Mobiquity Technologies, Inc.
Form 10-K
April 14, 2017

MOBIQUITY TECHNOLOGIES, INC.

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

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

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

COMMISSION FILE NUMBER: 000-51160

MOBIQUITY TECHNOLOGIES, INC.

(Exact name of Registrant as specified in its charter)

New York (State of jurisdiction of incorporation or organization)	11-3427886 (I.R.S. Employee Identification Number)
600 Old Country Road, STE 541, Garden City, NY (Address of principal executive offices)	11530 (Zip Code)
Registrant's telephone number, including area code:	(516) 256-7766
Securities registered pursuant to Section 12 (b) of the Act: Securities registered pursuant to Section 12 (g) of the Act:	None Common Stock, $.0001 Par Value

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

Check whether the Registrant is not required to file reports pursuant to Section 13 or 15(d) of the Exchange Act. o

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 x No o

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

Indicate by check mark if disclosure of delinquent filers in response to Item 405 of Regulation S-K is not contained in this form, and no disclosure will be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in part III of this Form 10-K or any amendment to this Form 10-K o.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company as defined by Rule 12b-2 of the Exchange Act: smaller reporting company x.

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

As of June 30, 2016 the number of shares of Common Stock held by non-affiliates was approximately 71,175,872 shares based upon 80,176,434 shares of Common Stock outstanding. The approximate market value based on the last sale (i.e. $.10 per share as of June 30, 2016) of the Company’s Common Stock was approximately $7,117,587.

The number of shares outstanding of the Registrant’s Common Stock, as of April 5,2017, was 185,201,768.

FORWARD-LOOKING STATEMENTS

We believe this annual report contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are subject to risks and uncertainties and are based on the beliefs and assumptions of our management, based on information currently available to our management. When we use words such as "believes," "expects," "anticipates," "intends," "plans," "estimates," "should," "likely" or similar expressions, we are making forward-looking statements. Forward-looking statements include information concerning our possible or assumed future results of operations set forth under "Business" and/or "Management's Discussion and Analysis of Financial Condition and Results of Operations." Forward-looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions. Our future results and stockholder values may differ materially from those expressed in the forward-looking statements. Many of the factors that will determine these results and values are beyond our ability to control or predict. Stockholders are cautioned not to put undue reliance on any forward-looking statements. For those statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. For a discussion of some of the factors that may cause actual results to differ materially from those suggested by the forward-looking statements, please read carefully the information under "Risk Factors." In addition to the Risk Factors and other important factors discussed elsewhere in this annual report, you should understand that other risks and uncertainties and our public announcements and filings under the Securities Exchange Act of 1934, as amended could affect our future results and could cause results to differ materially from those suggested by the forward-looking statements.

As used in this Form 10-K, the terms “we,” “our,” “us,” “Mobiquity Technologies” or “the company” refer to Mobiquity Technologies and its subsidiaries, taken as a whole, unless the context otherwise requires it.

TABLE OF CONTENTS

	PAGE
Item 1 Business	1
Item 1A Risk Factors	11
Item 1B Unresolved Staff Comments	21
Item 2 Properties	21
Item 3 Legal Proceedings	21
Item 4 Mine Safety Disclosures	21
Item 5 Market for Common Equity, related Stockholders Matters, and Issuer	22
Item 6 Selected Financial Data	24
Item 7 Management's Discussion and Analysis of Financial Condition and Results of Operations	24
Item 7A Qualitative and Qualitative Disclosures about Market Risk	29
Item 8 Financial Statements	29
Item 9 Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	30
Item 9A Controls and Procedures	30
Item 9B Other Information	31
Item 10 Directors, Executive Officers and Corporate Governance	32
Item 11 Executive Compensation	37
Item 12 Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	45
Item 13 Certain Relationships and Related Transactions and Director Independence	46
Item 14 Principal Accountant Fees and Services	50
Item 15 Exhibits and Financial Statement Schedules	51

Item 1. Business

Introduction

Mobiquity Technologies, Inc., a New York corporation (the "Company"), is the parent company of two operating subsidiaries; Mobiquity Networks, Inc.("Mobiquity Networks") and Ace Marketing & Promotions, Inc. ("Ace Marketing"). The Company's wholly-owned subsidiary, Mobiquity Networks has evolved and grown from a mobile advertising technology company focused on Driving Awareness and Foot-traffic throughout its indoor mall-based beacon network, into a next generation mobile location data and marketing company. Mobiquity Networks provides precise unique, at-scale location-based data and insights on consumer's real world behavior and trends for use in marketing and research. With our combined data sets of shopping malls, premium outlets and cinemas beacon data, and first party location data via our advanced Software Development Kit ("SDK") utilizing multiple geo-location technologies, Mobiquity Networks provides one of the most accurate and scaled solution for mobile data collection and analysis. Mobiquity Networks is seeking to create several new revenue streams from the mobile data collection and analysis, including, but not limited to; Push Notification Campaigns, Mobile Audiences & Segments, real-time Data Provision, Attribution Reporting and Custom Research. The Company is also attempting to reduce expenses by renegotiating certain Mall Developer Agreements.

Ace Marketing is our legacy marketing and promotions business which provides integrated marketing services to our commercial customers. While Ace Marketing currently represents substantially all of our revenue, we anticipate that activity from Ace Marketing will represent a diminishing portion of corporate revenue as our attention is now principally focused on developing and executing on opportunities in our Mobiquity Networks business. We believe that our Mobiquity Networks business represents our greatest growth opportunity going forward.

Mobiquity Networks

Mobiquity Revenue Streams

Mobiquity Networks is seeking to create several new revenue streams from the mobile data collection and analysis, including, but not limited to; Push Notification Campaigns, Mobile Audiences and Segments, real-time Data Provision, Attribution Reporting and Custom Research as described below.

1

Push Notification Campaigns

Push notification campaigns are ideal for drive in-store traffic by reaching consumers before they decide where to shop and what to buy in malls and shopping center common areas.

Data collected with push notifications can:

- Increase your client's revenue potential by driving in-store traffic;
- Enable real time, location based in-app engagement; and
- Enhance interaction by providing localized, relevant content.

Mobile Audiences

Mobiquity's Mobile Audiences enables advertisers to create specific audience segments based on user's real world behaviors. With tracking of over 500 plus brands to understand consumer behavior and affinity, the platform provides unparalleled accuracy and precision due to the volume of user data points and our understanding of dwell time at locations.

Mobiquity Mobile Audiences:

- Retrieve over 600 existing geo-behavioral segments based on visitation to specific locations, chain and merchants;
- Include event attendance, home/work locations and motion into your audiences;
- Create custom or use standard audiences like: frequent store visitors, in-market auto buyers, consumers with homes in specific zips/DMAs; and
- Are provided directly to client systems or via standard services.

2

Location Data Feeds

Looking to substantially increase the number of unique devices on your own location data platform? Mobiquity's Location Data Feed will provide clients with millions of first party unique devices and associated meta data to use with clients own places database.

With location data feeds, clients have access to:

- Location data from millions of devices;
- Updates on client's schedule which can be real-time, daily, monthly; and
- Includes data on operating system, timestamp, latitude, longitude and more relevant data.

Campaign Attribution

Mobiquity clients can now determine impact of its advertising campaigns on its in-store visits and store traffic patterns by leveraging our platform to collect and analyze location data for a clear view of how effectively client campaigns are in driving consumers to its stores.

With Mobiquity Mobile Audiences, clients can have real time information on:

- Footfall attribution;
- Insights of daily conversion;
- Insights on visit time and dwell time; and
- Geographical and Audience analysis.

Footfall, Audience & Path Reporting

Customized reports provide our clients with a deeper understanding of consumer behaviors, store location performance, new store site selection and marketing strategy.

Reports include:

- Visit analysis by time & trends by time of day, week and month;
- Distance from home/work of store locations;
- Performance, trends, and comparisons of store locations;
- Dwell time and frequency comparisons by store locations;
- Competitive analysis;
- Locations visited before and after the desired points of interest("POI"); and
- Correlation between POIs visited and distance from key locations

What Mobiquity Networks is about

Mobiquity Networks is a location data marketing and insights company. We provide accurate and precise location on millions of mobile devices to help marketers and researchers better find and understand their audiences. All of our data is first party supplied by our SDK installed within dozens of class "A" app partner's apps. First party data is considered the most valuable and accurate that can be collected from an SDK. All data provided by Mobiquity Networks is deterministic with a high degree of accuracy and precision.

Mobiquity Networks' data is unique for the following reasons:

· Massive Scale: 15 million plus unique devices;

· Unique (exclusive) data from our owned & operated network of beacons in class "A" malls, shopping outlets and cinemas. In the united states, indoor locations represent approximately 30% of major retail locations;

· Data Density: 100 plus data points collected per user/day;

· Spatial Precision: 85% accurate within less than 30 feet;

· Verified Visits: frequency and dwell time in store utilized to determine real consumer visits;

· Diverse Data:found in dozens of mobile apps that utilize precise location; and

· Privacy Compliant: all user privacy is one hundred percent compliant and transparent.

Mobiquity Networks determines a location visit by utilizing all the location sensors built into a mobile device: GPS, Bluetooth, Wi-Fi and motion sensors. To be considered a verified visit a device must have triggered an enter location event (GPS, Wi-Fi, Bluetooth), had a set amount of accuracy to the location event and dwelled at the location for a set amount of time. A typical definition of a verified visit would be a device that was seen at a location in the last 30 days, dwelled at the location for a minimum of 10 minutes and had a high degree of accuracy.

Strategy

Mobiquity Networks derives its revenue utilizing the revenue streams mentioned above. All of the products used to derive revenue for the Company are reliant on the collection of data. To achieve management's revenue goals moving forward, we have developed a strategy to increase the two main driving forces behind our data collection. One strategy is to increase the total number of users we see on a monthly basis ("MAU"), and the second strategy is to increase the total number of locations (Places) available to see our MAU's visit over the same time period. We are currently seeing approximately 13,000,000 unique mobile devices by the MAU on a monthly basis and roughly 20,000,000 unique devices for the first 100 days of 2017. The ability to see and collect the data required from these unique devices comes from the installation of our proprietary Software Development Kit (SDK) into third party mobile applications (Apps). To continue to grow the total number of unique devices we can see on a monthly basis, we need to have our SDK installed in more third party Apps. We believe our unique offering to potential App partners gives us a competitive advantage over others in the industry. The task of partnering with third party Apps for installation of our SDK is handled internally by our business development team.

As of March 31, 2017, we had approximately 200,000 Places in our proprietary Places database, and that number should increase to over 4,000,000 Places by the end of the second quarter 2017, thus exponentially increasing the amount of data we collect. We have been able to steadily increase the number of locations available in our Places database through the use of both open source and proprietary technologies. The task of growing our Places database is handled by our internal technology team. The Company currently utilizes both internal and outsourced resources to market and sell its product offerings. Management intends to hire additional sales personnel in the last three quarters of 2017 as working capital permits.

Agreements

Due to the evolution of the Mobiquity Network's business model, our agreements with the Mall developers are no longer considered essential to our business operations as our Places data base has grown to approximately 4 million locations making malls a subset within our retail category. This is the major reason why we have allowed many of our mall developer contracts to be terminated by the other parties. We continue to have active agreements with Preit and Rousse malls on a revenue sharing basis covering an aggregate of 55 malls and an agreement with Simon Property malls covering about 195 malls, which agreement will expire no later than December 31, 2017. Since April 2016, this agreement is being financed through lines of credit totaling $2.7 million which lines of credit have been assigned to us by two stockholders in exchange for our common stock. See "Item 13." This agreement is anticipated to be in default if the lines of credit are not reissued by us by the beginning of June 2017, unless a new agreement is entered into prior to that time. For a description of our prior mall agreements, reference is made to "Item 1" of our Form 10-k for the fiscal year ended December 31, 2015.

We have entered into agreements with many third party app partners such as LiveRamp. LiveRamp is an Acxiom company, located in the technology hub of San Francisco, delivering privacy-safe solutions to market and honoring the best practices of leading associations, including the Digital Advertising Alliance's (DAA) ICON and App Choices programs, the Interactive Advertising Bureau, the Data & Marketing Association, and the Advertising Research Foundation. Through our agreement with LiveRamp, we have the ability to make our Mobile Audiences Product available to nearly all buyers interested in such data.

5

Our Proprietary Technology Platform

Mobiquity Networks has developed a highly accurate and scalable proprietary cloud based mobile location platform to allow millions of connected mobile devices to easily and securely log billions of events per day and receive timely user notifications in real-time.

The Mobiquity Networks' platform analyzes a combination of raw GPS, Wi-Fi and iBeacon radio signals when collecting mobile data to identify user patterns in densely populated urban areas, and even inside stores or desired points of interest. This data is additionally analyzed and enriched with how often users visit specific locations, and how much time they spend at each location. The resulting combined contextual data ensures clients receive highly accurate insights into consumers' offline behavior and purchase intent.

The Mobiquity Networks platform is hosted and managed on Amazon Web Service (AWS) and takes full advantage of open standards for processing, storage, security and big data technology. Specifically, the Mobiquity Networks platform uses the following AWS services: EC2, Lambda, Kafka, Kinesis, S3, Storm, Spark, Machine Learning, RDS, Redshift, Elastic Map Reduction, CloudWatch, and Elastic Search Service with built-in Kibana integration.

Mobiquity Networks' unique approach to validating mobile device location visits produces extremely precise and accurate location data with its publisher application SDK.

The Mobiquity Networks' SDK for iOS and Android is a proprietary intelligent replacement for iOS CLLocationManager and the Android Location Manager technology. It provides all the existing location manager functionality plus adds the following benefits:

- advanced location technology capabilities (such as always-on location services, enhanced accuracy, lower battery drain, and others),
- automatic venue recognition,
- access to storefront and venue map database, and
- a detailed location analytics

Mobiquity Networks' SDK enables partner publishers to add enhanced location capabilities, and therefore personalized experiences, to their mobile applications without the need for location expertise.

Mobiquity Networks has assembled a comprehensive location database to convert geographical coordinates to a physical address in the real world. Mobiquity Networks built its own database because existing location databases did not have good enough data to resolve accurate places for user visits. This database includes the street level venue storefronts and entrance for businesses in the U.S., addresses, building polygons, venue polygons, and other related points of interest information. Currently this database has over 4 million locations and continues to be populated thereby improving the platforms' algorithm for user visit accuracy.

