and resumé of the potential nominee. Specific minimum qualifications for directors and director nominees which the Board believes must be met in order to be so considered include, but are not limited to, management experience, exemplary personal integrity and reputation, sound judgment, and sufficient time to devote to the discharge of his or her duties. There have been no changes to the procedures by which a security holder may recommend a nominee to the Board during our most recently ended fiscal year.

Executive Officers

James P. Foran is our sole executive officer, serving as our Chief Executive Officer and Secretary, as well as our principal accounting and financial officer. Further information pertaining Mr. Foran’s business background and experience is contained in the section above marked *DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE*.

**Section 16(a) Beneficial Ownership Reporting Compliance**

We are required to identify each person who was an officer, director or beneficial owner of more than 10% of our registered equity securities during our most recent fiscal year and who failed to file on a timely basis reports required

by Section 16(a) of the Securities Exchange Act of 1934.

For the 2016 fiscal year we are unaware of any officer, director or beneficial owner of more than 10% of our registered equity securities who failed to file reports on a timely basis in accordance with Section 16(a) of the Securities Exchange Act of 1934.

### **Code of Ethics**

The Company expects that its Officers and Directors will maintain appropriate standards of honesty and ethical conduct in connection with the performance of their duties on behalf of the Company. In recognition of this expectation, the Company has adopted a Code of Ethics. The purpose of this Code of Ethics is to codify standards the Company believes are reasonably necessary to deter wrongdoing and to promote honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships and full, fair, accurate, timely and understandable disclosure in reports and documents that the Company files with, or submits to, the Securities and Exchange Commission (the "SEC"), or other regulatory bodies and in other public communications made by the Company.

Table of Contents**ITEM 11. EXECUTIVE COMPENSATION**

The following table summarizes the total compensation for the years ended December 31, 2016 and 2015 of each person who served as our principal executive officer or principal financial and accounting officer collectively, (the “Named Executive Officers”) including any other executive officer who received more than \$100,000 in annual compensation from the Company. We did not award cash bonuses, stock awards, stock options or non-equity incentive plan compensation to any Named Executive Officer during the years ended December 31, 2016 and 2015, thus these items are omitted from the table below:

## Summary Compensation Table

<b>Name and Principal Position</b>	<b>Year<sup>(1)</sup></b>	<b>Salary</b>	<b>Stock Awards</b>	<b>All Other Compensation</b>	<b>Total</b>
James P. Foran	2016	\$—	\$—	\$—	\$—
Chief Executive Officer	2015	\$—	\$—	\$—	\$—
Secretary and Chief Financial Officer					

There is no other arrangement or understanding between our directors and officers and any other person pursuant to which any director or officer was or is to be selected as such.

**Outstanding Equity Awards at Fiscal Year-End**

Our Named Executive Officer did not have any unexercised options or stock awards that have not vested outstanding at the end of our last fiscal year. Other than as noted above, we did not grant any equity awards to our Named Executive Officers or directors during 2016 or 2015.

Table of Contents**ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS.**

The following table sets forth the beneficial ownership of each of our directors and executive officers, and each person known to us to beneficially own 5% or more of the outstanding shares of our common stock, and our executive officers and directors as a group, as of March 31, 2017. Beneficial ownership is determined in accordance with the rules of the SEC and includes voting or investment power with respect to the securities. Unless otherwise indicated, we believe that each beneficial owner set forth in the table has sole voting and investment power and has the same address as us. Our address is 9864 E Grand River, Ste 110-301, Brighton, Michigan 48116. As of March 31, 2017, we had 205,473,596 shares of common stock issued and outstanding. Each of our shares of common stock holds one vote. The following table describes the ownership of our voting securities (i) by each of our officers and directors, (ii) all of our officers and directors as a group, and (iii) each person known to us to own beneficially more than 5% of our common stock or any shares of our preferred stock.

