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

FORM 10-Q

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

For the quarterly period ended September 30, 2017

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

For the transition period from _____________ to _____________

Commission file number 1-12471

THEMAVEN, INC.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	**68-0232575** (I.R.S. Employer Identification No.)
2125 Western Avenue, Suite 502 **Seattle, WA** (Address of principal executive offices)	**98121** (Zip Code)

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

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

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

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

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

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

Large accelerated filer ☐	Accelerated filer ☐
Non-accelerated filer ☐ (Do not check if a smaller reporting company)	Smaller reporting company þ

Emerging growth company ☐

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

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

As of November 13, 2017, the Registrant had 28,516,009 shares of common stock outstanding.

Form 10-Q
For the quarter ended September 30, 2017

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Cautionary Statement Regarding Forward-Looking Information

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

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

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

Part I - Financial Information

Item 1. Consolidated Financial Statements

theMaven, Inc. and Subsidiary
Consolidated Balance Sheets

	September 30, 2017 (Unaudited)	December 31, 2016
Assets		
Current assets:		
Cash	$ 1,699,061	$ 598,294
Accounts receivable	3,482	-
Deferred contract costs	15,986	-
Prepayments and other current assets	102,265	121,587
Total current assets	1,820,794	719,881
Fixed assets, net	2,515,930	547,804
Intangible assets	20,000	20,000
Total assets	$ 4,356,724	$ 1,287,685
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 51,568	$ 154,361
Accrued expenses	442,061	54,789
Deferred revenue	31,634	-
Conversion feature liability	130,238	137,177
Total current liabilities	655,501	346,327
Commitments and contingencies		
Redeemable convertible preferred stock, $0.01 par value, 1,000,000 shares authorized; 168 shares issued and outstanding ($168,496 aggregate liquidation value)	168,496	168,496
Stockholders' equity:		
Common stock, $0.01 par value, 100,000,000 shares authorized; 26,005,140 and 22,047,531 shares issued and outstanding at September 30, 2017 and December 31, 2016, respectively	260,051	220,475
Common stock to be issued in private placement	1,566,000	9,375
Additional paid-in capital	8,265,925	2,730,770
Accumulated deficit	(6,559,249)	(2,187,758)
Total stockholders' equity	3,532,727	772,862
Total liabilities and stockholders' equity	$ 4,356,724	$ 1,287,685

See accompanying notes to consolidated financial statements.

theMaven, Inc. and Subsidiary
Consolidated Statements of Operations

	Three Months Ended		Nine Months Ended	
	September 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenue	$ 6,064	$ -	$ 6,064	$ -
Expenses:				
Service Costs	449,567	-	641,606	-
Research and development	30,776	374,944	104,095	374,944
General and administrative	1,300,767	1,110,461	3,639,204	1,110,461
Loss from operations	(1,775,046)	(1,485,405)	(4,378,841)	(1,485,405)
Other income (expense):				
Interest and dividend income, net	61	-	411	-
Interest expense	-	(4,044)	-	(4,044)
Change in fair value of conversion feature	(3,311)	-	6,939	-
Total other income (expense)	(3,250)	(4,044)	7,350	(4,044)
Net loss	$ (1,778,296)	$ (1,489,449)	(4,371,491)	(1,489,449)
Basic and diluted net loss per common share	$ (0.11)	$ (0.35)	$ (0.33)	$ (0.35)
Weighted average number of shares outstanding – basic and diluted	16,367,424	4,243,607	13,091,231	4,243,607

See accompanying notes to consolidated financial statements.

theMaven, Inc. and Subsidiary
Consolidated Statement of Stockholders’ Equity (Unaudited)
Nine Months Ended September 30, 2017

	Common Stock		To Be Issued		Paid-in	Accumulated	Stockholders'
	Shares	Amount	Shares	Amount	Capital	Deficit	Equity
Balance at January 1, 2017	22,047,531	$ 220,475	8,929	$ 9,375	$ 2,730,770	$ (2,187,758)	$ 772,862
Common stock to be issued in private placement, net of issuance costs	-	-	1,521,739	$ 1,566,000	-	-	$ 1,566,000
Common stock to be issued	8,929	89	(8,929)	(9,375)	9,286	-	-
Issuance of common stock, net of offering costs	3,765,000	37,650	-	-	3,281,014	-	3,318,664
Shares issued for investment banking fees	162,000	1,620	-	-	199,260	-	200,880
Exercise of stock options	21.680	217			(217)		-
Stock-based compensation	-	-	-	-	2,045,812	-	2,045,812
Net loss	-	-	-	-		(4,371,491)	(4,371,491)
Balance at September 30, 2017	26,005,140	$ 260,051	1,521,739	$ 1,566,000	$ 8,265,925	$ (6,559,249)	$ 3,532,727

See accompanying notes to consolidated financial statements.

theMaven, Inc. and Subsidiary
Consolidated Statement of Cash Flows

	Nine Months Ended	
	September 30, 2017 (Unaudited)	September 30, 2016 (Unaudited)
Cash flows from operating activities:		
Net loss	$ (4,371,491)	$ (1,489,449)
Adjustments to reconcile net loss to net cash used in operating activities:		
Change in fair value of conversion feature	(6,939)	-
Stock based compensation	1,357,510	935,058
Depreciation and amortization	233,990	-
Changes in operating assets and liabilities:		
Prepayments and other current assets	19,322	(5,222)
Accounts receivable	(3,482)	-
Deferred costs	(15,986)	-
Accounts payable	(102,793)	30,600
Deferred revenue	31,634	-
Accrued expenses	203,271	36,992
Net cash used in operating activities	(2,654,964)	(492,021)
Cash flows from investing activities:		
Website development costs and fixed assets	(1,513,813)	-
Net cash used in investing activities	(1,513,813)	-
Cash flows from financing activities:		
Proceeds from common stock to be issued in private placement	1,750,000	-
Proceeds from notes payable	-	638,351
Net proceeds from issuance of common stock	3,519,544	2,952
Net cash provided by financing activities	5,269,544	641,303
Net increase in cash	1,100,767	149,282
Cash at beginning of period	598,294	-
Cash at end of period	$ 1,699,061	$ 149,282
Supplemental disclosures of noncash investing and financing activities:		
Reclassification of stock-based compensation to website development costs	688,302	-
Accrual of stock issuance costs	184,000	-
Shares issued for investment banking fees	200,880	-

See accompanying notes to consolidated financial statements

theMaven, Inc. and Subsidiary
Notes to Consolidated Financial Statements
September 30, 2017
(Unaudited)

1. Nature of Operations

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

During the second quarter of 2017 the Company’s platform and media channel operations were launched in beta stage and by the end of the third quarter there were a total of 23 channel partners operating on theMaven Network. Internet users since the launch of our channels are able to utilize the platform on desktop, laptop and mobile devices for these channels. We expect that during the fourth quarter additional channels will be launched. As of November 13, 2017, we have over sixty signed channel partners and 28 channel partners operating on theMaven Network. We do not expect to have significant revenue during the fourth quarter as we continue development of our technology and the commencement of business operations establishing a media audience.

2. Basis of Presentation

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

theMaven, Inc. was formerly known as Integrated Surgical Systems, Inc., a Delaware corporation (“*Integrated*”). From June 2007 until November 4, 2016, Integrated was a non-active “shell company” as defined by regulations of the Securities and Exchange Commission (SEC). On August 11, 2016, Integrated entered into a loan to Subsidiary that provided initial funding totaling $735,099 for the Subsidiary’s operations. Integrated’s Board of Directors structured the loan to the Subsidiary as fully secured so that Integrated would receive cash at maturity of the loan if negotiations for a combination did not result in the consummated Recapitalization transaction. If the loan was not repaid then the remedies in the event of default were to pursue (a) the personal guarantee and/or (b) the mortgaged real estate collateral. The loan was not secured by the intellectual property of the Subsidiary, but there was a covenant that the Subsidiary would not, without prior written consent, sell or assign the business or intellectual property. This negative covenant did not give Integrated control or rights other than as a creditor. The loan did not provide Integrated with an equity interest or other ownership or control rights in the Subsidiary. The loan did not have any rights to conversion into equity in the Subsidiary. The note, and the associated payable, was cancelled as part of the Recapitalization and the proceeds from the borrowing from Integrated was considered as cash received due to the Recapitalization in addition to the net assets acquired.