Utilizing massively parallel cluster computing and machine learning algorithms and technology, Mobiquity Networks processes user dwell-time and frequency of visit data within iBeacons, Wi-Fi and GPS signals to segment highly targetable audiences for mobile marketing. This data processing provides valuable, actionable geo-behavioral data for advertisers and application publishers and made available through an automated platform.

Figure 2 – Data Collection, Processing and Development

The Mobiquity Networks platform automatically synchronizes audience data to various Data Management Providers (DMP), Demand Side Providers (DSP), trading desks and other partners using its marketplace connection application programmer interfaces (API).

7

Publishing partners are given access to a comprehensive dashboard to view mobile device traffic and audience segment information of their application user base. This information can be both viewed and access via API to incorporate into internal client systems.

Intellectual Property

In March 2013, we formed Mobiquity Networks and Mobiquity Wireless in Spain. Mobiquity Wireless then acquired the assets of our then licensor, FuturLink. These assets include, without limitation, the FuturLink technology which consists of patent applications, source codes and trademark(s). The patent applications acquired related to the hardware and associated process for identifying and acquiring connections to mobile devices and the process for delivering select content to users on an opt-in basis. Additionally, significant “know how” was acquired with respect to managing remote hardware across a large physical network. As the technology owner, we will leverage the hardware and software included in our purchase to expand our mall-based footprint in the United States. We believe our acquisition of FuturLink’s technology and corresponding patent applications provided us with the flexibility and autonomy to improve, upgrade and integrate new ideas and cutting edge technologies into our then existing platform. This has allowed us to evolve as new technologies emerge. To date, we have published for four patents and two have been approved. We believe that our intellectual property is a valuable asset to us as we move forward with our technology platform.

Governmental Regulations

Federal, state and international laws and regulations govern the collection, use, retention, sharing and security of data that we collect. We strive to comply with all applicable laws, regulations, self-regulatory requirements and legal obligations relating to privacy, data protection and consumer protection, including those relating to the use of data for marketing purposes. As we develop and provide solutions that address new market segments, we may become subject to additional laws and regulations, which could create unexpected liabilities for us, cause us to incur additional costs or restrict our operations. From time to time, we may be notified of or otherwise become aware of additional laws and regulations that governmental organizations or others may claim should be applicable to our business. Our failure to anticipate the application of these laws and regulations accurately, or other failure to comply, could create liability for us, result in adverse publicity or cause us to alter our business practices, which could cause our net revenues to decrease, our costs to increase or our business otherwise to be harmed. See “Risk Factors.”

We are subject to general business regulations and laws as well as regulations and laws specifically governing the Internet, e-commerce and m-commerce in a number of jurisdictions around the world. Existing and future regulations and laws could impede the growth of the Internet, e-commerce, m-commerce or other online services. These regulations and laws may involve taxation, tariffs, privacy and data security, anti-spam, data protection, content, copyrights, distribution, electronic contracts, electronic communications and consumer protection. It is not clear how existing laws and regulations governing issues such as property ownership, sales and other taxes, libel and personal privacy apply to the Internet as the vast majority of these laws and regulations were adopted prior to the advent of the Internet and do not contemplate or address the unique issues raised by the Internet, e-commerce or m-commerce. It is possible that general business regulations and laws, or those specifically governing the Internet, e-commerce or m-commerce may be interpreted and applied in a manner that is inconsistent from one jurisdiction to another and may conflict with other rules or our practices. See “Risk Factors. “

Integrated Marketing Company

Our subsidiary, Ace Marketing & Promotions, Inc. (or Ace Marketing), has historically represented substantially all of our operating revenues. Ace Marketing is an integrated marketing company focused on working with clients to grow their business. Ace Marketing’s core business is to provide a wide range of quality promotional products to a wide range of corporate, non-profit and educational clients. In addition, Ace Marketing offers brand analysis and development, website analysis and development, database analysis and building, and integrated marketing campaigns using: direct mail, email marketing, mobile marketing, promotional products and other mediums that help our clients connect with their customers and acquire new business.

Although the majority of Ace Marketing’s revenue is derived from the sale of promotional products, it is through the use of our four-step process supported by marketing technology platforms that allows us to attract and retain clients.

The sale of promotional products alone can be considered a commodity business, so by offering our value-added services, we believe we have created a competitive advantage. We believe a client will be less likely to leave if we created their logo, built their website and/or appended their customer database.

Ace Marketing derives revenues from each of the following resources:

- Brand analysis and development.
- Website analysis and development.
- Database analysis and building.
- Integrated marketing solutions.

Substantially all of our resources and marketing efforts are dedicated toward deriving revenues from the operations of Mobiquity Networks.

Competition

We compete in the location-based mobile data, marketing and research business and in all other facets of our business against small, medium and large companies throughout the United States. Some examples include companies such as Placed, PlaceIQ, Factual, xAd and Foursquare. Although we can give no assurance that our business will be able to compete against other companies with greater experience and resources, we believe we have a competitive advantage with our proprietary Places Database, software and technology platform. As previously mentioned, we have the exclusive rights to provide Bluetooth marketing services in the common area for various shopping malls. This gives us the ability to compete with these other companies to provide indoor data based upon the exclusive rights in such malls.

With respect to our integrated marketing subsidiary, while our competition in this business vertical is extensive, we believe that this industry is extremely fragmented and that there are no companies that dominate the market in which we operate. We compete within the industry on the basis of service, competitive prices, personal relationships and competitive commissions to our sales representatives to sell promotional products for us rather than our competitors. Competitors' advantages over us may include better financing, greater experience, lower margins and better personal relationships than us.

Employees

We have approximately 16 full time employees, including executive management, technical personnel, salespeople, and support staff employees. We also utilize several additional firms/persons who provide services to us on a non-exclusive basis as independent consultants.

Item 1A. Risk Factors

Investing in our common stock involves a high degree of risk. Before deciding to invest in our company or deciding to maintain or increase your investment, you should consider carefully the risks and uncertainties described below, together with all information in this Form 10-K, including our consolidated financial statements and related notes. If one or more of the following risks are realized, our business, financial condition, results of operations and prospects could be materially and adversely affected. In that event, the market price for our common stock could decline and you may lose your investment.

Risks Relating To Our Business

We are dependent upon the immediate receipt of substantial additional financing to carry out our plan of operations and to meet our anticipated financial commitments over the next one year. Our auditors have expressed a substantial doubt of our ability to continue as a going concern. We are dependent upon the immediate receipt of substantial additional financing to carry out our plan of operations and to meet our anticipated financial commitments over the next one year, including, without limitation, maintaining the current technology and supporting staff, making minimum payments to our mall managers as required and making timely payments to our debt holders. The accompanying consolidated financial statements have been prepared assuming our company will continue as a going concern. Our continued existence is dependent upon our ability to obtain additional debt and/or equity financing to advance our mall network system and to develop a revenue stream resulting therefrom. We have incurred net losses for the years ending December 31, 2016, 2015 and 2014 of $10,701,503, $10,459,724 and $10,506,099, respectively. As of December 31, 2016, we had an accumulated deficit of $51,182,093. For the year ended December 31, 2016, we have had negative cash flows from operating activities of $5,929,852. These factors raise substantial doubt concerning our ability to continue as a going concern. We can provide no assurances that we will be successful in raising additional equity and/or debt financing on terms satisfactory to us, if at all, to remain a going concern.

We have a history of operating losses and may not in the future generate consistent revenues or profits. Since our inception, we have experienced a continued history of operating losses and an accumulated deficit of $51,182,093 at December 31, 2016. We have incurred net losses for the years ending December 31, 2016, 2015 and 2014 of $10,710,503, $10,459,724 and $10,506,099, respectively. Our operating losses for the past several years are primarily attributable to the transformation of our company into an advertising technology corporation. Our Mobiquity Network subsidiary has $65,932 in revenues from its operations for the year ended December 31, 2016. We can provide no assurances that our operations will generate consistent or predictable revenue or be profitable in the future. This is particularly the case as we are shifting our business emphasis to focus on our Mobiquity Network business.

We entered into convertible promissory notes in the aggregate amount of $1,600,000 which are secured by all of our assets. These notes have a current maturity dates beginning on August of 2017, but the noteholder has the right to call the note at any time, which could adversely affect our liquidity and capital resources. On March 31, 2017, we issued secured promissory notes in the aggregate amount of $1,100,000 to two non-affiliated investors and an additional $500,000 is expected to be issued in late April 2017. The maturity date of the notes is August through October 2017. The payment of these notes at maturity could come at a time when it would not be advantageous to us and could materially adversely affect our liquidity and capital resources. We can provide no assurances that we will be able to meet our obligations under these notes as they become due and payable.

We are focusing the majority of our attention on our Mobiquity Networks data collection and analysis business. We operate through our wholly-owned subsidiaries, Ace Marketing & Promotions, Inc. and Mobiquity Networks, Inc. Ace Marketing is our legacy marketing and promotions business which provides integrated marketing services to our commercial customers. While Ace Marketing currently represents substantially all of our revenue, we anticipate that activity from Ace Marketing will represent a diminishing portion of corporate revenue as our attention is now principally focused on developing and executing on opportunities in our Mobiquity Networks business. We believe that our Mobiquity Networks business represents our growth opportunity going forward. We expect that Mobiquity Networks will generate the majority of our revenue by the end of 2017, although no assurances can be given in this regard. Further, we can provide no assurances that the implementation of our Mobiquity Networks' business will meet our expectations in terms of generating a certain amount of revenue by a certain year.

We did not receive any significant revenues from our new Mobiquity business in 2016 and we cannot accurately predict the volume or timing of any future revenues. We may be unable to capture revenue from our new Mobiquity business and product offerings in the manner in which we anticipate. As such, we cannot accurately predict the volume or timing of any future revenues.

Our Mobiquity Network business is dependent upon our successful integration of our SDK into various third party applications (or apps) publishers to collect and analyze data and create product offerings from the data collected. For us to create and expand our business model, we are dependent upon entering into agreements with mobile application third party publishers. The greater the number of publisher apps into which our SDK is embedded, the greater number of original data we can collect and analyze. We currently have entered into agreements with a limited number of third party app publishers. There is a risk that we will be unable to expand our third party publisher network on terms satisfactory to us, or at all, and if we are unable to do so, our results of operations and overall business prospects would suffer.

The location-based mobile marketing industry is relatively new and our competition may become extensive. Currently, we have not generated significant revenue from this new and unproven segment of our business. While we intend to market our Mobiquity products and services, there is a risk that our location-based mobile data collection and analysis will be unable to compete with large, medium and small competitors that are in (or may enter) the industry with substantially larger resources and management experience.

We expect to derive substantially all of our future revenues from our principal technology, which leaves us subject to the risk of reliance on such technology. Further, our principal technology is subject to pending patent applications which could be rejected by the United States Patent and Trademark Office. We expect to derive substantially all of our future revenues from Mobiquity Networks. As such, any factor adversely affecting our ability to offer and implement our solution to new customers, including regulatory issues, market acceptance, competition, performance and reliability, reputation, price competition and economic and market conditions, would likely harm our operating results.

If our Mobiquity technology fails to satisfy current or future customer requirements, we may be required to make significant expenditures to redesign the technology, and we may have insufficient resources to do so. Our Mobiquity Networks solution is designed to address an evolving marketplace and must comply with current and evolving customer requirements in order to gain market acceptance. There is a risk that we will not meet anticipated customer requirements or desires. If we are required to redesign our technologies to address customer demands or otherwise modify our business model, we may incur significant unanticipated expenses and losses, and we may be left with insufficient resources to engage in such activities. If we are unable to redesign our technology, develop new

technology or modify our business model to meet customer desires or any other customer requirements that may emerge, our operating results would be materially and adversely affected.

If we fail to respond quickly to technological developments, our service may become uncompetitive and obsolete. The data collection and analysis market in which we plan to compete is expected to experience rapid technology developments, changes in industry standards, changes in customer requirements and frequent new improvements. If we are unable to respond quickly to these developments, we may lose competitive position, and our technologies may become uncompetitive or obsolete, causing revenues and operating results to suffer. In order to compete, we may be required to develop or acquire new technology and improve our existing technology and processes on a schedule that keeps pace with technological developments. We must also be able to support a range of changing customer preferences. We cannot guarantee that we will be successful in any manner in these efforts.

We cannot predict our future capital needs and we may not be able to secure additional financing. Between January 2013 and December 2016, we raised over $21 million in private equity and debt financing to support our transformation from an integrated marketing company to a technology company. Since we might be unable to generate recurring or predictable revenue or cash flow to fund our operations, we will likely need to seek additional (perhaps substantial) equity or debt financing even following this offering to provide the capital required to maintain or expand our operations. We may also need additional funding for developing products and services, increasing our sales and marketing capabilities and acquiring complementary companies, technologies and assets, as well as for working capital requirements and other operating and general corporate purposes. We cannot predict our future capital needs with precision, and we may not be able to secure additional financing on terms satisfactory to us, if at all, which could lead to termination of our business.

When we elect to raise additional funds or additional funds are required, we may raise such funds from time to time through public or private equity offerings, debt financings or other financing alternatives. Additional equity or debt financing may not be available on acceptable terms, if at all. If we are unable to raise additional capital in sufficient amounts or on terms acceptable to us, we will be prevented from pursuing operational development and commercialization efforts and our ability to generate revenues and achieve or sustain profitability will be substantially harmed.

If we raise additional funds by issuing equity securities, our stockholders will experience dilution. Debt financing, if available, would result in increased fixed payment obligations and may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends. Any debt financing or additional equity that we raise may contain terms, such as liquidation and other preferences, which are not favorable to us or our stockholders. If we raise additional funds through collaboration and licensing arrangements with third parties, it may be necessary to relinquish valuable rights to our technologies, future revenue streams or product candidates or to grant licenses on terms that may not be favorable to us. Should the financing we require to sustain our working capital needs be unavailable or prohibitively expensive when we require it, our business, operating results, financial condition and prospects could be materially and adversely affected and we may be unable to continue our operations. Failure to secure additional financing on

favorable terms could have severe adverse consequences to us.