Name <sup>(1)</sup>	Amount and Nature of Beneficial Ownership				Percent of Class Outstanding <sup>(3)</sup>
	Sole Voting and Investment Power	Options Exercisable Within 60 Days	Other Beneficial Ownership	Total <sup>(2)</sup>	
James P. Foran <sup>(4)</sup>	—	—	—	—	*
Joseph Caywood <sup>(5)</sup>	37,625,000	50,000,000 <sup>(5)</sup>	—	87,625,000	34.3 %
Mitchell Dean Hovendick <sup>(6)</sup>	37,625,000	50,000,000 <sup>(6)</sup>	—	87,625,000	34.3 %
All current directors and executive officers as a group (1 person)	—	—	—	—	*

\* Indicates less than one percent.

(1) The address of each officer, director, and beneficial owner is c/o JPX Global, Inc., 9864 E Grand River, Ste 110-301, Brighton, Michigan 48116.

(2) The number of shares of common stock beneficially owned by any shareholder is determined by the sum of (i) all shares of common stock held directly or indirectly by such shareholder, and (ii) shares of common stock subject to options, warrants and/or conversion rights deemed beneficially owned by the shareholder that are currently exercisable or exercisable within 60 days.

(3) The calculation of percentage of beneficial ownership is based upon: (i) 205,473,596 shares of common stock outstanding as of March 31, 2017, and (ii) shares of common stock subject to options, warrants and/or conversion rights deemed beneficially held by the shareholder that are currently exercisable or exercisable within 60 days. The percentage ownership of any shareholder is determined by assuming that the shareholder has exercised all options, warrants, and conversion rights to obtain additional securities, and that no other shareholder has exercised such rights. Except as otherwise indicated below, the persons and entity named in the table have sole voting and investment power with respect to all shares of common stock and voting rights shown as beneficially owned by them, subject to applicable community property laws.

(4) Chief Executive Officer, Chief Financial Officer and Director of the Company.

(5) Includes 5,000,000 shares of Series B Preferred Stock which are convertible into a total of 50,000,000 shares of common stock. Excludes 500 shares of Series A Preferred Stock held by Mr. Caywood which have super-voting rights of 100,000 votes per share but no conversion, dividend, and liquidation rights. If the votes of the Series A Preferred Stock were taken into account, Mr. Caywood would beneficially hold 33.9% of the voting securities of the Company.

(6) Includes 5,000,000 shares of Series B Preferred Stock which are convertible into a total of 50,000,000 shares of common stock. Excludes 500 shares of Series A Preferred Stock held by Mr. Hovendick which have super-voting rights of 100,000 votes per share but no conversion, dividend, and liquidation rights. If the votes of the Series A Preferred Stock were taken into account, Mr. Hovendick would beneficially hold 33.9% of the voting securities of the Company.

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DESCRIPTION OF CAPITAL STOCK

The following description of our capital stock is based on relevant portions of our Articles of Incorporation (also sometimes referred to as our “charter”) and Bylaws. This summary may not contain all of the information that is important to you, and we refer you to our Articles of Incorporation and Bylaws for a more detailed description of the provisions summarized below.

JPX Global was organized as a corporation under the laws of the State of Nevada on December 18, 2008. Our authorized capital stock consists of 500,000,000 shares of common stock, par value \$0.001 per share and 40,000,000 shares of preferred stock, par value \$0.001 per share. As of December 31, 2016, there were approximately 355 record holders of our common stock. There are no outstanding other options or warrants to purchase our stock.

Our charter provides that our board of directors may not amend our Articles of Incorporation without approval of our shareholders, including holders of our preferred shares. A decrease or increase in the number of shares of capital stock which we may issue would require an amendment of our charter.

At December 31, 2016, we had 171,789,142 shares of common stock issued and outstanding, 1,000 shares of Series A preferred stock issued and outstanding, and 10,000,000 shares of Series B preferred stock issued and outstanding.