On October 14, 2016, Integrated entered into a Share Exchange Agreement (the “*Share Exchange Agreement*”) with Subsidiary and the shareholders of Subsidiary holding all of the issued and outstanding shares of Subsidiary (collectively, “*Subsidiary Shareholders*”). The Share Exchange Agreement was amended on November 4, 2016, to include certain newly issued shares of Subsidiary in the transaction and make related changes to the agreement and the Share Exchange was consummated. The transaction resulted in Parent acquiring Subsidiary by the exchange of all of the outstanding shares of Subsidiary for 12,517,152 newly issued shares of the common stock, $0.01 par value (the “*Common Stock*”) of Parent, representing approximately 56.7% of the issued and outstanding shares of Common Stock of Parent immediately after the transaction.

In determining the accounting treatment for the Share Exchange Agreement, the primary factor was determining which party, directly or indirectly, holds greater than 50 percent of the voting shares has control and is considered to be the acquirer. Because the former shareholders of the Subsidiary received 56.7 percent voting control of the issued and outstanding shares of the Company after the transaction, the transaction was considered to be a reverse recapitalization for accounting purposes. Other factors that indicated that the former stockholders of the Subsidiary had control of the Company after the transaction included, (1) fully diluted equity interests, (2) composition of senior management, (3) former officers of the Parent ceded day-to-day responsibilities to officers of the Subsidiary, and (4) composition of Board of Directors. On a fully diluted basis, the former shareholders of the Subsidiary received 53.5 percent of the equity interests in the Company. All the members of senior management of the Company, other than the part-time Chief Financial Officer, were former shareholders of the Subsidiary. The former officers of the non-active shell ceded day-to-day management to officers of the Subsidiary. The Board of Directors, immediately after the Recapitalization included three members from the Parent and two members from the Subsidiary. Because the former shareholders of the Subsidiary could vote to make changes in the Board composition, the conclusion was that control of the Board, in substance, was vested in the former shareholders of the Subsidiary.

The transaction is referred to as the "Recapitalization." The Recapitalization was consummated on November 4, 2016, as a result of which theMaven Network, Inc. became a wholly owned subsidiary of Integrated (the "*Closing*"). The note payable between Integrated and Subsidiary was an interdependent transaction with the Recapitalization and was cancelled upon closing of the Recapitalization. On December 2, 2016, Integrated amended its Certificate of Incorporation to change its name from "Integrated Surgical Systems, Inc." to "theMaven, Inc."

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

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

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

Comparative Period from Inception on July 22, 2016 to September 30, 2016

theMaven Network, Inc. was incorporated on July 22, 2016 and initially issued shares of its common stock on August 1, 2016 in exchange for cash at par value. Through September 30, 2016, the previously reported financial statements of Integrated did not include the operations of theMaven Network, Inc. However, unaudited financial statements of theMaven Network, Inc. for the three months ended September 30, 2016 were previously issued. As a result of the accounting for the Recapitalization as of the November 4, 2016 effective date of the transaction, the financial statements of theMaven Network, Inc. became the financial statements of Integrated for all periods previously presented. Subsequently, in conjunction with the preparation of audited consolidated financial statements of the Company for the year ended December 31, 2016, the Company recorded certain stock-based compensation adjustments to reflect the accounting for the fair value of the shares of common stock issued by theMaven Network, Inc. in August 2016 that were subject to vesting and redemption provisions (see Note 9). As a result, the accompanying consolidated unaudited statements of operations for the three months ended September 30, 2016 include stock-based compensation costs of $935,058, of which $67,842 was allocated to research and development expense and $867,216 was allocated to general and administrative expense. These stock-based compensation adjustments did not have any effect on cash flows from operating activities for the three months ended September 30, 2016 or on total stockholders' equity as of September 30, 2016.

3. Going Concern

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

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

As fully described in Note 9 Stockholders' Equity, in April 2017, the Company completed a private placement of its common stock, raising proceeds of $3.5 million net of cash offering costs. As described in Note 13 Subsequent Events the Company completed a second private placement raising gross proceeds of $2.75 million in October 2017, of which $1.75 million had been received as of September 30, 2017. The Company believes that it does not have sufficient funds to support its operations through the end of the first quarter of 2018. In order to continue business operations past that point, the Company currently anticipates that it will need to raise additional debt and/or equity capital in the first quarter of 2018.

There can be no assurances that the Company will be able to secure any such additional financing on acceptable terms and conditions, or at all. If cash resources become insufficient to satisfy the Company's ongoing cash requirements, the Company will be required to scale back or discontinue its technology development programs, or obtain funds, if available (although there can be no certainty), or to discontinue its operations entirely.

4. Significant Accounting Policies and Estimates

Principles of Consolidation

The accompanying consolidated financial statements include the financial position, results of operations and cash flows for the three and nine months ended September 30, 2017 and the three months ended September 30, 2016. All intercompany transactions and balances have been eliminated in consolidation.

Use of Estimates

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

Digital Media Content

The Company intends to operate a network of online media channels and will provide digital media (text, audio and video) over the Internet that users may access on demand. As a broadcaster that transmits third party content owned by our channel partners via digital media, the Company applies ASC 920, "Entertainment – Broadcasters". The channel partners generally receive variable amounts of consideration that are dependent upon the calculation of revenue earned by the channel in a given month, referred to as a "revenue share", that are payable in arrears. In certain circumstances, there is a monthly fixed fee minimum or a fixed yield ("revenue per 1000 impressions") based on the volume of advertising impressions served. We disclose fixed dollar commitments for channel content licenses in Note 12 Commitments and Contingencies. Channel partner agreements that include fixed yield based on the volume of impressions served are not included in Note 12 because they cannot be quantified, but are expected to be significant. The expense related to channel partner agreements are reported in "Service Costs" in the Statement of Operations. The cash payments related to channel partner agreements are classified within "Net cash used in operating activities" on the Statement of Cash Flows. Also under ASC 920, if channel partner agreements are structured such that the fee paid precedes the right to use the content because the broadcasts will occur in future periods, the Company will record a Content Asset and a related Content Obligation when all of the following conditions are met, (1) the cost of the content is known or reasonably determinable, (2) the content has been accepted and (3) the content is available for broadcasting under the terms of the channel partner agreement. Capitalized content cost will be amortized on a systematic basis over the agreement term on a straight-line method or an accelerated method depending on the economic and agreement terms. Capitalized content costs will be evaluated for impairment at least annually or whenever circumstances indicate that Content Assets may be impaired.

Revenue Recognition

During the third quarter of 2017, the Company adopted ASC 606, "Revenue from Contracts with Customers" as the accounting standard for revenue recognition. Since the Company had not previously generated revenue from customers the Company did not have to transition its accounting method from ASC 605, "Revenue Recognition".

Revenues are recognized when control of the promised goods or services are transferred to our customers, in an amount that reflects the consideration that the Company expects to receive in exchange for those goods or services. The Company generates all of its revenue from contracts with customers. The following is a description of the principal activities from which the Company generates revenue:

Advertising

The Company enters into contracts with advertising networks to serve display or video advertisements on the digital media pages associated with our various channels. In accordance with ASC 606 the Company recognizes revenue from advertisements at the point in time when each ad is viewed as reported by our advertising network partners. The quantity of advertisements, the impression bid prices and revenue are reported on a real-time basis. Although reported advertising transactions are subject to adjustment by the advertising network partners, any such adjustments are known within a few days of month end. The Company owes our independent publisher channel partners a revenue share of the advertising revenue earned and this is recorded as service costs in the same period in which the associated advertising revenue is recognized.

Membership

The Company enters into contracts with Internet users that subscribe to premium content on the digital media channels. These contracts provide Internet users with a subscription to access the premium content for a given period of time, which is generally one year. In accordance with ASC 606 the Company recognizes revenue from each membership subscription over time based on a daily calculation of revenue during the reporting period. Subscribers make payment for a subscription by credit card and the amount of the subscription collected in cash is initially recorded as deferred revenue on the balance sheet. As the Company provides access to the premium content over the subscription term the Company recognizes revenue and proportionately reduces the deferred revenue balance. The Company owes our independent publisher channel partners a revenue share of the membership revenue earned and this is initially deferred as deferred contract costs. The Company recognizes deferred contract costs over the subscription term in the same pattern that the associated membership revenue is recognized.