Our future performance is materially dependent upon our management and their ability to manage our growth. Our future performance is substantially dependent upon the efforts and abilities of members of our existing management. This is particularly the case as we seek to ramp up our newer location-based mobile business in 2017 and beyond. The loss of the services of our management personnel could have a material adverse effect on our business. We currently lack “key man” life insurance policies on any of our officers or employees. Competition for additional qualified management is intense, and we may be unable to attract and retain additional key personnel. The number of management personnel is currently limited and they may be unable to manage our expansion successfully and the failure to do so could have a material adverse effect on our business, results of operations and financial condition.

If our management team does not remain with us in the future, our business, operating results and financial condition could be adversely affected. Our future success depends in large part on our current senior management team and our ability to attract and retain additional high-quality management and operating personnel. Our senior management team's in-depth knowledge of and deep relationships with the participants in our industry are extremely valuable to us. Our business also requires skilled technical and marketing personnel, who are in high demand and are often subject to competing offers. Competition for qualified employees is intense in our industry, and the loss of even a few qualified employees, or an inability to attract, retain and motivate additional highly skilled employees required for the planned expansion of our business, could harm our operating results and impair our ability to grow. To attract and retain key personnel, we use various measures, including an equity incentive program and incentive bonuses for executive officers and other employees. These measures may not be enough to attract and retain the personnel we require to operate our business effectively. We also have a number of employees who were granted stock options over the past few years that have an exercise price per share that is lower than the current fair market value. If we are successful as a public company, of which there can be no assurances, these employees may choose to exercise their options and sell the shares, recognizing a substantial gain. As a result, it may be difficult for us to retain such employees.

If we are unable to attract additional management and sales representatives, or if a significant number of our manager or sales representatives leave us, our ability to increase our net revenues could be negatively impacted. Our ability to expand our business will depend, in part, on our ability to attract additional management and sales representatives. Competition for qualified managers and sales representatives can be intense, and we may be unable to hire additional team members when we need them or at all. Any difficulties we experience in attracting additional managers or sales representatives could have a negative impact on our ability to expand our retailer base, increase net revenues and continue our growth. In addition, we must retain our current management and sales representatives and properly incentivize them to obtain new relationships. If a significant number of our managers and sales representatives were to leave us, our net revenues could be negatively impacted. In certain circumstances, we have entered into agreements with our managers and sales representatives that contain non-compete provisions to mitigate this risk, but we may need to litigate to enforce our rights under these agreements, which could be time-consuming, expensive and ineffective. A significant increase in the turnover rate among our current managers or sales representatives could also increase our recruiting costs and decrease our operating efficiency, which could lead to a decline in our net revenues and profitability.

Our Mobiquity solution contains and is dependent upon open source software, which may pose particular risks to our proprietary software and solutions. We use open source software in our solutions and will use open source software in the future. Some licenses governing our use of open source software contain requirements that we make available source code for modifications or derivative works we create based upon the open source software, and that we license such modifications or derivative works under the terms of a particular open source license or other license granting third parties certain rights of further use. By the terms of certain open source licenses, we could be required to release the source code of our proprietary software, and to make our proprietary software available under open source licenses, if we combine our proprietary software with open source software in certain manners. Although we monitor our use of open source software, we cannot assure you that all open source software is reviewed prior to use in our solutions, that our programmers have not incorporated open source software into our solutions, or that they will not do so in the future. Additionally, the terms of many open source licenses to which we are subject have not been interpreted by U.S. or foreign courts. There is a risk that open source software licenses could be construed in a manner

that imposes unanticipated conditions or restrictions on our ability to market or provide our solutions. In addition, the terms of open source software licenses may require us to provide software that we develop using such open source software to others on unfavorable license terms. As a result of our current or future use of open source software, we may face claims or litigation, be required to release our proprietary source code, pay damages for breach of contract, re-engineer our solutions, discontinue making our solutions available in the event re-engineering cannot be accomplished on a timely basis or take other remedial action. Any such re-engineering or other remedial efforts could require significant additional research and development resources, and we may not be able to successfully complete any such re-engineering or other remedial efforts. Further, in addition to risks related to license requirements, use of certain open source software can lead to greater risks than use of third-party commercial software, as open source licensors generally do not provide warranties or controls on the origin of software. Any of these risks could be difficult to eliminate or manage, and, if not addressed, could have a negative effect on our business, financial condition and operating results.

We rely on information technology to operate our business and maintain competitiveness, and any failure to adapt to technological developments or industry trends could harm our business. We depend on the use of information technologies and systems. As our operations grow in size and scope, we will be required to continuously improve and upgrade our systems and infrastructure while maintaining or improving the reliability and integrity of our infrastructure. Our future success also depends on our ability to adapt our systems and infrastructure to meet rapidly evolving consumer trends and demands while continuing to improve the performance, features and reliability of our solutions in response to competitive services and product offerings. The emergence of alternative platforms will require new investment in technology. New developments in other areas, such as cloud computing, could also make it easier for competition to enter our markets due to lower up-front technology costs. In addition, we may not be able to maintain our existing systems or replace or introduce new technologies and systems as quickly as we would like or in a cost-effective manner.

If we fail to respond quickly to technological developments, our technology may become uncompetitive and obsolete. The mobile data market is expected to experience rapid technology developments, changes in industry standards, changes in customer requirements and frequent new product introductions and improvements. If we are unable to respond quickly to these developments, we may lose competitive position, and our solutions or technologies may become uncompetitive or obsolete, causing revenues and operating results to suffer. In order to compete, we may be required to develop or acquire new technologies and improve our existing technologies and processes on a schedule that keeps pace with technological developments and the requirements for our industry. We must also be able to support a range of changing customer preferences. We cannot guarantee that we will be successful in any manner in these efforts, and our inability to do so could cause our business to suffer.

Our technology and associated business processes may contain undetected errors, which could limit our ability to provide our services and diminish the attractiveness of our offerings. Our Mobiquity technology may contain undetected errors, defects or bugs. As a result, our customers or end users may discover errors or defects in our technology or the systems incorporating our technology may not operate as expected. We may discover significant errors or defects in the future that we may not be able to fix. Our inability to fix any of those errors could limit our ability to provide our solution, impair the reputation of our brand and diminish the attractiveness of our product offerings to our customers. In addition, we may utilize third party technology or components in our products and we rely on those third parties to provide support services to us. Failure of those third parties to provide necessary support services could materially adversely impact our business.

Because we do not manufacture the promotional products we distribute, we are dependent upon third parties for the manufacture and supply of our promotional products. Our Ace Marketing subsidiary obtains all of our promotional products from third-party suppliers, both domestically and overseas primarily in China. We submit purchase orders to our suppliers who are not committed to supply products to us. Therefore, suppliers may be unable to provide the products we need in the quantities we request. Because we lack control of the actual production of the

promotional products we sell, we may be subject to delays caused by interruption in production based on conditions outside of our control. In the event that any of our third-party suppliers were to become unable or unwilling to continue to provide the products in required volumes, we would need to identify and obtain acceptable replacement sources on a timely cost effective basis. There is no guarantee that we will be able to obtain such alternative sources of supply on a timely basis, if at all. An extended interruption in the supply of our products would have an adverse effect on our results of operations, which most likely would adversely affect the value of our common stock.

Changes in consumer sentiment or laws, rules or regulations regarding tracking technologies and other privacy matters could have a material adverse effect on our ability to generate net revenues and could adversely affect our ability to collect data on consumer shopping behavior. The collection and use of electronic information about user is an important element of our Mobiquity technology and solutions. However, consumers may become increasingly resistant to the collection, use and sharing of information, including information used to deliver advertising and to attribute credit to publishers in performance marketing programs, and take steps to prevent such collection, use and sharing of information. For example, consumer complaints and/or lawsuits regarding advertising or other tracking technologies in general and our practices specifically could adversely impact our business. In addition to this change in consumer preferences, if retailers or brands perceive significant negative consumer reaction to targeted advertising or the tracking of consumers' activities, they may determine that such advertising or tracking has the potential to negatively impact their brand. In that case, advertisers may limit or stop the use of our solutions, and our operating results and financial condition would be adversely affected.

Our business practices with respect to data and consumer protection could give rise to liabilities or reputational harm as a result of governmental regulation, legal requirements or industry standards relating to consumer privacy, data protection and consumer protection. Federal, state and international laws and regulations govern the collection, use, retention, sharing and security of data that we collect. We strive to comply with all applicable laws, regulations, self-regulatory requirements and legal obligations relating to privacy, data protection and consumer protection, including those relating to the use of data for marketing purposes. It is possible, however, that these requirements may be interpreted and applied in a manner that is inconsistent from one jurisdiction to another and may conflict with other rules or our practices. We cannot assure you that our practices have complied, comply, or will comply fully with all such laws, regulations, requirements and obligations. Any failure, or perceived failure, by us to comply with federal, state or international laws or regulations, including laws and regulations regulating privacy, data security, marketing communications or consumer protection, or other policies, self-regulatory requirements or legal obligations could result in harm to our reputation, a loss in business, and proceedings or actions against us by governmental entities, consumers, retailers or others. We may also be contractually liable to indemnify and hold harmless performance marketing networks or other third parties from the costs or consequences of noncompliance with any laws, regulations, self-regulatory requirements or other legal obligations relating to privacy, data protection and consumer protection or any inadvertent or unauthorized use or disclosure of data that we store or handle as part of operating our business. Any such proceeding or action, and any related indemnification obligation, could hurt our reputation, force us to incur significant expenses in defense of these proceedings, distract our management, increase our costs of doing business and cause consumers and retailers to decrease their use of our marketplace, and may result in the imposition of monetary liability.

As we develop and provide solutions, we may be subject to additional and unexpected regulations, which could increase our costs or otherwise harm our business. As we develop and provide solutions that address new market segments, we may become subject to additional laws and regulations, which could create unexpected liabilities for us, cause us to incur additional costs or restrict our operations. From time to time, we may be notified of or otherwise become aware of additional laws and regulations that governmental organizations or others may claim should be

applicable to our business. Our failure to anticipate the application of these laws and regulations accurately, or other failure to comply, could create liability for us, result in adverse publicity or cause us to alter our business practices, which could cause our net revenues to decrease, our costs to increase or our business otherwise to be harmed.

We rely on information technology to operate our business and maintain competitiveness, and any failure to adapt to technological developments or industry trends could harm our business. We depend on the use of information technologies and systems. As our operations grow in size and scope, we must continuously improve and upgrade our systems and infrastructure while maintaining or improving the reliability and integrity of our infrastructure. Our future success also depends on our ability to adapt our systems and infrastructure to meet rapidly evolving consumer trends and demands while continuing to improve the performance, features and reliability of our solutions in response to competitive services and product offerings. In addition, we may not be able to maintain our existing systems or replace or introduce new technologies and systems as quickly as we would like or in a cost-effective manner.

Government regulation of the Internet, e-commerce and m-commerce is evolving, and unfavorable changes or failure by us to comply with these laws and regulations could substantially harm our business and results of operations. We are subject to general business regulations and laws as well as regulations and laws specifically governing the Internet, e-commerce and m-commerce in a number of jurisdictions around the world. Existing and future regulations and laws could impede the growth of the Internet, e-commerce, m-commerce or other online services. These regulations and laws may involve taxation, tariffs, privacy and data security, anti-spam, data protection, content, copyrights, distribution, electronic contracts, electronic communications and consumer protection. It is not clear how existing laws and regulations governing issues such as property ownership, sales and other taxes, libel and personal privacy apply to the Internet as the vast majority of these laws and regulations were adopted prior to the advent of the Internet and do not contemplate or address the unique issues raised by the Internet, e-commerce or m-commerce. It is possible that general business regulations and laws, or those specifically governing the Internet, e-commerce or m-commerce may be interpreted and applied in a manner that is inconsistent from one jurisdiction to another and may conflict with other rules or our practices. We cannot assure you that our practices have complied, comply or will comply fully with all such laws and regulations. Any failure, or perceived failure, by us to comply with any of these laws or regulations could result in damage to our reputation, a loss in business, and proceedings or actions against us by governmental entities or others. Any such proceeding or action could hurt our reputation, force us to spend significant resources in defense of these proceedings, distract our management, increase our costs of doing business, and cause consumers and retailers to decrease their use of our marketplace, and may result in the imposition of monetary liability. We may also be contractually liable to indemnify and hold harmless third parties from the costs or consequences of noncompliance with any such laws or regulations. In addition, it is possible that governments of one or more countries may seek to censor content available on our websites and mobile applications or may even attempt to completely block access to our marketplace. Adverse legal or regulatory developments could substantially harm our business. In particular, in the event that we are restricted, in whole or in part, from operating in one or more countries, our ability to retain or increase our customer base may be adversely affected and we may not be able to maintain or grow our net revenues as anticipated.

There may be limitations on the effectiveness of our internal controls, and a failure of our control systems to prevent error or fraud may materially harm our company. Proper systems of internal controls over financial accounting and disclosure are critical to the operation of a public company. We have a limited accounting and finance

staff, and such staff has relatively limited experience in operating the accounting function of a growing public company. As such, we may be unable to effectively establish, implement and update our internal control systems. This would leave us without the ability to reliably assimilate and compile financial information about our company and significantly impair our ability to prevent error and detect fraud, all of which would have a negative impact on our company from many perspectives.

Moreover, we do not expect that disclosure controls or internal control over financial reporting, even if properly in place, will prevent all error and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. Further, the design of a control system must reflect the fact that there are resource constraints and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. Failure of our control systems to prevent error or fraud could materially and adversely affect our business, reputation, stock price and results of operations.

Our subsidiary which operates our legacy business sells its branded merchandise to a diverse group of customers, which includes a principal customer. For the year ended December 31, 2016, one customer accounted for approximately 35% of net revenues for our branded merchandise as compared to a customer accounting for approximately 38% of net revenues for the comparable period of the prior year. A loss of a principal customer in our legacy business could substantially affect our results of operations.

Risks Relating To An Investment In Our Securities

Our future sales of common stock by management and other stockholders may have an adverse effect on the then prevailing market price of our common stock. In the event a public market for our common stock is sustained in the future, sales of our common stock may be made by holders of our public float or by holders of restricted securities in compliance with the provisions of Rule 144 of the Securities Act of 1933. In general, under Rule 144, a non-affiliated person who has satisfied a six-month holding period in a fully reporting company under the Securities Exchange Act of 1934, as amended, may, sell their restricted common stock without volume limitation, so long as the issuer is current with all reports under the Exchange Act in order for there to be adequate common public information. Affiliated persons may also sell their common shares held for at least six months, but affiliated persons will be required to meet certain other requirements, including manner of sale, notice requirements and volume limitations. Non-affiliated persons who hold their common shares for at least one year will be able to sell their common stock without the need for there to be current public information in the hands of the public. Future sales of shares of our public float or by restricted common stock made in compliance with Rule 144 may have an adverse effect on the then prevailing market price, if any, of our common stock.