**Common Stock**

Our charter authorizes us to issue up to 500,000,000 shares of common stock. All shares of our common stock have equal rights as to earnings, assets, dividends and voting privileges. If and when we issue shares of common stock to stockholders, such shares will be duly authorized, validly issued, fully paid and nonassessable. Distributions may be paid to the holders of our common stock if, as and when authorized by our board of directors and declared by us out of assets legally available therefore. Shares of our common stock have no preemptive, conversion or redemption rights and are freely transferable, except where their transfer is restricted by federal and state securities laws or by contract. In the event of our liquidation, dissolution or winding up, each share of our common stock would be entitled to share ratably in all of our assets that are legally available for distribution after we pay all debts and other liabilities and subject to any preferential rights of holders of our preferred stock, if any preferred stock is outstanding at such time. Each share of our common stock is entitled to one vote on all matters submitted to a vote of stockholders, including the election of directors.

**Preferred Stock**



Our charter authorizes us to issue up to 40,000,000 shares of preferred stock. We have designated 1,000 of the Company's authorized 40,000,000 shares of preferred stock as Series A Preferred Stock, par value \$0.001 per share, and 10,000,000 of the Company's authorized 40,000,000 shares of preferred stock as Series B Preferred Stock, par value \$0.001 per share.

**Series A Preferred Stock.** The Series A Preferred Stock carries no dividend, distribution, liquidation or conversion rights, each share of series A preferred stock carries one hundred thousand (100,000) votes, and holders of our preferred stock are able to vote together with our common stockholders on all matters upon which common stockholders may vote. Consequently, the holders of our preferred stock are able to unilaterally control the election of our board of directors and, ultimately, the direction of our Company. On December 31, 2016, 1,000 shares of our Series A Preferred Stock were issued and outstanding.

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**Series B Preferred Stock.** The Series B Preferred Stock is convertible into 10 shares of common stock and is entitled to vote ratably together with holders of the Company's common stock on all matters upon which common stockholders may vote. On December 31, 2016, 10,000,000 shares of our Series B Preferred Stock were issued and outstanding.

## Limitation of Liability of Directors and Officers; Indemnification and Advance of Expenses

Pursuant to our charter and under the Nevada Revised Statutes (hereafter, the "NRS"), our directors are not liable to us or our stockholders for monetary damages for breach of fiduciary duty, except for liability in connection with a breach of duty of loyalty, for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, for authorization of illegal dividend payments or stock redemptions under Nevada law or any transaction from which a director has derived an improper personal benefit. Our charter provides that we are authorized to provide indemnification of (and advancement of expenses) to our directors, officers, employees and agents (and any other persons to which applicable law permits us to provide indemnification) through Bylaw provisions, agreements with such persons, vote of stockholders or disinterested directors, or otherwise, to the fullest extent permitted by applicable law.

We may enter into indemnification agreements with certain of our current directors and officers. The indemnification agreement indemnifies the indemnitee to the fullest extent permitted by law, including against third-party claims and claims by or in right of the Company or any subsidiary or majority-owned partnership of the Company by reason of that person (including the advancement of expenses subject to certain conditions) (a) being a director, officer employee or agent of the Company, or of any subsidiary or majority-owned partnership of the Company or (b) serving at our request as a director, officer, employee or agent of another entity. If appropriate, we are entitled to assume the defense of the claim with counsel selected by us and approved by the indemnitee (which approval may not be unreasonably withheld). Separate counsel employed by the indemnitee will be at his or her own expense unless (1) the employment of separate counsel has been previously authorized by us, (2) the indemnitee reasonably concludes there may be a conflict of interest or (3) we have not, in fact, employed counsel to assume the defense of such claim.

## **Disclosure of Commission Position on Indemnification for Securities Act Liabilities**

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to our directors, officers and controlling persons pursuant to the provisions above, or otherwise, we have been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act, and is, therefore, unenforceable.

In the event that a claim for indemnification against such liabilities, other than the payment by us of expenses incurred or paid by one of our directors, officers, or controlling persons in the successful defense of any action, suit or proceeding, is asserted by one of our directors, officers, or controlling persons in connection with the securities being registered, we will, unless in the opinion of our counsel the matter has been settled by controlling precedent, submit to

a court of appropriate jurisdiction the question whether such indemnification is against public policy as expressed in the Securities Act, and we will be governed by the final adjudication of such issue

#### Provisions of the NRS and Our Charter and Bylaws

Our charter and bylaws provide that our board of directors will have the exclusive power to make, alter, amend or repeal any provision of our bylaws.