Disaggregation of Revenue

The following table provides information about disaggregated revenue by product line, geographical market and timing of revenue recognition:

	Three months ended September 30, 2017			**Nine months ended September 30, 2017**		
	Advertising	**Membership**	**Total**	**Advertising**	**Membership**	**Total**
By Product Lines:	$2,146	$3,918	$6,064	$2,146	$3,918	$6,064
	United States	**Other**	**Total**	**United States**	**Other**	**Total**
By Geographical Markets:	$6,064	$-	$6,064	$6,064	$-	$6,064
	At a Point in Time	**Over Time**	**Total**	**At a Point in Time**	**Over Time**	**Total**
By Timing of Revenue Recognition:	$2,146	$3,918	$6,064	$2,146	$3,918	$6,064

Contract Balances

The following table provides information about contract balances as of September 30, 2017:

	Advertising	**Membership**	**Total**
Accounts receivables	$2,074	$1,408	$3,482
Short-term contract assets (deferred contract costs)	-	$15,986	$15,986
Short-term contract liabilities (deferred revenue)	-	$31,634	$31,634

The Company receives payments from advertising customers based upon contractual payment terms; accounts receivable are recorded when the right to consideration becomes unconditional and generally collected within 90 days. The Company generally receives payments from membership customers at the time of sign up for each subscription; accounts receivable from merchant credit card processors are recorded when the right to consideration becomes unconditional and generally collected weekly. Contract assets include contract fulfillment costs related to revenue shares owed to channel partners, which are amortized along with the associated revenue. Contract liabilities include payments received in advance of performance under the contract and are recognized as revenue over time. The Company had no asset impairment charges related to contract assets in the period.

Contract acquisition costs and practical expedients

For contracts that have a duration of less than one year, the Company follows ASC 606 practical expedients and expenses these costs when incurred; for contracts with life exceeding one year, which did not apply during the current period, the Company records these costs in proportion to completion of each completed performance obligation. The Company generally expenses sales commissions when incurred because the amortization period would have been less than one year. The Company records these costs within general and administrative expenses.

Fixed Assets

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

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

Intangible Assets

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

Impairment of Long-Lived Assets

The long-lived assets, consisting of fixed assets and intangible assets, held and used by the Company are reviewed for impairment no less frequently than annually or whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. In the event that facts and circumstances indicate that the cost of any long-lived assets may be impaired, an evaluation of recoverability is performed. Management has determined that there was no impairment in the value of long-lived assets during the period ended September 30, 2017.

Website Development Costs

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

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

Research and Development

Research and development costs are charged to operations in the period incurred and amounted to $30,776 and $104,095 for the three and nine months ended September 30, 2017. Research and development costs are amounted to $374,944 for the three months ended September 30, 2016.

Fair Value Measurements

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

- Level 1 - Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.

- Level 2 - Include other inputs that are directly or indirectly observable in the marketplace.

- Level 3 - Unobservable inputs which are supported by little or no market activity.

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

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

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

Concentrations of Credit Risk

Cash

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

Stock-based Compensation

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

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

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

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

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

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

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

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

Income Taxes

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

The Company recognizes interest accrued relative to unrecognized tax benefits in interest expense and penalties in operating expense. During the three and nine months ended September 30, 2017 and the three months ended September 30, 2016, the Company recognized no income tax related interest and penalties. The Company had no accruals for income tax related interest and penalties at September 30, 2017.

Basic and Diluted Loss per Common Share

Basic income or loss per share is computed using the weighted average number of common shares outstanding during the period, and excludes any dilutive effects of common stock equivalent shares, such as options, restricted stock, and warrants. Restricted stock is considered outstanding and included in the computation of basic income or loss per share when underlying restrictions expire and the shares are no longer forfeitable. Diluted income per share is computed using the weighted average number of common shares outstanding and common stock equivalent shares outstanding during the period using the treasury stock method. Common stock equivalent shares are excluded from the computation if their effect is anti-dilutive. Unvested but outstanding restricted stock (which are forfeitable) are included in the diluted income per share calculation. In a period where there is a net loss, the diluted loss per share is computed using the basic share count. At September 30, 2017, potentially dilutive shares outstanding amounted to 14,737,558, of which 13,417,951 are not currently registered and/or subject to future vesting conditions. Included in these totals are 6,663,244 common stock equivalents that must be exercised which would result in aggregate proceeds from the sale of stock to the Company of $6,735,000.

Risks and Uncertainties

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

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

Recently Adopted Standards

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

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

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

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

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

The Company has adopted ASC 606 in the current quarter ended September 30, 2017 and began recognition of revenue from contracts with customers as a result of the launch of its network operations. Since the Company had not previously generated revenue from customers the Company did not have to transition its accounting method from ASC 605, “Revenue Recognition”.

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

Recent Issued Accounting Pronouncements

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

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

In May 2017, the FASB issued ASU 2017-09, Compensation – Stock Compensation (Topic 718): Scope of Modification Accounting. This ASU provides clarity and reduces both (1) diversity in practice and (2) cost and complexity when applying the guidance in Topic 718 to a change in terms or conditions of a share-based payment award. The amendments in this ASU are effective for public entities for fiscal years and interim periods beginning after December 15, 2017, with early adoption permitted. The ASU should be applied prospectively on and after the effective date. The Company is evaluating the impact of this ASU.

5. Fixed Assets

At September 30, 2017 and December 31, 2016, fixed assets, net consisted of the following:

	September 30, 2017	December 31, 2016
Office equipment and computers	$ 29,871	$ 8,048
Furniture and Equipment	21,220	-
Website development costs	2,699,219	540,146
	2,750,310	548,194
Accumulated depreciation and amortization	(234,380)	(390)
Fixed assets, net	$ 2,515,930	$ 547,804

In June 2017, the Company launched certain elements of its website and began amortization of capitalized website development costs, and accordingly, $173,000 and $226,000 of amortization expense was recorded during the three and nine months ended September 30, 2017, respectively. In the nine months ended September 30, 2017, depreciation expense of approximately $8,000 was recorded.

6. Investments in Available-for-Sale Securities

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

7. Redeemable Convertible Preferred Stock

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

As of September 30, 2017, the Company's only outstanding series of convertible preferred stock is the Series G Convertible Preferred Stock ("Series G").

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

For the three and nine months ended September 30, 2017, no shares of Series G were converted into shares of common stock. At September 30, 2017, the outstanding Series G shares were convertible into a minimum of 172,374 shares of common stock.

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

The conversion feature of the preferred stock is considered a derivative according to ASC 815 "Derivatives and Hedging", therefore, the fair value of the derivative is reflected in the financial statements as a liability, which was determined to be $130,238 and $137,177 as of September 30, 2017 and December 31, 2016, respectively and has been included as "conversion feature liability" on the accompanying balance sheets.

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

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

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

The table below shows the quantitative information about the significant unobservable inputs used in the fair value measurement of level 3 conversion feature liability at September 30, 2017:

Expected life of the redemption in years	1.0
Risk free interest rate	1.31%
Expected annual volatility	177.29%
Annual rate of dividends	0%

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

Beginning as of January 1, 2017	$	137,177
Decrease in fair value		(6,939)
Ending balance as of September 30, 2017	$	130,238

8. Recapitalization

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

Prior to the Recapitalization, Integrated had 9,530,379 issued and outstanding shares of common stock. In the Recapitalization, holders of Subsidiary's common stock received 4.13607 shares of Parent common stock for each Subsidiary share, totaling 12,517,152 shares. After the Recapitalization a total of 22,047,531 shares of Parent common stock were outstanding.

As of September 30, 2017, as a result of other equity transactions described in Note 9 Stockholders' Equity, a total of 26,005,140 shares of Parent common stock are issued and outstanding.

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

In determining the accounting treatment for the Share Exchange Agreement, the primary factor was determining which party, directly or indirectly, held greater than 50 percent of the voting shares has control and is considered to be the acquirer. Because the former shareholders of the Subsidiary received 56.7 percent voting control of the issued and outstanding shares of the Company after the transaction, the transaction was considered to be a reverse recapitalization for accounting purposes. Other factors that indicated that the former stockholders of the Subsidiary had control of the Company after the transaction included, (1) fully diluted equity interests, (2) composition of senior management, (3) former officers of the Parent ceded day-to-day responsibilities to officers of the Subsidiary, and (4) composition of Board of Directors. On a fully diluted basis, the former shareholders of the Subsidiary received 53.5 percent of the equity interests in the Company. All the members of senior management of the Company, other than the part-time Chief Financial Officer, were former shareholders of the Subsidiary. The former officers of the non-active shell ceded day-to-day management to officers of the Subsidiary. The Board of Directors, immediately after the Recapitalization included three members from the Parent and two members from the Subsidiary. Because the former shareholders of the Subsidiary could vote to make changes in the Board composition, the conclusion was that control of the Board, in substance, was vested in the former shareholders of the Subsidiary.