A significant portion of our total outstanding shares are eligible to be sold into the market in the near future, which could cause the market price of our common shares to drop significantly, even if our business is doing well. A significant portion of our total outstanding shares are eligible to be sold into the market in the near future, which could cause the market price of our common shares to drop significantly, even if our business is doing well.

Sales of a substantial number of our common shares in the public market, or the perception in the market that the holders of a large number of shareholders intend to sell shares could reduce the market price of our common shares.

We do not intend to pay dividends. We do not anticipate paying cash dividends on our common stock in the foreseeable future. We may not have sufficient funds to legally pay dividends. Even if funds are legally available to pay dividends, we may nevertheless decide in our sole discretion not to pay dividends. The declaration, payment and amount of any future dividends will be made at the discretion of our board of directors, and will depend upon, among other things, the results of our operations, cash flows and financial condition, operating and capital requirements, and other factors our board of directors may consider relevant. There is no assurance that we will pay any dividends in the future, and, if dividends are paid, there is no assurance with respect to the amount of any such dividend.

We lack an established trading market for our common stock, and you may be unable to sell your common stock at attractive prices or at all. There is currently a limited trading market for our common stock on the OTCQB under the symbol "MOBQ." There can be no assurances given that an established public market will be obtained for our common stock or that any public market will last. As a result, we cannot assure you that you will be able to sell your common stock at attractive prices or at all.

The market price for our securities may be highly volatile. The market price for our securities may be highly volatile. A variety of factors may have a significant impact on the market price of our common stock, including:

- the publication of earnings estimates or other research reports and speculation in the press or investment community;
- changes in our industry and competitors;
- our financial condition, results of operations and prospects;
- any future issuances of our common stock, which may include primary offerings for cash, and the grant or exercise of stock options from time to time;
- general market and economic conditions; and
- any outbreak or escalation of hostilities, which could cause a recession or downturn in the U.S. economy.

In addition, the markets in general can experience extreme price and volume fluctuations that can be unrelated or disproportionate to the operating performance of the companies listed or quoted. Broad market and industry factors may negatively affect the market price of our common stock, regardless of actual operating performance. In the past, following periods of volatility in the market price of a company's securities, securities class action litigation has often been instituted against companies. This type of litigation, if instituted, could result in substantial costs and a diversion of management's attention and resources, which would harm our business.

Our principal stockholders, directors and executive officers have a material level of control over us, which could delay or prevent a change in our corporate control favored by our other stockholders. As of the date of this Form 10-K, our principal stockholders, directors and executive officers beneficially own, in the aggregate, approximately 31% of our outstanding common stock. These figures include potential future exercises of outstanding options or warrants into shares of common stock. The interests of our current directors and executive officers may differ from the interests of other stockholders. As a result, these current directors and officers could have the ability to exercise material influence over all corporate actions requiring stockholder approval, irrespective of how our other stockholders may vote, including the following actions:

- approval of certain mergers and other significant corporate transactions, including a sale of substantially all of our assets and material financing transactions;

- election of directors;

- adoption of or amendments to stock option plans;

- amendment of charter documents; or

- issuance of “blank check” preferred stock.

19

Our certificate of incorporation grants our board of directors the authority to issue a new series of preferred stock without further approval by our shareholders, which could adversely affect the rights of the holders of our common shares. Our board of directors has the power to fix and determine the relative rights and preferences of preferred stock. Our board of directors also has the power to issue preferred stock without further shareholder approval, subject to applicable listing regulations. As a result, our board of directors could authorize the issuance of new series of preferred stock that would grant to holders thereof certain preferred rights to (i) our assets upon liquidation: (ii) receive dividend payments ahead of holders of common shares; (iii) and the redemption of the shares, together with a premium, prior to the redemption of our common shares. In addition, our board of directors could authorize the issuance of new series of preferred stock that is convertible into our common shares, which could decrease the relative voting power of our common shares or result in dilution to our existing shareholders.

Research analysts do not currently publish research about our business, limiting information available to shareholders, and if this continues to be the case or if analysts do publish unfavorable commentary or downgrade our common shares it could adversely affect our stock price and trading volume. The trading market for our common shares will depend, in part, on the research and reports that research analysts publish about us and our business and industry. The price of our common shares could decline if one or more research analysts downgrade our stock or if those analysts issue other unfavorable commentary or cease publishing reports about us or our business. If one or more of the research analysts ceases coverage of our company or fails to publish reports on us regularly, demand for our common shares could decrease, which could cause our stock price or trading volume to decline.

As a public company, we are subject to complex legal and accounting requirements that will require us to incur significant expenses and will expose us to risk of non-compliance. As a public company, we are subject to numerous legal and accounting requirements that do not apply to private companies. The cost of compliance with many of these requirements is material, not only in absolute terms but, more importantly, in relation to the overall scope of the operations of a small company. Our management team is relatively inexperienced in complying with these requirements, which may lead to errors in our accounting and financial statements and which may impair our operations. This inexperience may also increase the cost of compliance and may also increase the risk that we will fail to comply. Failure to comply with these requirements can have numerous adverse consequences including, but not limited to, our inability to file required periodic reports on a timely basis, loss of market confidence and/or governmental or private actions against us. We cannot assure you that we will be able to comply with all of these requirements or that the cost of such compliance will not prove to be a substantial competitive disadvantage vis-à-vis our privately held and larger public competitors.

We may be subject to shareholder litigation, thereby diverting our resources that may have a material effect on our profitability and results of operations. The market for our common shares may be characterized by significant price volatility when compared to seasoned issuers, and we expect that our share price may continue to be more volatile than a seasoned issuer for the indefinite future. In the past, plaintiffs have often initiated securities class action litigation against a company following periods of volatility in the market price of its securities. We may become the target of similar litigation. Securities litigation will result in substantial costs and liabilities and will divert management’s attention and resources.

Compliance with changing regulation of corporate governance and public disclosure will result in additional expenses and pose challenges for our management. Changing laws, regulations and standards relating to corporate governance and public disclosure, including the Sarbanes-Oxley Act and SEC regulations, have created uncertainty for public companies and significantly increased the costs and risks associated with accessing the U.S. public markets. Our management team will need to devote significant time and financial resources to comply with both existing and evolving standards for public companies, which will lead to increased general and administrative expenses and a diversion of management time and attention from revenue generating activities to compliance activities.

Our common stock may be considered "penny stock" and may be difficult to trade. The SEC has adopted regulations that generally define "penny stock" to be an equity security that has a market or exercise price of less than $5.00 per share, subject to specific exemptions. The market price of our common stock may be less than $5.00 per share and, therefore, may be designated as a "penny stock" according to SEC rules, unless our common shares are trading on a national exchange. This designation requires any broker or dealer selling these securities to disclose certain information concerning the transaction, obtain a written agreement from the purchaser and determine that the purchaser is reasonably suitable to purchase the securities. These rules may restrict the ability of brokers or dealers to sell our common stock and may affect the ability of investors to sell their common shares.

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

In February 2012, we entered into a 63-month lease agreement for new executive office space of approximately 4,200 square feet located at 600 Old Country Road, Suite 541, Garden City, NY 11530. The annual rent under this office facility for the first year is estimated at $127,000, including electricity, subject to an annual increase of 3%. In the event of a default in which the company is evicted from the office space, Mobiquity would be responsible to the landlord for an additional payment of rent of $160,000 in the first year of the lease, an additional payment of $106,667 in the second year of the lease and an additional payment of rent of $53,333 in the third year of the lease. Such additional rent would be payable at the discretion of the company in cash or in shares of common stock of our company.

Our lease for approximately 2,000 square feet of space at an annual cost of approximately $30,150 (inclusive of taxes) at 1105 Portion Road, Farmingville, NY 11738 expired in November 2013. We currently lease this property on a month to month basis for approximately $2,500 per month beginning December 2014, with a 5% increase in rent each year.

In March 2013, we entered into a two-year lease for an approximately 1,200 square foot facility of office and warehouse space in Barcelona, Spain, at monthly cost of approximately $2,200. We have closed this facility and consolidated our efforts moving our activities back to the United States.

In March of 2014, we entered into a month-to-month lease agreement for approximately 400 square feet of office space located in Manhattan, NY at a monthly cost of $3,700. In May of 2015 we moved to a larger location with the same landlord on a month to month basis for $4,700 each month.

Item 3. Legal Proceedings

We are not a party to any pending legal proceedings.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Common Equity, Related Stockholder Matters, and Issuer

Purchases of Equity Securities.

Our Common Stock trades on the OTCQB under the symbol "MOBQ" (formerly “AMKT”) on a limited basis. The OTCQB marketplace has effectively replaced the FINRA operated OTC Bulletin Board (OTCBB) as the primary market for SEC reporting securities that trade off exchanges. The following table sets forth the range of high and low sales prices of our Common Stock for the last two fiscal years.

Quarters Ended	High	Low
March 31, 2016	$ .23	$ .08
June 30, 2016	.16	.07
September 30, 2016	.11	.02
December 31, 2016	.06	.01
March 31, 2015	.38	.18
June 30, 2015	.39	.20
September 30, 2015	.37	.10
December 31, 2015	.31	.13

The closing sales price on December 31, 2016 was $.06 per share. All quotations provided herein reflect inter-dealer prices, without retail mark-up, markdown or commissions.

In the event a public market for our common stock is sustained in the future, sales of our common stock may be made by holders of our public float or by holders of restricted securities in compliance with the provisions of Rule 144 of the Securities Act of 1933. In general, under Rule 144, a non-affiliated person who has satisfied a six-month holding period in a fully reporting company under the Securities Exchange Act of 1934, as amended, may, sell their restricted Common Stock without volume limitation, so long as the issuer is current with all reports under the Exchange Act in order for there to be adequate common public information. Affiliated persons may also sell their common shares held for at least six months, but affiliated persons will be required to meet certain other requirements, including manner of sale, notice requirements and volume limitations. Non-affiliated persons who hold their common shares for at least one year will be able to sell their common stock without the need for there to be current public information in the hands of the public. Future sales of shares of our public float or by restricted common stock made in compliance with Rule 144 may have an adverse effect on the then prevailing market price, if any, of our common stock. See "Risk Factors."

As of January 4, 2017, there were 149 holders of record of our common stock and approximately 627 additional beneficial holders of our common stock. Our transfer agent is Continental Stock Transfer & Trust company, 17 Battery Place, 8th Floor, New York, NY 10004.

DIVIDEND POLICY

We have never paid any cash dividends and intend, for the foreseeable future, to retain any future earnings for the development of our business. Our Board of Directors will determine our future dividend policy on the basis of various factors, including our results of operations, financial condition, capital requirements and investment opportunities.

RECENT SALES OF UNREGISTERED SECURITIES

(a) In fiscal 2016, we had no sales or issuances of unregistered common stock, except we made sales or issuances of unregistered securities listed in the table below:

Date of Sale	Title of Security	Number Sold	Consideration Received and Description of Underwriting or Other Discounts to Market Price or Convertible Security, Afforded to Purchasers	Exemption from Registration Claimed	If Option, Warrant or Convertible Security, terms of exercise or conversion
Jan. – March 2016	Preferred Stock	40,000 shares	$400,000; no commissions paid	Section 4(2); Rule 506	Each Preferred Share is convertible into 50 shares of Common Stock and subject to anti-dilution protection for 2016
Jan. – June 2016	Common Stock	940,000 shares	Services rendered; no commissions paid	Section 4(2)	Not applicable
Third Quarter 2016	Convertible Promissory Notes	$700,000 in principal amount, also issued 4,900,000 shares of common stock as pre-paid interest	$700,000; no commissions paid	Section 4(2); Rule 506	Convertible at the lower of $.20 per share or the next completed equity transaction of at least $10,000,000; in the event of conversion, there is 100% warrant coverage with a term of three years exercisable at $.20 per share
Fourth Quarter 2016	Common Stock	Exercise of Warrants/options-11,908,335 common shares	$595,417	Section 3(a)(9)	Exercise of warrants/ options at $.05 per share

RECENT PURCHASES OF SECURITIES

In 2016, we have had no repurchases of our Common Stock.

Item 6. Selected Financial Data

Not Applicable.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion should be read in conjunction with our financial statements and the notes thereto appearing elsewhere in this Form 10-K. All statements contained herein that are not historical facts, including, but not limited to, statements regarding anticipated future capital requirements, our future plan of operations, our ability to obtain debt, equity or other financing, and our ability to generate cash from operations, are based on current expectations. These statements are forward-looking in nature and involve a number of risks and uncertainties that may cause the Company's actual results in future periods to differ materially from forecasted results.

Overview

Mobiquity Technologies, Inc., a New York corporation (the “Company”), is the parent company of two operating subsidiaries; Mobiquity Networks, Inc.(“Mobiquity Networks”) and Ace Marketing & Promotions, Inc. (“Ace Marketing”). The Company’s wholly-owned subsidiary, Mobiquity Networks has evolved and grown from a mobile advertising technology company focused on Driving Awareness and Foot-traffic throughout its indoor mall-based beacon network, into a next generation mobile location data and marketing company. Mobiquity Networks provides precise unique, at-scale location-based data and insights on consumer’s real world behavior and trends for use in marketing and research. With our combined data sets of shopping malls, premium outlets and cinemas beacon data, and first party location data via our advanced Software Development Kit (“SDK”) utilizing multiple geo-location technologies, Mobiquity Networks provides one of the most accurate and scaled solution for mobile data collection and analysis. Mobiquity Networks is seeking to create several new revenue streams from the mobile data collection and analysis, including, but not limited to; Push Notification Campaigns, Mobile Audiences & Segments, real-time Data Provision, Attribution Reporting and Custom Research. The Company is also attempting to reduce expenses by renegotiating certain Mall Developer Agreements.