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**Change of Control**

On February 5, 2014, the Company entered into an agreement to acquire all of the assets of Scorpex, Inc., a Nevada corporation, in exchange for 105,000,000 shares of common stock and 10,000,000 shares of Series B Preferred Stock of the Company. Joseph Caywood was the controlling shareholder of both Scorpex, Inc. and the Company on February 5, 2014.

**ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS.**

On February 5, 2014, the Company entered into an agreement to acquire all of the assets of Scorpex, Inc., a Nevada corporation, in exchange for 105,000,000 shares of common stock and 10,000,000 shares of Series B Preferred Stock of the Company. Joseph Caywood was the controlling shareholder of both Scorpex, Inc. and the Company on February 5, 2014.

On January 6, 2014, the Company issued 1,000 shares of Series A Preferred Stock as security for outstanding debts of the Company to Joseph Caywood. Although the preferred stock carries no dividend, distribution, liquidation or conversion rights, each share of series A preferred stock carries one hundred thousand (100,000) votes, and holders of our Series A preferred stock are able to vote together with our common stockholders on all matters upon which common stockholders may vote. Consequently, Mr. Caywood became able to unilaterally control the election of our board of directors and, ultimately, the direction of our Company.

At December 31, 2016 and 2015, the Company was indebted to Joseph Caywood for advances to and for the Company in the amounts of \$14,594 and \$243,864, respectively. The liability is non-interest bearing and there are no terms of repayment.

At December 31, 2016 and 2015, the Company was indebted to Joseph Caywood under a Promissory Note assigned to Mr. Caywood by the Company's former chief executive officer Robert Denman in the amount of \$1,500. The Promissory Note is non-interest bearing, was due and payable on December 31, 2010, and is convertible into shares of common stock at \$.001 per share.

**ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES.**

The following table sets forth fees billed by our independent registered public accounting firm, Michael T. Studer, CPA P.C. during 2016 and 2015:

	2016	2015
Audit Fees	\$22,500	\$30,250
Audit Related Fees	-0-	-0-
Tax Fees	-0-	-0-
All Other Fees	-0-	-0-
Total Fees	\$22,500	\$30,250

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It is the policy of the Board of Directors, which presently completes the functions of the Audit Committee, to engage the independent accountants selected to conduct our financial audit and to confirm, prior to such engagement, that such independent accountants are independent of the company. All services of the independent registered accounting firms reflected above were pre-approved by the Board of Directors.

**PART IV**

**ITEM 15. EXHIBITS.**

The following exhibits are filed with or incorporated by referenced in this report:

<u>Exhibit Number</u>	<u>Description</u>
3.1	Amended and Restated Articles of Incorporation (incorporated by reference to Exhibit 3.1 to Registrant's Current Report on Form 8-K filed on January 9, 2013).
3.2	Amended and Restated Bylaws (incorporated by reference to Exhibit 3.2 to Registrant's Current Report on Form 8-K filed on January 9, 2013).
10.1	Asset Purchase Agreement between the Registrant and Scorpex, Inc., dated February 5, 2014 (including exhibits).
14.1	Code of Ethics for the Registrant.
21.1	Subsidiaries of the Registrant.
31.1	<u>Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 for James Foran.</u>
32	<u>Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 for James Foran.</u>

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**SIGNATURES**

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

JPX GLOBAL, INC.

/s/ James P. Foran

Dated:

April 17, 2017  
By: James P. Foran, Chief Executive Officer, and Principal Financial Officer

In accordance with the Exchange Act, this Report has been signed below by the following persons on behalf of the Company and in the capacities and on the dates indicated.

/s/ James P. Foran Chief Executive Officer April 17, 2017  
James P. Foran