The following table summarizes the calculation of the relative voting control at the time of the Recapitalization:

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

In accordance with the Investment Banking Advisory Agreement more fully described in Note 11 Related Parties, Integrated issued warrants to MDB Capital Group, LLC ("MDB") to purchase 1,169,607 shares of Parent common stock. The warrants have an exercise price of $0.20 per share and expire on November 4, 2021. Integrated incurred transaction costs of $921,698 consisting of $744,105 for the fair value of warrants issued to MDB and $177,593 in cash for legal and related transaction costs. The costs incurred by Integrated were recorded in financial statements of the Parent prior to Recapitalization and reduced the net monetary assets acquired. The aggregate intrinsic value of the warrants issued to MDB at September 30, 2017 is $1,111,000.

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

Prior to the closing of the Recapitalization, the Subsidiary had received $735,099 in multiple borrowings from Integrated on a note payable beginning on August 11, 2016 and ending on November 4, 2016. Integrated's Board of Directors structured the loan to the Subsidiary as a loan that was fully secured so that Integrated would receive cash at maturity of the loan if the negotiations did not result in the consummated Recapitalization transaction. If the loan was not repaid then the remedies in the event of default were to pursue (a) the personal guarantee and/or (b) the mortgaged real estate collateral. The loan was not secured by the intellectual property of theMaven, but there was a covenant that theMaven would not, without prior written consent, sell or assign the business or intellectual property. This negative covenant did not give Integrated control or rights other than as a creditor. The loan did not provide Integrated with an equity interest or other ownership or control rights in theMaven. The Note did not have any rights to conversion into equity in theMaven. The note payable was cancelled as part of the Recapitalization and the proceeds from the borrowing from Integrated is considered as cash received due to the Recapitalization in addition to the net assets acquired. Legal and transaction costs incurred by Subsidiary of $50,000 related to the capital transaction were expensed and charged to General and Administrative expense in 2016.

9. Stockholders' Equity

The Company has authorized 100,000,000 shares of common stock, $0.01 par value, of which 26,005,140 shares were issued and outstanding as of September 30, 2017. As of September 30, 2017, the Company's Directors and Officers held 12,202,885 or 45.33% of the issued and outstanding shares.

Restricted Stock Awards

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

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

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

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

At December 31, 2016, it was estimated that 72.5% of the shares subject to the performance condition will be released. At September 30, 2017, the expected achievement of the performance condition was reevaluated and it was determined that the shares estimated to be released had increased to 100%.

Restricted stock award activity for the period from July 22, 2016 (Inception) to September 30, 2017, including the reevaluation of the shares estimated to be release, was as follows:

	Shares	Shares Remeasured	Weighted-Average Price
Stock awards granted at Inception	12,209,677		$ 0.20
Granted October 13, 2016	62,041		0.70
Granted October 16, 2016	245,434		0.70
Remeasurement at November 4, 2016	-	5,837,788*	0.43
Vested	-		-
Reevaluation of shares expected to be released as of March 31, 2017	-	1,007,633*	0.06
Reevaluation of shares expected to be released as of June 30, 2017	-	197,145*	0.01
Total at September 30, 2017	12,517,152		$ 0.48
Vested at September 30, 2017	4,504,180		$ 0.48
Expected to vest after September 30, 2017	8,012,972		$ 0.48

* The number of shares Remeasured as of November 4, 2016, March 31, 2017, June 30, 2017 and September 30, 2017 reflect the effect of the Monte Carlo simulation determination of the estimated number of shares expected to be released from the performance condition escrow. This estimate will be reevaluated at each quarter end until the final outcome of the performance condition is satisfied on December 31, 2017.

At September 30, 2017, total compensation cost related to restricted stock awards but not yet recognized was $3,372,000. This cost will be amortized on a straight-line method over a period of approximately 1.85 years.

Stock Options

On December 19, 2016, the Company's Board of Directors approved the 2016 Stock Incentive Plan ("Plan") and reserved 1,670,867 shares of common stock for issuance under the Plan, including options and restricted performance stock awards. On June 28, 2017, the Board of Directors approved an increase in the total number of shares reserved from 1,670,867 to 3,000,000. The Plan is administered by the Board of Directors, and there were no grants prior to the formation of the Plan. Shares of common stock that are issued under the Plan or subject to outstanding incentive awards will be applied to reduce the maximum number of shares of common stock remaining available for issuance under the Plan, provided, however, that that shares subject to an incentive award that expire will automatically become available for issuance. Options issued under the Plan may have a term of up to ten years and may have variable vesting provisions.

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

The fair value of stock options granted during the period ended September 30, 2017 were estimated with the following assumptions:

	First Quarter	Second Quarter	Third Quarter
Expected life in years	6.0	5.9	6.0
Risk-free interest rate	2.13%	1.97%	2.01%
Expected annual volatility	114.20%	117.87%	115.13%
Dividend yield	0.00%	0.00%	0.00%

For the six months ended September 30, 2017 stock option activity was as follows:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (in years)	Aggregate Intrinsic Value
Outstanding at January 1, 2017	275,137	$ 0.48	5.15	
			.	
Granted	1,914,000	1.28	9.04	
Exercised	(25,000)	.17	1.62	
Forfeited	(95,000)	1.41	9.64	
Outstanding at September 30, 2017	2,069,137	$ 1.24	9.02	$ 170,218
Vested and expected to vest at September 30, 2017	2,069,137	$ 1.24	9.02	$ 170,218
Exercisable at September 30, 2017	309,967	$ 0.85	5.83	$ 147,000

As of September 30, 2017, the Company has granted 1,914,000 options under the Plan, of which 159,967 are vested. In the three and nine months ended September 30, 2017, the Company recorded stock-based compensation of $259,508 and $508,635, respectively related to the options granted under the Plan. Of the total stock-based compensation in the three months, $216,920 was expensed in General and Administrative expenses and $42,588 was capitalized as Website Development Costs. Of the total stock-based compensation in the nine months, $440,268 was expensed in General and Administrative expenses and $68,367 was capitalized as Website Development Costs.

At September 30, 2017, total compensation cost related to stock options granted under the Plan but not yet recognized was $1,574,000. This cost will be amortized on a straight-line method over a period of approximately 1.67 years. The aggregate intrinsic value represents the difference between the exercise price of the underlying options and the quoted price of our common stock for the number of options that were in-the-money at September 30, 2017.

In addition, the Company assumed 175,000 fully-vested options in connection with the Recapitalization with an exercise price of $0.17 per share which expire on May 15, 2019. During the quarter ended September 30, 2017, 25,000 of these options were cashless exercised into 21,680 common shares and 150,000 options are outstanding.

The following table summarizes certain information about stock options for the nine months ended September 30, 2017:

Weighted average grant-date fair value for options granted during the year	$ 1.28
Vested options in-the-money at September 30, 2017	150,000
Aggregate intrinsic value of options exercised during the year	$ 27,750

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

Stock options outstanding under the Plan	1,919,137
Stock options available for future grant	1,080,863
	3,000,000

Common Stock Warrants – Channel Partner Program

On December 19, 2016, the Company's Board of Directors approved a program to be administered by management that authorized the Company to issue up to 5,000,000 common stock warrants to provide equity incentive to its Channel Partners to motivate and reward them for their services to the Company and to align the interests of the Channel Partners with those of stockholders of the Company.

The following table summarizes the activity in Channel Partner Warrants during the nine months ended September 30, 2017:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (in years)	Aggregate Intrinsic Value
Outstanding at January 1, 2017	350,000	$ 1.05	4.75	
Granted	3,074,500	1.33	4.51	
Exercised	-	-	-	
Forfeited	-	-	-	
Outstanding at September 30, 2017	3,424,500	$ 1.30	4.48	$ 120,000
Vested and expected to vest at September 30, 2017	1,556,000	$ 1.30	4.48	$ 55,000
Exercisable at September 30, 2017	-	-	-	-

In the nine months ended September 30, 2017, the Company issued 3,074,500 common stock warrants to Channel Partners. The warrants have a performance condition and vest over three years and expire in five years from issuance. The exercise prices range from $1.05 to $1.90 with a weighted average of $1.33. The performance conditions are generally based on the average number of unique visitors on the Channel operated by the Channel Partner generated during the period from July 1, 2017, to December 31, 2017, or the revenue generated during the period from issuance date through September 30, 2019. Equity grants with performance conditions that do not have sufficiently large disincentive for non-performance may be measured at fair value that is not fixed until performance is complete. The Company recognizes expense for equity based payments to non-employees as the services are received. The Company has specific objective criteria, such as the date of launch of a Channel on the Company's platform, for determination of the period over which services are received and expense is recognized.