Ace Marketing is our legacy marketing and promotions business which provides integrated marketing services to our commercial customers. While Ace Marketing currently represents substantially all of our revenue, we anticipate that activity from Ace Marketing will represent a diminishing portion of corporate revenue as our attention is now principally focused on developing and executing on opportunities in our Mobiquity Networks business. We believe that our Mobiquity Networks business represents our greatest growth opportunity going forward.

Critical Accounting Policies

Our discussion and analysis of our financial condition and results of operations are based upon our financial statements, which have been prepared in accordance with generally accepted accounting principles in the United States. The preparation of financial statements requires management to make estimates and disclosures on the date of the financial statements. On an on-going basis, we evaluate our estimates including, but not limited to, those related to revenue recognition. We use authoritative pronouncements, historical experience and other assumptions as the basis for making judgments. Actual results could differ from those estimates. We believe that the following critical accounting policies affect our more significant judgments and estimates in the preparation of our financial statements.

Revenue Recognition - Ace Marketing's revenue is recognized when title and risk of loss transfers to the customer and the earnings process is complete. In general, title passes to our customers upon shipment of the merchandise. Revenue is recognized on a gross basis since Ace Marketing has the risks and rewards of ownership, latitude in selection of vendors and pricing, and bears all credit risk. Advance payments made by customers are included in customer deposits. Ace Marketing records all shipping and handling fees billed to customers as revenues and related costs as cost of goods sold, when incurred. Additional source of revenue, derived from emails/texts directly to consumers are recognized under contractual arrangements. Revenue from this advertising method is recognized at the time of service provided.

Revenue Recognition – Mobiquity Networks. Revenue is recognized with the billing of an advertising contract or data sale. The customer signs a contract directly with us for an advertising campaign with mutually agreed upon term and is billed on the start date of the advertising campaign, which are normally in short duration periods. The second type of revenue is through the licensing of our data. Revenue from data can occur in two ways; the first is a direct feed, which is billed at the end of each month. The second way is through the purchasing of audience segments. When an audience segment is purchased, we bill the buyer upon delivery, which is usually 1-2 days for the order date.

Allowance For Doubtful Accounts. We are required to make judgments based on historical experience and future expectations, as to the realizability of our accounts receivable. We make these assessments based on the following factors: (a) historical experience, (b) customer concentrations, customer credit worthiness, (d) current economic conditions, and (e) changes in customer payment terms.

Accounting For Stock Based Compensation. Stock based compensation cost is measured at the grant date fair value of the award and is recognized as expense over the requisite service period. The company uses the Black-Sholes option-pricing model to determine fair value of the awards, which involves certain subjective assumptions. These assumptions include estimating the length of time employees will retain their vested stock options before exercising them ("expected term"), the estimated volatility of the company's common stock price over the expected term ("volatility") and the number of options for which vesting requirements will not be completed ("forfeitures"). Changes in the subjective assumptions can materially affect estimates of fair value stock-based compensation, and the related amount recognized on the consolidated statements of operations.

Plan of Operation

Mobiquity Networks derives its revenue utilizing the revenue streams mentioned above. All of the products used to derive revenue for the Company are reliant on the collection of data. To achieve management's revenue goals moving forward, we have developed a strategy to increase the two main driving forces behind our data collection. One strategy is to increase the total number of users we see on a monthly basis ("MAU"), and the second strategy is to increase the total number of locations (Places) available to see our MAU's visit over the same time period. We are currently seeing

approximately 13,000,000 unique mobile devices by the MAU on a monthly basis and roughly 20,000,000 unique devices for the first 100 days of 2017. The ability to see and collect the data required from these unique devices comes from the installation of our proprietary Software Development Kit (SDK) into third party mobile applications (Apps). To continue to grow the total number of unique devices we can see on a monthly basis, we need to have our SDK installed in more third party Apps. We believe our unique offering to potential App partners gives us a competitive advantage over others in the industry. The task of partnering with third party Apps for installation of our SDK is handled internally by our business development team.

As of March 31, 2017, we had approximately 200,000 Places in our proprietary Places database, and that number should increase to over 4,000,000 Places by the end of the second quarter 2017, thus exponentially increasing the amount of data we collect. We have been able to steadily increase the number of locations available in our Places database through the use of both open source and proprietary technologies. The task of growing our Places database is handled by our internal technology team. The Company currently utilizes both internal and outsourced resources to market and sell its product offerings. Management intends to hire additional sales personnel in the last three quarters of 2017 as working capital permits.

Results of Operations

Year Ended December 31, 2016 versus Year Ended December 31, 2015

The following table sets forth certain selected condensed statement of operations data for the periods indicated in dollars. In addition, we note that the period-to-period comparison may not be indicative of future performance.

	Years Ended December 31	
	2016	2015
Revenue	$2,268,523	$2,491,875
Cost of Revenues	1,603,500	1,627,851
Gross Profit	665,023	864,024
Operating Expenses	8,950,494	11,549,375
Loss from operations	(8,285,471)	(10,685,351)
Net Loss	(10,710,503)	(10,459,724)
Other comprehensive Income (Loss)	(14,119)	3,308
Net comprehensive loss	(10,724,622)	(10,456,416)
Net Loss per common Share	(.13)	(.14)
Weighted average common Shares outstanding	83,575,215	72,965,632

We generated revenues of $2,268,523 in fiscal 2016 compared to $2,491,875 in the same period for fiscal 2015, a change in revenues of $223,352. We have expended a large portion of our resources and man power in expanding our mobi segment and less time in our branded merchandise. In 2017, we anticipate our future revenues increasing in our Mobiquity Networks subsidiary due to expanded efforts in the sales of big data.

Cost of revenues was $1,603,500 or 70.7% of revenues in fiscal 2016 compared to $1,627,851 or 65.3% of revenues in the same fiscal period of fiscal 2015. Cost of revenues includes purchases and freight costs associated with the shipping of merchandise to our customers. The change in cost of revenues in 2016 is related to volume and product mix of the products our customers purchased.

Gross profit was $665,023 for fiscal 2016 or 29.3% of net revenues compared to $864,024 in the same fiscal period of 2015 or 34.7% of revenues. Gross profits will vary period-to-period depending upon a number of factors including the mix of items sold and the volume of product sold. Also, it is our practice to pass freight costs on to our customers with low to no profit margin. As revenues from the use of our Mobiquity devices increases, it is expected that our margins will increase significantly.

Selling, general, and administrative expenses were $8,950,494 for fiscal 2016 compared to $11,549,375 in the comparable period of the prior year. Such operating cost reductions include payroll and related expenses, commissions, insurance, rents, fee payments to malls, professional (consulting) and public awareness fees. The corporation has been trimming expenses in order to shift its efforts in obtaining a new revenue stream.

The net loss for 2016 was $10,710,503 as compared to $10,459,724 for the comparable period of the prior year. As a result of other comprehensive income (losses) totaling $(14,119) for 2016 and $3,308, for 2015, our net comprehensive loss for 2016 was $10,724,622 as compared to $10,456,416 for the comparable period of the prior year. The continuing operating loss is attributable to the focused effort in creating the infrastructure required to move forward with our Mobiquity network business.

No benefit for income taxes is provided for in the reported periods due to the full valuation allowance on the net deferred tax assets. Our ability to be profitable in the future is dependent upon the successful introduction and usage of our proximity marketing services.

Liquidity and Capital Resources

We had cash and cash equivalents of $213,184 at December 31, 2016. Cash used by operating activities for the year ended December 31, 2016 was $5,929,852. This resulted from a net loss of $10,710,503, partially offset by non-cash expenses, including depreciation and amortization of $159,234, stock based compensation of $683,036, stock issued for services of $122,730, impairment of long-lived assets of $223,487. Cash used in investing activities amounted to $283,684, which funds were used to expand our intellectual platform. Cash provided by financing activities of $4,396,177 was the result of the sale of our company preferred stock in the amount of $400,000, proceeds from exercising warrants, and net of offering costs proceeds from loans in the amount of $3,400,760.

We had cash and cash equivalents of $2,044,662 at December 31, 2015. Cash used by operating activities for the year ended December 31, 2015 was $9,369,631. This resulted from a net loss of $10,459,724, partially offset by non-cash expenses, including depreciation and amortization of $192,955, stock based compensation of $1,452,248, stock issued for services of $209,088. Cash used in investing activities amounted to $5,221, which funds were used to acquire property and equipment. Cash provided by financing activities of $9,762,035 was the result of the sale of our company common and preferred stock in the amount of $4,720,000, net of offering costs and proceeds from loans in the amount of $5,042,035.

Our company commenced operations in 1998 and was initially funded by our three founders, each of whom has made demand loans to our company that have been repaid. Since 1999, we have relied on equity financing and borrowings from outside investors to supplement our cash flow from operations and expect this to continue in 2015 and beyond until cash flow from our proximity marketing operations become substantial.

Recent Financings

In 2015 and 2016, we have completed the various financing summarized below.

Date	Dollar Amount	# of Securities Sold

January 2015	$500,000	Issued two-year promissory note in the principal amount of $500,000
February 2015	$850,000	Issued two-year promissory note in the principal amount of $850,000
March 2015	$500,000	Issued 1,666,667 common shares and a like number of warrants
April 2015	$1,710,000	Issued 5,700,000 common shares and a like number of warrants
May 2015	$510,000	Issued 1,700,000 common shares and a like number of warrants
August/October 2015	$3,675,000	Issued promissory notes in the principal amount of $3,675,000 and 3,675,000 shares of restricted common stock and warrants to purchase an additional 3,675,000 shares of restricted common stock
December 2015-March 2016	$2,400,000	Issued 240,000 shares of preferred stock convertible into 12,000,000 shares of common stock with anti-dilution protection for 2016
April – May 2016	$1,025,000	Issued convertible promissory notes in the principal amount of $1,025,000, convertible at $.20 per share with 100% warrant coverage.
Third Quarter 2016	$700,000	Issued short term convertible promissory notes in the principal amount oif $700,000 and prepaid interest of 4,900,000 common shares.
Fourth Quarter 2016	$595,417	Exercise of outstanding warrants/options at $.05 per share and issuance of approximately 11,908,335 shares of common stock.

First Quarter 2017 Loan Agreements and Certain Transactions

Prior to the February 28, 2017 sale of secured debt, the Company's holders of all of its Series AA preferred stock and substantially all of its outstanding debt both secured and unsecured (approximately $12.1 million) have been converted into equity securities of the Company as outlined below. It should be noted that the capital transactions below were based on a premium to the average closing sale price of $0.045 per share during the 60 day period prior to February 08, 2017.

On February 28, 2017, the Company entered into an agreement with a two non-affiliated persons to provide $1.6 million of short term secured debt financing in three monthly tranches, with the first monthly tranche in the amount of $600,000. The Company will issue in connection with each tranche, six-month secured convertible promissory note(s). Each note is initially convertible at $.05 per share. Any prepayment of the note requires the payment of a 25% premium and guaranteed interest for the entire six-month note. In the case of default, the amount owed by the Company will become 130% of the outstanding principal and accrued interest thereon. The Conversion Price will rest in the event that the note is unpaid and in default on the sixth month anniversary date of the issuance of the note. In connection with this transaction, the Company agreed to issue an origination fee of 1,600,000 shares of restricted common stock. Alexander Capital L.P. acted as Placement Agent and Advisor for this transaction.

As of April 5, 2017, the Company has outstanding 185,201,768 shares of common stock, 1,118,538 shares of newly designated Series AAA preferred stock and $1,350,000 of convertible notes. The convertible notes consist of $1,200,000 of secured notes and $150,000 of unsecured notes. Of the 1,118,538 shares of Series AAA preferred stock outstanding, 240,000 Series AA preferred stock with an original cost basis of $2.4 million were converted into Series AAA preferred stock. The remaining 878,538 shares of Series AAA preferred stock were issued in exchange for the conversion of principal and accrued interest of approximately $8,785,380 of unsecured debt. The terms of the Series AAA preferred stock can be summarized as follows:

The price of each preferred share may be convertible into common stock with an equivalent purchase price of $.10 per common share. If the preferred shares are converted, the subscriber will then receive 100% warrant coverage, with each warrant exercisable at $.05 per share with a cash payment to the Company through the close of business on December 31, 2019. The preferred shares have no voting or other preferences except as required by law other than the right of conversion described above and a liquidation preference equal to $.01 per share.

Thomas Arnost, our Executive Vice Chairman, and another principal stockholder agreed to convert letters of credit in the principal amount of $2,700,000 and $322,000 of secured debt into shares of common stock at the then marketing price of $.05 per share. Accrued interest on these obligations were either previously converted into our common stock or were upon conversion of the principal, converted into common stock at the fair market value of our common stock at each interest accrual date.

28

Item 7A. Qualitative and Qualitative Disclosures about Market Risk

Market risk is the risk of loss arising from adverse changes in market rates and prices, such as interest rates, foreign currency exchange rates and commodity prices. Our primary exposure to market risk is interest rate risk associated with our short term money market investments. The Company does not have any financial instruments held for trading or other speculative purposes and does not invest in derivative financial instruments, interest rate swaps or other investments that alter interest rate exposure. The Company does not have any credit facilities with variable interest rates.

Item 8. Financial Statements

Financial Statements and Supplementary Data

The report of the Independent Registered Public Accounting Firm, Financial Statements and Schedules are set forth herein.

MOBIQUITY TECHNOLOGIES, INC.

Index to Financial Statements

CONTENTS

YEARS ENDED DECEMBER 31, 2016 AND 2015	PAGES
CONSOLIDATED FINANCIAL STATEMENTS	
Report of Independent Registered Public Accounting Firms	F-1
Consolidated Balance Sheets	F-2
Consolidated Statement of Operations	F-3
Consolidated Statement of Stockholders' Deficit	F-4
Consolidated Statements of Cash Flows	F-5
Notes to Consolidated Financial Statements	F-6

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of

Mobiquity Technologies, Inc.

We have audited the accompanying consolidated balance sheets of Mobiquity Technologies, Inc. ("the Company") as of December 31, 2016 and 2015, and the related consolidated statements of operations, stockholders' deficit, and cash flows for each of the years in the two year period ended December 31, 2016. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. The company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Mobiquity Technologies, Inc. as of December 31, 2016 and 2015, and the results of its operations and its cash flows for each of the years in the two year period ended December 31, 2016, in conformity with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the consolidated financial statements, the Company has experienced recurring losses from operations and has an accumulated deficit as of December 31, 2016 which raises substantial

doubt about its ability to continue as a going concern. Management's plans concerning these matters are also described in Note 1. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ Sadler, Gibb & Associates, LLC

Salt Lake City, UT

April 14, 2017

MOBIQUITY

TECHNOLOGIES, INC.