The Company uses a Monte Carlo simulation model to determine the number of shares expected to be earned by Channel Partners based on performance obligations to be satisfied over a defined period which will commence at the launch of a Channel on the Company's platform. As of September 30, 2017, the Company has estimated that 1,556,000 of Channel Partner Warrants will be earned. The Company recorded in Service Costs a total of $35,000 and $115,000 of stock-based compensation related to Channel Partner warrants in the three and nine months ended September 30, 2017, respectively.

Other Warrants

In accordance with the Investment Banking Advisory Agreement more fully described in Note 11 Related Parties, Integrated issued warrants to MDB Capital Group, LLC to purchase 1,169,607 shares of Parent common stock. The warrants have an exercise price of $0.20 per share and expire on November 4, 2021. The aggregate intrinsic value of the warrants at September 30, 2017, is $1,111,000

Common Stock – Private Placement of Common Stock

On April 4, 2017, the Company completed a private placement of its common stock, selling 3,765,000 shares at $1.00 per share, for total gross proceeds of $3,765,000. In connection with the offering, the Company paid $188,250 and issued 162,000 shares of common stock to MDB Capital Group LLC, which acted as placement agent. The transaction costs of $446,000, including $201,000 of non-cash expenses, have been recorded as a reduction in paid-in capital.

Stock-based Compensation

The impact on our results of operations of recording stock-based compensation expense for the three months ended September 30, 2017 was as follows:

	Restricted Stock at Inception	Stock Options	Channel Partner Warrants	Warrants	Total
Service Costs	$ -	$ -	$ 35,000	$ -	$ 35,000
Research and development	-	-	-	-	-
General and administrative	261,749	216,920	-		478,669
	$ 261,749	$ 216,920	$ 35,000	$ -	$ 513,669

In addition, during the three months ended September 30, 2017, stock-based compensation totaling $243,484 during the application and development stage was capitalized for website development.

The impact on our results of operations of recording stock-based compensation expense for the nine months ended September 30, 2017, was as follows:

	Restricted Stock at Inception	Stock Options	Channel Partner Warrants	Warrants	Total
Service Costs	$ -	$ -	$ 115,000	$ -	$ 115,000
Research and development	-	-	-	-	-
General and administrative	801,743	408,432	-	32,335	1,242,510
	$ 801,743	$ 408,432	$ 115,000	$ 32,335	$ 1,357,510

In addition, during the nine months ended September 30, 2017, stock-based compensation totaling $688,302 during the application and development stage was capitalized for website development.

10. Income Taxes

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

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

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

As of September 30, 2017, the Company had deferred tax assets primarily consisting of net operating losses, stock-based compensation and accrued liabilities not currently deductible. However, because of the current loss since Inception, the Company has recorded a full valuation allowance such that its net deferred tax asset is zero.

Deferred tax assets consist of the following components:

	September 30, 2017	December 31, 2016
Deferred tax assets:		
Accrued liabilities not currently deductible	$ 80,520	$ 64,210
Deferred revenue net of deferred costs	5,320	-
Stock-based compensation	137,936	-
Net operating loss and capital loss carryforwards	1,906,109	506,259
Gross deferred tax assets	2,129,885	570,469
Valuation allowance	(1,553,776)	(417,581)
Gross deferred tax assets net of valuation allowance	576,109	152,888
Deferred tax liabilities		
Stock-based compensation	16,625	16,625
Website development costs and fixed assets	559,484	136,263
Net deferred tax asset	$ -	$ -

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

At September 30, 2017, the Company had net operating loss carryforwards of approximately $5.6 million for federal income tax purposes. The NOL carryforward may be used to reduce taxable income, if any, in future years through their expiration in 2036 and 2037.

The provision for income taxes on the consolidated statement of operations differs from the amount computed by applying the statutory Federal income tax rate to income before the provision for income taxes for the nine months ended September 30, 2017 and three months ended September 30, 2016, as follows:

	September 30, 2017			September 30, 2016		
Federal expense (benefit) expected at statutory rate	$	(1,486,307)	34.0%	$	(506,413)	34.0%
Permanent differences		331,628	-7.6%		317,920	-21.3%
Change in valuation allowance		1,154,679	-26.4%		188,493	-12.7%
Tax benefit and effective tax rate	$	-	0%	$	-	0%

The Company recognizes tax benefits from an uncertain position only if it is "more likely than not" that the position is sustainable, based on its technical merits. The Company's policy is to include interest and penalties in general and administrative expenses. There were no interest and penalties recorded for the nine months ended September 30, 2017. The Company has evaluated and concluded that there are no uncertain tax positions requiring recognition in the Company's financial statements for the nine months ended September 30, 2017.

11. Related Party Transactions

The Parent entered into an Investment Banking Advisory Services agreement in November 2007 with MDB Capital Group LLC ("MDB"), and the parties extended the agreement indefinitely in April 2009. The agreement terminated on completion of the Recapitalization. Under the agreement, MDB acted as an advisor to the Parent in connection with the Recapitalization. At the closing of the Recapitalization, the Parent paid MDB a cash fee of $54,299 (including $4,299 to reimburse MDB's expenses in connection with the Recapitalization) and issued to MDB and its designees, Mr. Christopher A. Marlett, Robert Levande, and Mr. Schuman, a 5-year warrants to purchase an aggregate of 1,169,607 shares of Common Stock, with an exercise price of $0.20 per share, representing 5% of the number of shares of the Parent on a fully diluted basis immediately after the Closing. The fair value of the warrants using Black Scholes Option Pricing model was determined to be $744,105. These amounts were recorded in the financial statements of the Parent prior to the Recapitalization.

Prior to and interdependent upon the closing of the Recapitalization, the Parent provided a series of advances for an aggregated amount of approximately $735,000 to the Subsidiary under a promissory note (the "Term Note"). The Term Note was guaranteed by MDB in the amount of $150,000 and Mr. Heckman in the amount of $350,000 and secured by a mortgage held by the Parent on certain properties owned by Mr. Heckman located in the State of Washington and the Province of British Columbia ("Mortgage"). At the Closing of the Recapitalization, the Term Note was cancelled and the Personal Guarantee, the Mortgage and the MDB Guarantee were terminated.

On August 17, 2016 the Subsidiary borrowed $35,000 from a shareholder on demand. This loan was non-interest bearing and repaid on September 16, 2016 with proceeds from a loan from Integrated.

On April 4, 2017, the Company completed a private placement of its common stock, selling 3,765,000 shares at $1.00 per share, for total gross proceeds of $3,765,000. In connection with the offering, the Company paid $188,250 and issued 162,000 shares of common stock, valued at $201,000, to MDB Capital Group LLC, which acted as placement agent.

Mr. Christopher Marlett, a director of the Company, is also the Chief Executive Officer of MDB. Mr. Gary Schuman, who was the Chief Financial Officer of the Company until May 15, 2017, is also the Chief Financial Officer and Chief Compliance Officer of MDB. The Company compensated Mr. Schuman for his services at the rate of $3,000 per month totaling $18,000 until June 30, 2017.

Effective on September 20, 2017, the Company entered into a six-month contract, with automatic renewals unless cancelled, with a company located in Nicaragua that is owned by Mr. Christopher Marlett, a director of the Company to provide content conversion services. The estimated monthly costs are expected to be less than $5,000 per month.

12. Commitments and Contingencies

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

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

The Company's offices are leased with a term that expires January 31, 2018, with approximately$25,000 commitment, subject to renewal with 30 days advance notice.