Consolidated Balance Sheets December 31,	2016	2015
Assets		
Current Assets:		
Cash and cash equivalents	$213,184	$2,044,662
Accounts receivable, net	298,928	323,313
Inventory, net	79,291	117,893
Prepaid expenses and other current assets	38,929	634,372
Total Current Assets	630,332	3,120,240
Property and equipment, net	15,392	103,355
Intangible assets, net	37,117	65,717
Other assets	43,332	41,858
Total Assets	$726,173	$3,331,170
Liabilities and Stockholders' Deficit		
Current Liabilities:		
Accounts payable	$914,697	$538,631
Accrued expenses	1,161,628	474,000
Derivative liability	350,700	576,557
Convertible promissory notes, net	10,832,275	4,276,194
Total Current Liabilities	13,259,300	5,865,382
Long-term portion of convertible promissory notes, net	–	1,571,773
Total Liabilities	13,259,300	7,437,155
Stockholders' Deficit:		
Preferred Stock, $.0001 par value; 5,000,000 shares authorized, 240,000 and 200,000 shares issued and outstanding at December 31, 2016 and December 31, 2015, respectively	25	20
Common stock, $.0001 par value; 500,000,000 and 200,000,000 shares authorized; 99,020,103 and 78,781,757 shares issued and outstanding at December 31, 2016, and December 31, 2015, respectively	9,913	7,887
Additional paid-in capital	38,652,075	36,356,626

Accumulated other comprehensive income (loss)	(13,047)	1,072
Accumulated deficit	(51,182,093)	(40,471,590)
Total Stockholders' Deficit	(12,533,127)	(4,105,985)
Total Liabilities and Stockholders' Deficit	$726,173	$3,331,170

See notes to consolidated financial statements.

MOBIQUITY

TECHNOLOGIES, INC.

Consolidated Statements of Operations Years Ended December 31,	2016	2015
Revenues		
Product revenue	$2,202,591	$2,491,875
Service revenue	65,932	–
	2,268,523	2,491,875
Cost of Revenues		
Cost of product revenue	1,435,244	1,627,851
Cost of service revenue	168,256	–
	1,603,500	1,627,851
Gross Profit	665,023	864,024
Operating Expenses:		
Selling, general and administrative	8,950,494	11,549,375
Total Operating Expenses	8,950,494	11,549,375
Loss from Operations	(8,285,471)	(10,685,351)
Other Income (Expense):		
Interest expense	(3,525,072)	(996,011)
Interest income	3	41
Change in derivatives	1,304,873	1,221,597
Loss on disposition of assets	(17,526)	–
Impairment of long lived assets	(223,487)	–
Gain on settlement of debt	36,177	–
Total Other Income (Expense)	(2,425,032)	225,627
Net Loss	(10,710,503)	$(10,459,724)
Other Comprehensive Income (Loss)	(14,119)	3,308
Net Comprehensive Loss	$(10,724,622)	$(10,456,416)
Net Loss Per Common Share:		
Basic and Diluted	$(0.13)	$(0.14)

Weighted Average Common Shares Outstanding:		
Basic and Diluted	83,575,215	72,965,632

See notes to consolidated financial statements.

MOBIQUITY

TECHNOLOGIES, INC.

Consolidated Statement of Stockholders' Equity

	Preferred Stock		Common Stock		Additional Paid-in	Accumulated Other Comprehensive	Accumulated	Total Stockholders'
	Shares	Amount	Shares	Amount	Capital	Income (Loss)	Deficit	Deficit
Balance, at December 31, 2014	–	$ –	64,818,243	$6,482	$28,966,269	$ (2,236)	$(30,011,866)	$(1,041,351)
Common stock issued for cash, net of offering costs	–	–	9,043,334	908	2,719,092	–	–	2,720,000
Common stock issued in exchange for interest	–	–	410,180	40	120,680	–	–	120,720
Common stock issued for services	–	–	835,000	88	209,000	–	–	209,088
Common stock subscriptions	–	–	3,675,000	369	889,357	–	–	889,726
Stock based compensation	–	–	–	–	1,452,248	–	–	1,452,248
Preferred stock issued for cash	200,000	20	–	–	1,999,980	–	–	2,000,000
Net Loss	–	–	–	–	–	3,308	(10,459,724)	(10,456,416)
Balance, at December 31, 2015	200,000	$ 20	78,781,757	$7,887	$36,356,626	$ 1,072	$(40,471,590)	$(4,105,985)
Common stock issued in exchange for interest	–	–	6,390,011	638	475,594	–	–	476,232
Common stock issued for services	–	–	940,000	96	122,699	–	–	122,795
Common stock issued for rent	–	–	1,000,000	100	19,900	–	–	20,000
	–	–	11,908,335	1,192	594,225	–	–	595,417

Common stock issued for warrants								
Stock based compensation	–	–	–	–	683,036	–	–	683,036
Preferred stock issued for cash	40,000	5	–	–	399,995	–	–	400,000
Net Loss	–	–	–	–	0	(14,119)	(10,710,503)	(10,724,622)
Balance, at December 31, 2016	240,000	$ 25	99,020,103	$9,913	$38,652,075	$ (13,047)	$(51,182,093)	$(12,533,127)

See notes to consolidated financial statements.

MOBIQUITY

TECHNOLOGIES, INC.

Consolidated Statements of Cash Flows Years Ended December 31,	2016	2015
Cash Flows from Operating Activities:		
Net loss	$(10,710,503)	$(10,459,724)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation Expense	130,634	164,346
Amortization - Intangible Assets	28,600	28,609
Amortization - Debt discount	2,662,564	614,867
Change in derivative instrument	(1,304,873)	(1,221,597)
Stock-based compensation	683,036	1,452,248
Gain on settlement of debt	(36,177)	–
Common stock issued for services	122,730	209,088
Disposal of assets	17,526	–
Impairment of long-lived assets	223,487	–
Payments on accrued interest	–	(146,776)
Changes in operating assets and liabilities:		
Accounts receivable	24,385	122,579
Inventory	38,602	72,961
Prepaid expenses and other assets	593,969	(489,985)
Accounts payable	432,243	(71,325)
Accrued expenses and other current liabilities	371,813	355,078
Accrued interest	792,112	–
Total adjustments	4,780,651	1,090,093
Net Cash Used in Operating Activities	(5,929,852)	(9,369,631)
Cash Flows from Investing Activities:		
Purchase of property and equipment	(283,684)	(5,221)
Net Cash Used in Investing Activities	(283,684)	(5,221)
Cash Flows from Financing Activities:		
Proceeds from the issuance of notes	3,400,760	5,042,035
Proceeds received from exercising warrants	595,417	–
Proceeds from issuance of common stock	–	2,720,000
Proceeds for the issuance of preferred stock	400,000	2,000,000
Net Cash Provided by Financing Activities	4,396,177	9,762,035
Net change in Cash and Cash Equivalents	(1,817,359)	387,183
Cash and Cash Equivalents, beginning of period	2,044,662	1,654,171

Change in foreign currency	(14,119)	3,308
Cash and Cash Equivalents, end of period	$213,184	$2,044,662
Supplemental Disclosure Information:		
Cash paid for interest	$169,873	$119,776
Cash paid for taxes	$–	$–
Non-cash Financing and Investing Activities:		
Stock issued for interest	$476,297	$120,720
Stock issued for non-cash stock subscriptions	$–	$889,725
Recognition of debt discount	$1,079,016	$1,798,154

See notes to consolidated financial statements.

MOBIQUITY TECHNOLOGIES, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2016 AND 2015

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF OPERATIONS – On September 10, 2013, Mobiquity Technologies, Inc. changed its name from Ace Marketing & Promotions, Inc. “the Company” or “Mobiquity”). We operate through two wholly-owned U.S. subsidiaries, namely, Mobiquity Networks, Inc. and Ace Marketing & Promotions, Inc. Mobiquity Networks owns 100% of Mobiquity Wireless S.L.U, a company incorporated in Spain. This corporation had an office in Spain to support our U.S. operations, which office was closed in the fourth quarter of 2016.

We operate a national location-based mobile advertising network that has developed a consumer-focused proximity network which we believe is unlike any other in the United States. Our integrated suite of proprietary location based mobile advertising technologies allows clients to execute more personalized and contextually relevant experiences, driving brand awareness and incremental revenue.

Mobiquity Technologies, Inc., a New York corporation (OTCQB: MOBQ). Through its wholly-owned subsidiary, Mobiquity Networks, Inc. has evolved and grown from a mobile advertising technology company focused on Driving Awareness and Foot-traffic throughout its indoor mall-based beacon network, into a next generation mobile location data and marketing company. The Company provides precise unique, at-scale location based data and insights on consumer’s real world behavior and trends for use in marketing and research. With our combined exclusive data sets of shopping malls, premium outlets and cinemas beacon data, and first party location data via our advanced Software Development Kit (SDK) utilizing multiple geo-location technologies; Mobiquity Networks provides one of the most accurate and scaled solution for mobile data collection and analysis. This should create several additional revenue streams, including, but not limited to; Push Notification Campaigns, Re-targeting Campaigns, Data Provision, Audience Profiles, Attribution Reporting and Custom Research.

Ace Marketing is our legacy marketing and promotions business which provides integrated marketing services to our commercial customers. While Ace Marketing currently represents substantially all of our revenue, we anticipate that activity from Ace Marketing will represent a diminishing portion of corporate revenue as our attention is now principally focused on developing and executing on opportunities in our Mobiquity Networks business.

GOING CONCERN - The accompanying consolidated financial statements have been prepared assuming the Company will continue as a going concern. The Company's continued existence is dependent upon the Company's ability to obtain additional debt and/or equity financing to advance its new technology revenue stream. The Company has incurred losses for the years ending December 31, 2016 and December 31, 2015 of $10,710,503 and $10,459,724, respectively. As of December 31, 2016, the Company has an accumulated deficit of $51,182,093. The Company has had negative cash flows from operating activities of $5,929,852 and $9,369,631 for the years ending December 31, 2016 and 2015, respectively. These factors raise substantial doubt about the ability of the Company to continue as a going concern.

Management has plans to address the Company’s financial situation as follows:

In the near term, management plans to continue to focus on raising the funds necessary to implement the Company’s business plan related to the Bluetooth-enabled iBeacon compatible technology. Management will continue to seek out equity and/or debt financing to obtain the capital required to meet the Company’s financial obligations. There is no assurance, however, that lenders and investors will continue to advance capital to the Company or that the new business operations will be profitable. The possibility of failure in obtaining additional funding and the potential inability to achieve profitability raises doubts about the Company’s ability to continue as a going concern.

In the long term, management believes that the Company’s projects and initiatives will be successful and will provide cash flow to the Company that will be used to finance the Company’s future growth. However, there can be no assurances that the Company’s efforts to raise equity and debt at acceptable terms or that the planned activities will be successful, or that the Company will ultimately attain profitability. The Company’s long-term viability depends on its ability to obtain adequate sources of debt or equity funding to meet current commitments and fund the continuation of its business operations, and the ability of the Company to achieve adequate profitability and cash flows from operations to sustain its operations.

PRINCIPLES OF CONSOLIDATION - The accompanying consolidated financial statements include the accounts of Mobiquity Technologies, Inc., formerly known as Ace Marketing & Promotions, Inc., and its wholly owned subsidiaries, Mobiquity Networks, Inc., Ace Marketing, Inc., (which has had its name changed to Ace Marketing & Promotions, Inc. and Mobiquity Wireless S.L.U.). All intercompany accounts and transactions have been eliminated in consolidation.

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

FAIR VALUE OF FINANCIAL INSTRUMENTS - Effective January 1, 2008, the Company adopted FASB ASC 820, “Fair Value Measurements and Disclosures” (“ASC 820”), for assets and liabilities measured at fair value on a recurring basis. ASC 820 establishes a common definition for fair value to be applied to existing generally accepted accounting principles that require the use of fair value measurements, and establishes a framework for measuring fair value and expands disclosure about such fair value measurements. The adoption of ASC 820 did not have an impact on the Company’s financial position or operating results, but did expand certain disclosures.

ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Additionally, ASC 820 requires the use of valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. These inputs are prioritized below:

Level 1:	Observable inputs such as quoted market prices in active markets for identical assets or liabilities
Level 2:	Observable market-based inputs or unobservable inputs that are corroborated by market data
Level 3:	Unobservable inputs for which there is little or no market data, which require the use of the reporting entity’s own assumptions.

Cash and cash equivalents include money market securities that are considered to be highly liquid and easily tradable as of December 31, 2016 and 2015. These securities are valued using inputs observable in active markets for identical securities and are therefore classified as Level 1 within our fair value hierarchy.

The carrying amounts of financial instruments, including accounts receivable, accounts payable and accrued liabilities, and promissory note, approximated fair value as of December 31, 2016 and 2015, because of the relatively short-term maturity of these instruments and their market interest rates. No instruments are carried at fair value.

F-7

The Company accounts for its derivative liabilities, at fair value, on a recurring basis under level 2.

	Level 1	Level 2	Level 3	Total
Fair value of derivatives	$ –	$350,700	$ –	$350,700

Embedded Conversion Features

The Company evaluates embedded conversion features within convertible debt under ASC 815 "Derivatives and Hedging" to determine whether the embedded conversion feature(s) should be bifurcated from the host instrument and accounted for as a derivative at fair value with changes in fair value recorded in earnings. If the conversion feature does not require derivative treatment under ASC 815, the instrument is evaluated under ASC 470-20 "Debt with Conversion and Other Options" for consideration of any beneficial conversion feature.

Derivative Financial Instruments

The company does not use derivative instruments to hedge exposures to cash flow, market, or foreign currency risks. The Company evaluates all of its' financial instruments, including stock purchase warrants and options, to determine if such instruments are derivatives or contain features that qualify as embedded derivatives. For derivative financial instruments that are accounted for as liabilities, the derivative instrument is initially recorded at its fair value and is then re-valued at each reporting date, with changes in the fair value reported as charges or credits to income.