On a select basis, the Company has provided revenue share guarantees to certain independent publishers that transition their publishing operations from another platform to theMaven.net. These arrangements generally guarantee the publisher a monthly amount of income for a period of 12 to 24 months from inception of the publisher contract that is the greater of (a) fixed monthly minimum, or (b) the calculated earned revenue share. To the extent that the fixed monthly minimum paid exceeds the earned revenue share (defined as an Over Advance) in any month during the first 12 to 24 months ("the Guarantee Period"), then the Company may recoup the aggregate Over Advance that was expensed in the Guarantee Period during the 12 months following the

Guarantee Period of the publisher contract to the extent that the earned revenue share exceeds the monthly minimum in those future months. As of September 30, 2017, the aggregate commitment is $1,215,000 and the Over Advance contingent amount that the Company may recoup is $264,000. The following table shows the aggregate commitment by year:

	Commitment
2017	$ 300,000
2018	775,000
2019	140,000
	$ 1,215,000

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

13. Subsequent Events

On October 19, 2017, the Company completed a private placement of its common stock, selling 2,391,304 shares at $1.15 per share, for total gross proceeds of $2,750,000. In connection with the offering, the Company issued 119,565 shares of common stock and 119,565 warrants to acquire common stock at a price of $1.15 per share to MDB Capital Group LLC, which acted as placement agent. The estimated transaction costs of $320,000, including $282,000 of non-cash expenses, have been recorded as a reduction in paid-in capital. MDB Capital Group LLC is a related party as discussed in Note 11 Related Parties.

Related to the private placement completed on October 19, 2017, the Company filed a registration statement on Form S-1 to register the shares issued in the common stock offering. The Securities and Exchange Commission declared the registration effective on November 6, 2017.

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

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

Overview

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

In determining the accounting treatment for the Share Exchange Agreement, the primary factor was determining which party, directly or indirectly, holds greater than 50 percent of the voting shares has control and is considered to be the acquirer. Because the former shareholders of the Subsidiary received 56.7 percent voting control of the issued and outstanding shares of the Company after the transaction, the transaction was considered to be a reverse recapitalization for accounting purposes. Other factors that indicated that the control of the Company after the transaction included, (1) fully diluted equity interests, (2) composition of senior management, (3) former officers of the Parent ceded day-to-day responsibilities to officers of the Subsidiary, and (4) composition of Board of Directors. On a fully diluted basis, the former shareholders of the Subsidiary received 53.5 percent of the equity interests in the Company. All the members of senior management of the Company, other than the part-time Chief Financial Officer, were former shareholders of the Subsidiary. The former officers of the non-active shell ceded day-to-day management to officers of the Subsidiary. The Board of Directors, immediately after the Recapitalization included three members from the Parent and two members from the Subsidiary. Because the former shareholders of the Subsidiary could vote to make changes in the Board composition, the conclusion was that control of the Board, in substance, was vested in the former shareholders of the Subsidiary.

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

Going Concern

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

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

As fully described in Note 9 Stockholders' Equity, in April 2017, the Company completed a private placement of its common stock, raising proceeds of $3.5 million net of cash offering costs. As described in Note 13 Subsequent Events and completed a second private placement raising $2.75 million in October 2017, of which $1.75 million has been received as of September 30, 2017. The Company believes that it does not have sufficient funds to support its operations through the end of the first quarter of 2018. In order to continue business operations past that point, the Company currently anticipates that it will need to raise additional debt and/or equity capital in the first quarter of 2018.

There can be no assurances that the Company will be able to secure any such additional financing on acceptable terms and conditions, or at all. If cash resources become insufficient to satisfy the Company's ongoing cash requirements, the Company will be required to scale back or discontinue its technology development programs, or obtain funds, if available (although there can be no certainty), or to discontinue its operations entirely.

Results of Operations

Because the Company was founded in July 2016, the operating results in the three-month period ended September 30, 2016 are not directly comparable to the results in the 2017 three- and nine-month periods ended September 30, 2017. The 2016 period was primarily focused on the initial planning and design phase of technology development, Company organization and negotiation of the terms of the Recapitalization transaction completed on November 4, 2016 with Integrated. The 2017 period was primarily focused on the actual software development of the Company's technology, the recruitment and selection of independent publisher channel partners and the development of advertising network business relationships.

For the three and nine months ended September 30, 2017, total loss from operations was:

	Three Months	Nine Months
Revenue	$ 6,064	$ 6,064
Expenses:		
Service Costs	449,567	641,606
Research and development expenses	30,776	104,095
General and administrative expenses	1,300,767	3,639,204
Loss from operations	$ (1,775,046)	$ (4,378,841)
Basic and diluted net loss per share	$ (0.11)	$ (0.33)

During the second quarter of 2017 the Company's platform and media channel operations were launched in beta stage and by the end of the third quarter there were a total of 23 channel partners operating on theMaven Network. Internet users since the launch of our channels are able to utilize the platform on desktop, laptop and mobile devices for these channels. We expect that during the fourth quarter additional channels will be launched. As of November 13, 2017, we have over sixty signed channel partners and 28 channel partners operating on theMaven Network. We do not expect to have significant revenue during the fourth quarter as we continue development of our technology and the commencement of business operations establishing a media audience.

Service Costs

Service costs are the costs incurred to operate and maintain the Company's technology platform and exclusive network of professionally managed online media channels. Service costs include hosting and bandwidth costs, amortization of website development costs, revenue share or guaranteed minimum payments to independent publishers for licensed content, advertising network costs and other operational costs. During the three and nine months ended September 30, 2017, the Company incurred $449,567 and $641,606 of Service Costs, respectively. The following table provides detail of service costs for the three and nine months ended September 30, 2017:

	Three Months	Nine Months
Amortization of website development costs	$ 173,000	$ 226,000
Channel partner guarantees – See Note 12	164,000	203,000
Stock-based compensation - Channel Partner warrants	35,000	115,000
Hosting and bandwidth costs	49,000	65,000
Other cost of service	29,000	33,000
	$ 450,000	$ 642,000

As described in Note 4 – Significant Accounting Policies and Estimates, the Company capitalizes the costs incurred to develop theMaven Network technology platform, and these costs are amortized to service costs over a period of 36 months. As described in Note 12 – Commitments and Contingencies, the Company has agreed to pay revenue share guarantees to certain independent publisher channel partners for a finite period of time. It is expected these costs will be significant in the next few quarters prior to network operations reaching full scale. As revenue increases the Company will have an expense for revenue share payments to Channel Partners that will be approximately 30 to 50% of revenue. In the periods ended September 30, 2017, revenue share payments to Channel Partners, other than guarantees, were not material.

As described in Note 9 – Stockholders' Equity, the Company has a common stock warrant program to provide equity incentives to its Channel Partners to motivate and reward them for their service to the Company and align the interests of Channel Partners with those of stockholders of the Company. The stock-based compensation expense associated with Channel Partner warrants is estimated each quarter and is subject to a significant degree of variability since these are performance based equity awards with the value determined as a function of the Company's stock price (using Black-Scholes option pricing model) and the relative performance to the criteria established for each Channel Partner at the time that they complete the performance conditions. The estimated value of the awards are expensed over the services period which is approximately three years. We expect that by December 31, 2017 the majority of Channel Partners will have completed the performance conditions and we will be able to complete the final calculation of the value of these awards. Hosting and bandwidth costs during the periods ended September 30, 2017 reflect that the Company's network was in beta launch stage and not at full scale. As the number of Channel Partners launch in the fourth quarter the hosting and bandwidth costs will increase.

Research and development expenses

Research and development costs are charged to operations in the period incurred and amounted to $30,776 and $104,095 for the three and nine months ended September 30, 2017. The costs charged to research and development costs are primarily certain compensation expenses and expenses for computer software and supplies. Note that during 2017, the majority of the Company's engineering team was devoted to developing theMaven Network technology with the associated costs capitalized as website development costs.

Research and development costs amounted to $374,944 for the three months ended September 30, 2016 because the Company was in the planning and design phase of developing theMaven Network technology and these costs were expensed as incurred. There were no costs incurred for website development that were capitalized in the three months ended September 30, 2016.

General and administrative expenses

General and administrative expenses for the three and nine months ended September 30, 2017, were $1,300,767 and $3,639,204, respectively. Included in general and administrative expenses is stock based compensation of $478,669 and $1,242,510 for the three and nine -month periods, respectively. Our general administrative expenses of carrying on our business consist of a variety of costs that are primarily compensation related for employees and professional resources and consultants. The following table provides detail of general and administrative expenses for the three and nine months ended September 30, 2017:

	Three Months	Nine Months
Stock-based compensation	$ 479,000	$ 1,243,000
Wages of employees	447,000	1,074,000
Professional and consulting fees	105,000	512,000
Travel, meals and conferences	85,000	336,000
Insurance and payroll and other taxes	85,000	249,000
Board of Directors stipends	34,000	101,000
Rent	18,000	51,000
Other	48,000	73,000
	$ 1,301,000	$ 3,639,000

Liquidity and Capital Resources

Working Capital

The Company had working capital of approximately $1.49 million as of September 30, 2017, excluding liabilities that will not be settled in cash. This was an increase of approximately $1.1 million is due to the receipt of net proceeds of $5.3 million received during the year from two private placements, net of stock issuance costs and cash used in operations of $2,7 million and cash used for investment of $1.5 million during the nine months ended September 30, 2017.

	September 30, 2017	December 31, 2016
Current Assets	$ 1,820,794	$ 719,881
Current Liabilities	$ (330,338)	$ (346,327)
Working Capital, net of liabilities that will not be settled in cash	$ 1,490,456	$ 373,554

The following table summarizes the Company’s cash flows during the nine months ended September 30, 2017 and the three months ended September 30, 2016:

	September 30, 2017	September 30, 2016
Net Cash Used in Operating Activities	$ (2,654,964)	$ (492,021)
Net Cash Used in Investing Activities	(1,513,813)	-
Net Cash Provided by Financing Activities	5,269,544	641,303
Increase in Cash during the Period	$ 1,100,767	$ 149,282
Cash at Beginning of Period	598,294	-
Cash at End of Period	$ 1,699,061	$ 149,282

For the nine months ended September 30, 2017, net cash used in operating activities was $2,654,964 which was primarily due to the net loss of $4,371,491 reduced by non-cash expenses for stock-based compensation of approximately $1,358,000 and amortization and depreciation of $234,000 and increased by working capital changes of approximately $125,000. The Company used cash of $1,514,000 for investment in website development costs and fixed assets. Operating activities and investment expenditures were funded by the beginning cash of hand as of January 1, 2017 of approximately $600,000 and primarily by two private placements completed in April and October 2017 that raised approximately $5.3 million net of stock issuance expenses in the nine months ended September 30, 2017.

For the three months ended September 30, 2016, net cash used in operating activities was $492,021 which was primarily due to the net loss of $1,489,449 reduced by non-cash expenses for stock-based compensation of approximately $935,000 and increased by working capital changes of approximately $62,000. Operating activities were funded primarily by proceeds from notes payable from Integrated prior to the completion of the Recapitalization on November 4, 2016.

We anticipate needing a substantial amount of additional capital to sustain our current operations and implement the current business plan of the Company as now budgeted. We do not believe that the proceeds of the private placement of common stock completed on October 19, 2017, will be sufficient to allow us to implement our business plan to the point where our revenues will cover our operating costs and the expansion of our business offerings. Without additional funding, we will have to modify our longer-term business plan. The funds that we will need may be raised through equity financing, debt financing, or other sources, which may result in further dilution in the equity ownership of our shares. We anticipate thereafter that we will need additional capital in the first quarter of 2018 as we expand our operations, and do not anticipate that our income will cover our full operating expenses for the foreseeable future. We have no contracts or arrangements for any additional funding at this time. There can be no assurance that we will be able to raise any funding or will be able to meet our accrued obligations. If we are not able to obtain the additional financing on a timely basis, we will be unable to conduct our operations as planned, and we will not be able to meet our other obligations as they become due. In such event, we will be forced to scale down or perhaps even cease our operations. These estimates may change significantly depending on the nature of our business activities and our ability to raise capital from our shareholders or other sources.

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

Contractual Obligations

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

Off-Balance Sheet Arrangements

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

Seasonality

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

Effects of Inflation

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

Significant Accounting Policies and Estimates

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

Principles of Consolidation

The accompanying consolidated financial statements include the financial position, results of operations and cash flows for the three and nine months ended September 30, 2017 and the three months ended September 30, 2016. All intercompany transactions and balances have been eliminated in consolidation.

Use of Estimates

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

Digital Media Content

The Company intends to operate a network of online media channels and will provide digital media (text, audio and video) over the Internet that users may access on demand. As a broadcaster that transmits third party content owned by our channel partners via digital media, the Company applies ASC 920, "Entertainment – Broadcasters". The channel partners generally receive variable amounts of consideration that are dependent upon the calculation of revenue earned by the channel in a given month, referred to as a "revenue share", that are payable in arrears. In certain circumstances, there is a monthly fixed fee minimum or a fixed yield ("revenue per 1000 impressions") based on the volume of advertising impressions served. We disclose fixed dollar commitments for channel content licenses in Note 12 Commitments and Contingencies. Channel partner agreements that include fixed yield based on the volume of impressions served are not included in Note 12 because they cannot be quantified, but are expected to be significant. The expense related to channel partner agreements are reported in "Service Costs" in the Statement of Operations. The cash payments related to channel partner agreements are classified within "Net cash used in operating activities" on the Statement of Cash Flows. Also under ASC 920, if channel partner agreements are structured such that the fee paid precedes the right to use the content because the broadcasts will occur in future periods, the Company will record a Content Asset and a related Content Obligation when all of the following conditions are met, (1) the cost of the content is known or reasonably determinable, (2) the content has been accepted and (3) the content is available for broadcasting under the terms of the channel partner agreement. Capitalized content cost will be amortized on a systematic basis over the agreement term on a straight-line method or an accelerated method depending on the economic and agreement terms. Capitalized content costs will be evaluated for impairment at least annually or whenever circumstances indicate that Content Assets may be impaired.

Revenue Recognition

During the third quarter of 2017, the Company adopted ASC 606, "Revenue from Contracts with Customers" as the accounting standard for revenue recognition. Since the Company had not previously generated revenue from customers the Company did not have to transition its accounting method from ASC 605, "Revenue Recognition".

Revenues are recognized when control of the promised goods or services are transferred to our customers, in an amount that reflects the consideration that the Company expects to receive in exchange for those goods or services. The Company generates all of its revenue from contracts with customers. The following is a description of the principal activities from which the Company generates revenue:

Advertising
The Company enters into contracts with advertising networks to serve display or video advertisements on the digital media pages associated with our various channels. In accordance with ASC 606 the Company recognizes revenue from advertisements at the point in time when each ad is viewed as reported by our advertising network partners. The quantity of advertisements, the impression bid prices and revenue are reported on a real-time basis. Although reported advertising transactions are subject to adjustment by the advertising network partners, any such adjustments are known within a few days of month end. The Company owes our independent publisher channel partners a revenue share of the advertising revenue earned and this is recorded as service costs in the same period in which the associated advertising revenue is recognized.

Membership
The Company enters into contracts with Internet users that subscribe to premium content on the digital media channels. These contracts provide Internet users with a subscription to access the premium content for a given period of time, which is generally one year. In accordance with ASC 606 the Company recognizes revenue from each membership subscription over time based on a daily calculation of revenue during the reporting period. Subscribers make payment for a subscription by credit card and the amount of the subscription collected in cash is initially recorded as deferred revenue on the balance sheet. As the Company provides access to the premium content over the subscription term the Company recognizes revenue and proportionately reduces the deferred revenue balance. The Company owes our independent publisher channel partners a revenue share of the membership revenue earned and this is initially deferred as deferred contract costs. The Company recognizes deferred contract costs over the subscription term in the same pattern that the associated membership revenue is recognized.

Disaggregation of Revenue

The following table provides information about disaggregated revenue by product line, geographical market and timing of revenue recognition:

	Three months ended September 30, 2017			Nine months ended September 30, 2017		
	Advertising	**Membership**	**Total**	**Advertising**	**Membership**	**Total**
By Product Lines:	$2,146	$3,918	$6,064	$2,146	$3,918	$6,064
	United States	**Other**	**Total**	**United States**	**Other**	**Total**
By Geographical Markets:	$6,064	$-	$6,064	$6,064	$-	$6,064
	At a Point in Time	**Over Time**	**Total**	**At a Point in Time**	**Over Time**	**Total**
By Timing of Revenue Recognition:	$2,146	$3,918	$6,064	$2,146	$3,918	$6,064

Contract Balances

The following table provides information about contract balances as of September 30, 2017:

	Advertising	**Membership**	**Total**
Accounts receivables	$2,074	$1,408	$3,482
Short-term contract assets (deferred contract costs)	-	$15,986	$15,986
Short-term contract liabilities (deferred revenue)	-	$31,634	$31,634

The Company receives payments from advertising customers based upon contractual payment terms; accounts receivable are recorded when the right to consideration becomes unconditional and generally collected within 90 days. The Company generally receives payments from membership customers at the time of sign up for each subscription; accounts receivable from merchant credit card processors are recorded when the right to consideration becomes unconditional and generally collected weekly. Contract assets include contract fulfillment costs related to revenue shares owed to channel partners, which are amortized along with the associated revenue. Contract liabilities include payments received in advance of performance under the contract and are recognized as revenue over time. The Company had no asset impairment charges related to contract assets in the period.