CASH AND CASH EQUIVALENTS - The Company considers all highly liquid debt instruments with a maturity of three months or less, as well as bank money market accounts, to be cash equivalents. As of December 31, 2016 and 2015, the balances are $213,184 and $2,044,662, respectively.

CONCENTRATION OF CREDIT RISK - Financial instruments, which potentially subject the Company to concentrations of credit risk, consist principally of trade receivables and cash and cash equivalents.

Concentration of credit risk with respect to trade receivables is generally diversified due to the large number of entities comprising the Company's customer base and their dispersion across geographic areas principally within the

United States. The Company routinely addresses the financial strength of its customers and, as a consequence, believes that its receivable credit risk exposure is limited.

The Company places its temporary cash investments with high credit quality financial institutions. At times, the Company maintains bank account balances, which exceed FDIC limits. As of December 31, 2016 and 2015, the Company exceeded FDIC limits by $0 and $1,644,032, respectively.

REVENUE RECOGNITION – The Company recognizes revenue, for all revenue streams, when it is realized or realizable and estimable in accordance with ASC 605, "*Revenue Recognition*". The Company will recognize revenue only when all of the following criteria have been met:

- Persuasive evidence for an agreement exists;
- Service has been provided or shipment has occurred;
- The fee is fixed or determinable; and,
- Collection is reasonably assured.

ACE MARKETING – Ace Marketing's revenue is recognized when title and risk of loss transfers to the customer and the earnings process is complete. In general, title passes to our customers upon the company's shipment of the merchandise. Revenue is recognized on a gross basis since Ace Marketing has the risks and rewards of ownership, latitude in selection of vendors and pricing, and bears all credit risk. Advance payments made by customers are included in customer deposits. Ace Marketing records all shipping and handling fees billed to customers as revenues and related costs as cost of goods sold, when incurred. Additional source of revenue, derived from emails/texts directly to consumers are recognized under contractual arrangements. Revenue from this advertising method is recognized at the time of service provided.

MOBIQUITY NETWORKS – Revenue is recognized with the billing of an advertising contract or data sale. The customer signs a contract directly with us for an advertising campaign with mutually agreed upon term and is billed on the start date of the advertising campaign, which are normally in short duration periods. The second type of revenue is through the licensing of our data. Revenue from data can occur in two ways; the first is a direct feed, which is billed at the end of each month. The second way is through the purchasing of audience segments. When an audience segment is purchased, we bill the buyer upon delivery, which is usually 1-2 days for the order date.

ALLOWANCE FOR DOUBTFUL ACCOUNTS - Management must make estimates of the collectability of accounts receivable. Management specifically analyzes accounts receivable and analyzes historical bad debts, customer concentrations, customer credit-worthiness, current economic trends and changes in customer payment terms when evaluating the adequacy of the allowance for doubtful accounts. As of December 31, 2016 and 2015, allowance for doubtful accounts were $104,611 and $104,611, respectively.

INVENTORY – Inventory is recorded at cost (First In, First Out) and is comprised of finished goods. The Company maintains an inventory on hand for its largest customer’s frequent order items. All items held are branded for the customer, therefore are not available for public distribution. The Company has an agreement with this customer, for cost recovery, if vendor relationship is terminated. There have been minimal reserves placed on inventory, based on this arrangement. As of December 31, 2016 and 2015, the Company has reserved against $31,676 and $31,676, respectively.

PROPERTY AND EQUIPMENT - Property and equipment are stated at cost. Depreciation is expensed using the straight-line method over the estimated useful lives of the related assets. Leasehold improvements are being amortized using the straight-line method over the estimated useful lives of the related assets or the remaining term of the lease. The costs of additions and improvements, which substantially extend the useful life of a particular asset, are capitalized. Repair and maintenance costs are charged to expense. When assets are sold or otherwise disposed of, the cost and related accumulated depreciation are removed from the account and the gain or loss on disposition is reflected in operating income.

LONG LIVED ASSETS - Long-lived assets such as property, equipment and identifiable intangibles are reviewed for impairment whenever facts and circumstances indicate that the carrying value may not be recoverable. When required impairment losses on assets to be held and used are recognized based on the fair value of the asset. The fair value is determined based on estimates of future cash flows, market value of similar assets, if available, or independent appraisals, if required. If the carrying amount of the long-lived asset is not recoverable from its undiscounted cash flows, an impairment loss is recognized for the difference between the carrying amount and fair value of the asset. When fair values are not available, the Company estimates fair value using the expected future cash flows discounted at a rate commensurate with the risk associated with the recovery of the assets. The Company recognized $223,487 impairment losses for the period ended December 31, 2016.

PATENTS and TRADEMARKS - Patents and trademarks developed during the prior years were capitalized for the period of development and testing. Expenditures during the planning stage and after implementation have been expensed in accordance with ASC985.

ADVERTISING COSTS - Advertising costs are expensed as incurred. For the years ended December 31, 2016 and 2015, there were advertising costs of $6,341 and $14,495, respectively.

ACCOUNTING FOR STOCK BASED COMPENSATION. Stock based compensation cost is measured at the grant date fair value of the award and is recognized as expense over the requisite service period. The Company uses the Black-Sholes option-pricing model to determine fair value of the awards, which involves certain subjective assumptions. These assumptions include estimating the length of time employees will retain their vested stock options before exercising them (“expected term”), the estimated volatility of the Company’s common stock price over the expected term (“volatility”) and the number of options for which vesting requirements will not be completed (“forfeitures”). Changes in the subjective assumptions can materially affect estimates of fair value stock-based compensation, and the related amount recognized on the consolidated statements of operations. Refer to Note 8 “Stock Option Plans” in the Notes to Consolidated Financial Statements in this report for a more detailed discussion.

BENEFICIAL CONVERSION FEATURES - Debt instruments that contain a beneficial conversion feature are recorded as deemed interest to the holders of the convertible debt instruments. The beneficial conversion is calculated as the difference between the fair values of the underlying common stock less the proceeds that have been received for the debt instrument limited to the value received.

FOREIGN CURRENCY TRANSLATIONS - The Company's functional and reporting currency is the U.S. dollar. We own a subsidiary in Europe. Our subsidiary's functional currency is the EURO. All transactions initiated in EUROs are translated into U.S. dollars in accordance with ASC 830-30, *"Translation of Financial Statements,"* as follows:

(i) Monetary assets and liabilities at the rate of exchange in effect at the balance sheet date.
(ii) Fixed assets and equity transactions at historical rates.
(iii) Revenue and expense items at the average rate of exchange prevailing during the period.

Adjustments arising from such translations are deferred until realization and are included as a separate component of stockholders' equity as a component of comprehensive income or loss. Therefore, translation adjustments are not included in determining net income (loss) but reported as other comprehensive income.

No significant realized exchange gains or losses were recorded since March 7, 2013 (date of acquisition of subsidiary) to December 31, 2016.

INCOME TAXES - Deferred income taxes are recognized for temporary differences between financial statement and income tax basis of assets and liabilities for which income tax or tax benefits are expected to be realized in future years. A valuation allowance is established to reduce deferred tax assets, if it is more likely than not, that all or some portion of such deferred tax assets will not be realized. The effect on deferred taxes of a change in tax rates is recognized in income in the period that includes the enactment date.

NET LOSS PER SHARE - Basic net loss per share is computed by dividing income available to common shareholders by the weighted-average number of common shares outstanding. Diluted earnings per share reflect, in periods in which they have a dilutive effect, the impact of common shares issuable upon exercise of stock options. The number of common shares potentially issuable upon the exercise of certain options and warrants that were excluded from the diluted loss per common share calculation was approximately 51,912,242 and 28,424,266 because they are anti-dilutive, as a result of a net loss for the years ended December 31, 2016 and 2015, respectively.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS - We have reviewed the FASB issued Accounting Standards Update (“ASU”) accounting pronouncements and interpretations thereof that have effectiveness dates during the periods reported and in future periods. The Company has carefully considered the new pronouncements that alter previous generally accepted accounting principles and does not believe that any new or modified principles will have a material impact on the corporation’s reported financial position or operations in the near term. The applicability of any standard is subject to the formal review of our financial management and certain standards are under consideration.

NOTE 2: PROPERTY AND EQUIPMENT

Property and equipment, net, consist of the following at December 31:

	USEFUL LIVES	2016	2015
Furniture and Fixtures	3 or 5 years	$362,930	$1,094,601
Leasehold Improvements	5 years	4,084	4,084
		367,014	1,098,685
Less Accumulated Depreciation		351,622	995,330
		$15,392	$103,355

Depreciation expense for the years ended December 31, 2016 and 2015 was $130,634 and $164,346, respectively. The company disposed of approximately $736,100 of outdated fixed assets resulting in a loss on disposal of $17,526. The company performed an impairment assessment in accordance with ASC 360-10-35-17, and determined that an impairment loss of $223,487 of the capitalized costs for internal use software exists as of December 31, 2016.

NOTE 3: INTANGIBLE ASSETS

Intangible assets, net, consist of the following at December 31:

	USEFUL LIVES	2016	2015
Acquisition of intellectual property (FuturLink)	5 years	98,000	98,000
Website technology development (Venn/AcePlace)	5 years	45,000	45,000
		143,000	143,000
Less Accumulated Amortization		105,883	77,283
		$37,117	$65,717

Future amortization, for the years ending December 31, is as follows:

2017	27,157
2018	9,960
Thereafter	-
	$37,117

Amortization expense for the years ended December 31, 2016 and 2015 was $28,600 and $28,609, respectively.

Acquisition of Assets of FuturLink

On March 7, 2013, the Company acquired the assets of FuturLink at a cost of approximately $98,000, which cash was paid from the Company's working capital. These assets include, without limitation, the FuturLink technology (patents and source codes), trademark(s) and access point (proximity marketing) component parts. At the time of acquisition, FuturLink's assets were minimal; the purchase price was apportioned to the intellectual property received in exchange. The Company changed its name to Mobiquity Networks upon acquisition and is a consolidated component of these financial statements.

NOTE 4: CONVERTIBLE DEBT AND DERIVATIVE LIABILITIES

Summary of Convertible Promissory Notes:

	2016	2015
Arnost Note	$322,000	$322,000
Cavu Notes, net of $8,379 for 2016 and $28,227 for 2015 debt discounts	241,621	221,773
Berg Notes (a)	3,722,000	3,722,000
Investor Notes, net of discounts	6,546,654	1,582,194
Total Debt	10,832,275	5,847,967
Current portion of debt	10,832,275	4,276,194
Long-term portion of debt	$-	$1,571,773

(a) Between August and December 2015, the Company borrowed $3,675,000 from accredited investors. These loans are due and payable the earlier of December 31, 2016 or the completion of an equity financing of at least $2,500,000. Upon the sale of the unsecured promissory notes, the Company issued $1 of principal, one share of common stock and a warrant to purchase one share of common stock at an exercise price of $0.40 per share through August 31, 2017. Accordingly, an aggregate of 3,675,000 shares of common stock and warrants to purchase a like amount were issued in the last six months of 2015. Each noteholder has the right to convert the principal of their note and accrued interest thereon at a conversion price of $0.30 per share or at the noteholder's option, into equity securities of the Company on the same terms as the last equity transaction completed by the Company prior to each respective conversion date.

The Company has financial instruments that are considered derivatives or contain embedded features subject to derivative accounting related to 22 convertible notes issued totaling $3,675,000 which included a ratchet provision in the conversion price of $0.30 or a price equal to the last equity transaction completed by the Company as part of a subscription agreement. The notes all have a maturity date of December 31, 2016. Embedded derivatives are valued separately from the host instrument and are recognized as derivative liabilities in the Company's balance sheet. The Company measures these instruments at their estimated fair value and recognizes changes in their estimated fair value in results of operations during the period of change. The Company has estimated the fair value of these embedded derivatives for convertible debentures and associated warrants using a multinomial lattice model as of December 31, 2016. The fair values of these derivative instruments are measured each quarter, which resulted in a gain of $352,132. As of December 31, 2016, the fair market value of these derivatives aggregated $224,425, using the following assumptions: estimated 0.3 year term, estimated volatility of 313%, and a discount rate of 0.51%.

In April 2016 through the filing date of this Form 10-K, the Company issued and sold 12% unsecured promissory notes in the principal amount of $1,025,000, convertible at $0.20 per common share. Upon conversion, the note holders would receive 100% warrant coverage, exercisable at $0.20 per common share over a period of five years with cashless exercise provisions. These notes automatically convert in the event at least $5 million is raised in an equity

financing. Prior to the mandatory conversion date, note holders have the option to convert the principal and accrued interest also on the same terms as the mandatory conversion and the Company has the option to prepay. The fair values of the derivative instruments are measured each quarter, which resulted in a gain of $1,507,450 and initial derivative expense of $565,780. As of December 31, 2016, the fair market value of these derivatives aggregated $126,275, using the following assumptions: estimated 0.3 year term, estimated volatility of 279%, and a discount rate of 0.51%.

The Company raised $700,000 in the third quarter of 2016 from the sale of secured promissory notes in the principal amount of $700,000 from six accredited investors. Each Note was scheduled to be repaid on October 31, 2016, extended to December 15, 2016 but payment was not made. In lieu of interest on the Note, 4,900,000 restricted shares of common stock were issued to the Note Holders. At the option of the Note Holder, each Note shall be convertible at the lower of $.20 per common share or into securities on the same terms of the next completed equity offering of at least $10 million in gross proceeds. In the event the Note is converted into common stock, 100% warrant conversion shall be provided to the Note Holder for each share of common stock issued upon conversion. These warrants will have a term of three years and shall be exercisable at $.20 per common share. Prior to this offering, Thomas Arnost, Executive Chairman, has a secured interest in the amount of $322,000 in the assets of the Company and its subsidiaries. Mr. Arnost has agreed that the investors in this offering will have a pari passu first secured interest with Mr. Arnost in all assets of the Company and its subsidiaries. The fair values of the derivative instruments are measured each quarter, which resulted in a gain of $11,071. As of December 31, 2016, the fair market value of these derivatives aggregated $42,945, using the following assumptions: estimated volatility of 279.0%, and a discount rate of 0.51%.