Contract acquisition costs and practical expedients

For contracts that have a duration of less than one year, the Company follows ASC 606 practical expedients and expenses these costs when incurred; for contracts with life exceeding one year, which did not apply during the current period, the Company records these costs in proportion to completion of each completed performance obligation. The Company generally expenses sales commissions when incurred because the amortization period would have been less than one year. The Company records these costs within general and administrative expenses.

Fixed Assets

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

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

Intangible Assets

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

Impairment of Long-Lived Assets

The long-lived assets, consisting of fixed assets and intangible assets, held and used by the Company are reviewed for impairment no less frequently than annually or whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. In the event that facts and circumstances indicate that the cost of any long-lived assets may be impaired, an evaluation of recoverability is performed. Management has determined that there was no impairment in the value of long-lived assets during the period ended September 30, 2017.

Website Development Costs

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

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

Research and Development

Research and development costs are charged to operations in the period incurred and amounted to $30,776 and $104,095 for the three and nine months ended September 30, 2017. Research and development costs amounted to $374,944 for the three months ended September 30, 2016.

Fair Value Measurements

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

- Level 1 - Observable inputs that reflect quoted prices (unadjusted) for identical assets or liabilities in active markets.

- Level 2 - Include other inputs that are directly or indirectly observable in the marketplace.

- Level 3 - Unobservable inputs which are supported by little or no market activity.

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

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

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

Concentrations of Credit Risk

Cash

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

Stock-based Compensation

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

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

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

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

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

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

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

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

Income Taxes

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

The Company recognizes interest accrued relative to unrecognized tax benefits in interest expense and penalties in operating expense. During the three and nine months ended September 30, 2017 and the three months ended September 30, 2016, the Company recognized no income tax related interest and penalties. The Company had no accruals for income tax related interest and penalties at September 30, 2017.

Basic and Diluted Loss per Common Share

Basic income or loss per share is computed using the weighted average number of common shares outstanding during the period, and excludes any dilutive effects of common stock equivalent shares, such as options, restricted stock, and warrants. Restricted stock is considered outstanding and included in the computation of basic income or loss per share when underlying restrictions expire and the shares are no longer forfeitable. Diluted income per share is computed using the weighted average number of common shares outstanding and common stock equivalent shares outstanding during the period using the treasury stock method. Common stock equivalent shares are excluded from the computation if their effect is anti-dilutive. Unvested but outstanding restricted stock (which are forfeitable) are included in the diluted income per share calculation. In a period where there is a net loss, the diluted loss per share is computed using the basic share count. At September 30, 2017, potentially dilutive shares outstanding amounted to 14,737,558, of which 13,417,951 are not currently registered and/or subject to future vesting conditions. Included in these totals are 6,663,244 common stock equivalents that must be exercised which would result in aggregate proceeds from the sale of stock to the Company of $6,735,000.

Risks and Uncertainties

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

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

Recently Adopted Standards

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

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

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

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

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

The Company has adopted ASC 606 in the current quarter ended September 30, 2017 and began recognition of revenue from contracts with customers as a result of the launch of its network operations. Since the Company had not previously generated revenue from customers the Company did not have to transition its accounting method from ASC 605, “Revenue Recognition”.

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

Recent Issued Accounting Pronouncements

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

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

In May 2017, the FASB issued ASU 2017-09, Compensation – Stock Compensation (Topic 718): Scope of Modification Accounting. This ASU provides clarity and reduces both (1) diversity in practice and (2) cost and complexity when applying the guidance in Topic 718 to a change in terms or conditions of a share-based payment award. The amendments in this ASU are effective for public entities for fiscal years and interim periods beginning after December 15, 2017, with early adoption permitted. The ASU should be applied prospectively on and after the effective date. The Company is evaluating the impact of this ASU.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Not required of smaller reporting companies.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures are designed to ensure that information required to be disclosed in the reports filed or submitted under the Securities and Exchange Act of 1934, as amended ("Exchange Act") is recorded, processed, summarized and reported, within the time period specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in the reports filed under the Exchange Act is accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer. We carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of September 30, 2017 (the "Evaluation Date"). Based upon the evaluation of our disclosure controls and procedures as of the Evaluation Date, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were not effective because of the identification of material weaknesses in our internal control over financial reporting that were disclosed in Item 9A. Controls and Procedures in our 2016 annual report on Form 10-K.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting during the three months ended September 30, 2017, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Part II – Other Information

Item 1. Legal Proceedings

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

Item 1A. Risk Factors

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

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

On October 19, 2017, we closed on securities purchase agreements with 13 purchasers (the “Investors”), which provided for the sale by us of an aggregate of 2,391,304 shares of our common stock, at a price of $1.15 per share. The proceeds from this private placement offering will be used for general working capital purposes to support the business operations of the Company. The Securities and Exchange Commission declared the registration effective on November 6, 2017.

The Company also issued to MDB Capital Group LLC, in partial consideration for its services as placement agent for the offering, 119,565 shares of common stock and 119,565 warrants to purchase common stock at $1.15 per share. The shares of common stock issued in the offering and to the placement agent were offered and sold exclusively to accredited investors in a transaction exempt from registration under the Securities Act of 1933, as amended, as a transaction not involving a public offering, pursuant to Section 4(a)(2) of the Securities Act and Rule 506 of Regulation D promulgated thereunder.

On December 19, 2016, the Registrant’s Board of Directors approved the ability of management to issue warrants to Channel Partners that would allow the warrant holders to purchase up to a maximum of 5,000,000 warrants in the aggregate. The warrants will be issued to individual Channel Partners with individualized vesting criteria under a program designed to encourage the Channel Partner to drive user traffic and generate new Channel Partner participants on TheMaven Platform. The warrants have a composition of vesting that is time based and performance based. The Registrant has granted since inception of the program an aggregate of 3,024,500 warrants through June 30, 2017 at exercise prices ranging from $0.95 to $1.90 per share, with expiration periods ending from December 19, 2021 to June 30, 2022. These Channel Partner warrants have no registration rights, and vest over three years. None of the Channel Partner warrants are yet vested. The warrants were issued on the basis of being a private placement under Section 4(a)(2) of the Securities Exchange Act of 1933, as amended.

Item 3. Default Upon Senior Securities

None.

Item 4. Mine Safety Disclosure

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

Exhibit	Description
31.1*	Certification Pursuant to Exchange Act Rule 13a-14(a) of Chief Executive Officer.
31.2*	Certification Pursuant to Exchange Act Rule 13a-14(a) of Chief Financial Officer
32.1*	Certification Pursuant to Section 1350 of the Sarbanes-Oxley Act of 2002 of Chief Executive Officer.
32.2*	Certification Pursuant to Section 1350 of the Sarbanes-Oxley Act of 2002 of Chief Financial Officer
101*	
101.INS*	XBRL Instance Document
101.SCH*	XBRL Taxonomy Extension Schema Document
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document

*Filed Herewith

SIGNATURES

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

theMaven, Inc.

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

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

Dated: November 14, 2017

Exhibit 31.1

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

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

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended September 30, 2017 of theMaven, Inc. (the “registrant”);

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

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

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

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

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

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

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

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

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

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

Dated: November 14, 2017

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

Exhibit 31.2

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

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

1. I have reviewed this Quarterly Report on Form 10-Q for the quarter ended September 30, 2017 of theMaven, Inc. (the “registrant”);

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

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

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

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

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

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

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

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

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

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

Dated: November 14, 2017

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

Exhibit 32.1

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

I, James C. Heckman, Jr., Chief Executive Officer of theMaven, Inc. (the “Company”), hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Quarterly Report on Form 10-Q of the Company for the quarter ended September 30, 2017, which this certification accompanies (the “Periodic Report”), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

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

Dated: November 14, 2017

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

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

Exhibit 32.2

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

I, Martin L. Heimbigner, Chief Financial Officer of theMaven, Inc. (the "Company"), hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Quarterly Report on Form 10-Q of the Company for the quarter ended September 30, 2017, which this certification accompanies (the "Periodic Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

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

Dated: November 14, 2017

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

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