A recap of the derivative instruments is as follows:

	Derivative Liability 2016
Beginning balance	$(576,557)
New Issuances	(1,079,016)
Gain, net	1,304,873
Conversions	–
Ending balance	$(350,700)

NOTE 5: FAIR VALUE MEASUREMENTS

Our financial assets and liabilities carried at fair value measured on a recurring basis as of December 31, 2016 and 2015, consisted of the following:

Description	Total fair value at December 31, 2016	Quoted prices in active markets (Level)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level)
Derivative liability (1)	$350,700	$–	$350,700	$ –

Description	Total fair value at December 31, 2015	Quoted prices in active markets (Level)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level)
Derivative liability (1)	$576,557	$–	$576,557	$ –

(1) The Company has estimated the fair value of these embedded derivatives for convertible debenture using a multinomial lattice model.

F-13

NOTE 6: INCOME TAXES

The provision for income taxes for the years ended December 31, 2016 and 2015 is summarized as follows:

	2016	2015
Current:		
Federal	$–	–
State	–	–
	–	–
Deferred:		
Federal	–	–
State	–	–
	$–	$–

The Company has federal and state net operating loss carry forwards of approximately 50,653,000, which begin to expire 2025 and can be used to reduce future taxable income through 2034. The Company is open for tax years for the years ended 2008 through present.

The tax effects of temporary differences which give rise to deferred tax assets (liabilities) are summarized as follows:

	YEARS ENDED DECEMBER 31,	
	2016	2015
Net operating loss carry-forwards	$(20,261,000)	$(15,977,000)
Stock based compensation – options/warrants	3,540,000	3,267,000
Stock issued for services	971,000	971,000
Gain on derivative instrument	(1,011,000)	(489,000)
Disallowed entertainment expense	56,000	52,000
Charitable contribution limitation	11,000	11,000
Preferred Stock	39,000	39,000
Bad debt expense & reserves	47,000	47,000
Penalties	1,000	1,000
Loss on extinguishment of debt	114,000	129,000
Beneficial conversion features	119,000	119,000
Mobiquity-Spain – net loss	830,000	695,000
Impairment of long lived assets	89,000	0
Amortization of debt discount	1,311,000	246,000
Deferred Tax Assets	(14,144,000)	(10,889,000)

Less Valuation Allowance	14,144,000	10,889,000
Net Deferred Tax Asset	$–	$–

A reconciliation of the federal statutory rate to the Company's effective tax rate is as follows:

	YEARS ENDED DECEMBER 31,	
	2016	2015
Federal Statutory Tax Rate	34.00%	34.00%
State Taxes, net of Federal benefit	6.00%	6.00%
Change in Valuation Allowance	(40.00%)	(40.00%)
Total Tax Expense	0.00%	0.00%

NOTE 7: STOCKHOLDERS' EQUITY (DEFICIT)

During the quarter ended March 31, 2015, the Company commenced a private placement offering at an offering price of $.30 per share with matching warrants issued to purchase an additional share of common stock at $.45 per share through March 31, 2020. Three investors purchased an aggregate of 1,666,667 shares for proceeds of $500,000 from our private placement offering on March 30, 2015. The Company also issued 77,143 shares for $27,000 of interest and 90,000 shares for $22,000 of services rendered during the quarter.

During the quarter ended June 30, 2015, the Company issued 7,400,000 shares for proceeds of $2,220,000 under the private placement offering. We also issued 236,842 shares for $59,000 of interest and 435,000 shares for $119,000 of services during the quarter.

During the quarter ended September 30, 2015, the Company issued 96,195 shares for $31,549 of interest and 135,000 shares for services during the quarter.

The private placement offering, which commenced in March 2015 and was completed in May 2015, provided for certain anti-dilution protection in the event of sales of common stock below $.30 per share. As a result of the note offering described in note 4, paragraph (d) to the table set forth therein, management of the Company has determined to issue to the investors one share of common stock for every $1 invested for a total of 2,720,000 shares.

In December 2015, the Company sold 200,000 shares of its Series AA Preferred Stock at a purchase price of $10 per share and raised $2 million. The Series AA Preferred Stock have no dividend, voting or liquidation preferences. These Series AA Preferred Stock shall be treated for liquidation purposes, the same as a holder of common stock. In the first quarter of 2016, the Company sold 40,000 shares of Series AA preferred stock and raised $400,000. Each share of Preferred Stock is convertible into 50 shares of Common Stock at an effective conversion price of $.20 per share of Common Stock. The Preferred Stockholders had anti-dilution protection rights through December 31, 2016.

Shares issued for services

During the year ended December 31, 2015, the Company issued 835,00 shares of common stock, at $0.19 to $0.36 per share for $209,090 in exchange for services rendered.

During the quarter ended March 31, 2016, the Company issued 695,000 common shares, at $0.10 to $0.19 per share, valued at $97,800. During the June 30, 2016 quarter the Company issued 245,000 common shares, at $0.10 to $0.11 per share, valued at $24,950 in exchange for services rendered. These shares were valued based on the trading price of the Company's common stock on the date of issuance.

Shares issued for accrued interest

During the year ended December 31, 2015, the Company issued 410,180 shares of common stock, at $0.18 to $0.50 per share for $119,776 in payment of interest for the year.

During the quarter ended March 31, 2016, the Company issued 210,333 common shares, at $0.13 to $0.18 per share, valued at $35,215. During the June 30, 2016 quarter the Company issued 244,344 common shares, at $0.11 per share, valued at $27,000. During the September 30, 2016 quarter the Company issued 5,215,334 common shares, at $0.06 to $0.11 per share, valued at $387,082. During the December 31, 2016 quarter the Company issued 720,000 common shares, at .375 per share, valued at $27,000 in exchange for accrued interest.

During the quarter entered December 31, 2016, the Company issued 1,000,000 common shares in satisfaction of back rent owed the landlord in the sum of $57,157. The shares were valued at $20,000 and a gain on settlement of debt was recorded of $36,177.

During the quarter ended December 31, 2016, the Company issued 11,908,335 common shares, at $0.05 per share, valued at $594,417 for the exercise of outstanding warrants.

NOTE 8: OPTIONS AND WARRANTS

The Company's results for the years ended December 31, 2016 and 2015 include employee share-based compensation expense totaling $683,036 and $1,452,248, respectively. Such amounts have been included in the Statements of Operations within selling, general and administrative expenses. No income tax benefit has been recognized in the statement of operations for share-based compensation arrangements due to a history of operating losses.

The following table summarizes stock-based compensation expense for the years ended December 31, 2016 and 2015:

	Years Ended December 31,	
	2016	2015
Employee stock based compensation-option grants	$603,536	$1,223,332
Employee stock based compensation-stock grants	–	–
Non-Employee stock based compensation-option grants	79,500	30,155
Non-Employee stock based compensation-stock grants	–	–
Non-Employee stock based compensation-stock warrant	–	198,761
	$683,036	$1,452,248

NOTE 9: STOCK OPTION PLANS

During Fiscal 2005, the Company established, and the stockholders approved, an Employee Benefit and Consulting Services Compensation Plan (the "2005 Plan") for the granting of up to 2,000,000 non-statutory and incentive stock options and stock awards to directors, officers, consultants and key employees of the Company. On June 9, 2005, the Board of Directors amended the Plan to increase the number of stock options and awards to be granted under the Plan to 4,000,000. During Fiscal 2009, the Company established a plan of long-term stock-based compensation incentives for selected Eligible Participants of the Company covering 4,000,000 shares. This plan was adopted by the Board of Directors and approved by stockholders in October 2009 and shall be known as the 2009 Employee Benefit and Consulting Services Compensation Plan (the "2009 Plan"). In September 2013, the Company's stockholders approved an increase in the number of shares covered by the 2009 Plan to 10,000,000. In February 2015, the Board approved, subject to stockholder approval within one year, an increase in the number of shares under the 2009 Plan to 20,000,000 shares; however, stockholder approval was not obtained within the requisite one year and the anticipated increase in the 2009 Plan was canceled. In the first quarter of 2016, the Board approved and stockholders ratified a 2016 Employee Benefit and Consulting Services Compensation Plan covering 10,000,000 shares (the "2016 Plan") and approving moving all options which exceeded the 2009 Plan limits to the 2016 Plan. The 2005, 2009 and 2016 plans are collectively referred to as the "Plans."

F-16

All stock options under the Plans are granted at or above the fair market value of the common stock at the grant date. Employee and non-employee stock options vest over varying periods and generally expire either 5 or 10 years from the grant date. The fair value of options at the date of grant was estimated using the Black-Scholes option pricing model. For option grants, the Company will take into consideration payments subject to the provisions of ASC 718 "Stock Compensation", previously Revised SFAS No. 123 "Share-Based Payment" ("SFAS 123 (R)"). The fair values of these restricted stock awards are equal to the market value of the Company's stock on the date of grant, after taking into certain discounts. The expected volatility is based upon historical volatility of our stock and other contributing factors. The expected term is based upon observation of actual time elapsed between date of grant and exercise of options for all employees. Previously, such assumptions were determined based on historical data. The weighted average assumptions made in calculating the fair values of options granted during the years ended December 31, 2016 and 2015 are as follows:

	Years Ended December 31,	
	2016	2015
Expected volatility	135.6%	166.38%
Expected dividend yield	0	0
Risk-free interest rate	1.25%	1.76%
Expected term (in years)	5.00	6.62

	Share	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding, January 1, 2016	19,340,000	$ .39	7.97	2,500
Granted	1,000,000	$ .11	4.39	5,625
Exercised	(899,999)	–	–	–
Cancelled / Expired	(1,125,000)	–	–	–
Outstanding, December 31, 2016	18,315,001	$ .41	5.18	5,625
Options exercisable, December 31, 2016	16,600,417	$ .41	5.14	5,625

The weighted-average grant-date fair value of options granted during the years ended December 31, 2016 and 2015 was $.08 and $.30, respectively. The aggregate intrinsic value of options outstanding and options exercisable at December 31, 2016 is calculated as the difference between the exercise price of the underlying options and the market price of the Company's common stock for the shares that had exercise prices, that were lower than the $.06 closing price of the Company's common stock on December 31, 2016.

As of December 31, 2016, the fair value of unamortized compensation cost related to unvested stock option awards was $485,936.

The option information provided above includes options granted outside of the Plans, which total 4,615,000 as of December 31, 2016.

The weighted average assumptions made in calculating the fair value of warrants granted during the years ended December 31, 2016 and 2015 are as follows:

	Years Ended	
	2016	2015
Expected volatility	0%	158.35%
Expected dividend yield	–	–
Risk-free interest rate	0%	0.30%
Expected term (in years)	–	0.5

	Share	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding, January 1, 2016	36,432,782	$ 0.51	4.58	24,800
Granted	–	$ –	–	–
Exercised	(11,008,336)	–	–	–
Cancelled/Expired	(4,171,712)	–	–	–
Outstanding, December 31, 2016	21,252,734	$ 0.48	1.40	–
Warrants exercisable, December 31, 2016	21,252,734	$ 0.48	1.40	–

NOTE 10: COMMITMENTS AND CONTINGENCIES

COMMITMENTS –

In April 2011, we entered into our agreement with Simon Property Group, which agreement was amended first in September 2013 and then in July 2014. This second amendment provides for us to expand our location-based mobile mall network footprint to about 195 current Simon malls across the United States. Our agreement with Simon currently expires December 31, 2017. Simon is entitled to receive fees from us equal to the greater of a pre-set per mall fee or a percentage of revenues derived from within the Simon Mall network. The revenue share agreement in which Simon participates will exceed the minimum annual mall fees if the Company has generated revenues within the Simon network of about $15 million or more in a calendar year. Our agreement with Simon requires the company to maintain letters of credit for each calendar year under the agreement represented by the minimum amount of fees due for such calendar year. For 2015, the minimum fees of $2.7 million has been secured through two bank letters of credit, one of which was issued in the amount of $1,350,000 utilizing the funds of a non-affiliated stockholder and the second letter of credit was obtained in the same amount through the funds of Thomas Arnost, our Executive Chairman. In the event Simon draws down upon either letter of credit, we have until the next minimum payment due date (approximately 90 days) after the draw down to obtain replacement letters of credit. Each person who secured our letters of credit has the opportunity to notify us that they wish to turn the cash funds securing the letters of credit over to us and to convert such funds into Common Stock currently at a conversion price of $.20 per share. Also, each person who issued the letter of credit is receiving quarterly, while the letters of credit are outstanding, options to purchase 125,000 shares of Common Stock, exercisable at the prevailing market price per share on the date of grant and interest at the rate of 8% per annum on the monies that they have had to set aside in their bank accounts and are unable to have access to such monies. In April, July and October, 2016, Simon drew down on each bank letter of credit for an aggregate of $837,880 owed to each letter of credit provider.

In April 2015, we entered into a license agreement with Macerich. Pursuant to our agreement with Macerich, we have the right to install Mobi-Beacons to send information across the air space of the common areas of our Macerich mall

network in up to 55 malls, across the United States. Our right to install our Mobi-Beacons to market and sell third party paid advertising in the interior common areas of these malls shall be exclusive. In the fourth quarter of 2016, Macerich terminated this agreement.

Pursuant to a master agreement effective August, 2015, we entered into an agreement with PREIT pursuant to which we have the right to install our Mobi-Beacons and to send information across the air space of the common areas of our PREIT mall network, which will include approximately 27 malls in select states in the United States. Our right to install our Mobi-Beacons to market and sell third party paid advertising in the interior common areas of these malls is exclusive. Under our agreement between us and PREIT, PREIT is entitled to an agreed upon revenue share over the four-year term of the agreement. In the event the net revenue share as defined in the agreement is not attained for any measurement period, also as defined in the agreement, either party may terminate the agreement upon 90 days prior written notice. PREIT may also terminate the agreement if it determines that Mobiquity's installed equipment is not adequate and/or provides a negative user experience for the visitors to the PREIT malls. The agreement also provides for PREIT to adjust the number of malls subject to the agreement from time-to-time based upon changes in its beneficial ownership in the malls.

In January 2016, we entered into a license agreement with GGP, with an effective date of November 20, 2015. Pursuant to our agreement with GGP, we have the right to install Mobi-Beacons to send information across the air space of the common areas of our GGP mall network in up to 120 malls across the United States. Our right to install our Mobi-Beacons to market and sell third party paid advertising in the interior common areas of these malls is exclusive. In the fourth quarter of 2016, GGP terminated this agreement.

Pursuant to a master agreement entered into in 2015, we entered into an agreement with Rouse pursuant to which we have the right to install our Mobi-Beacons to send information across the air space of the common areas of our Rouse mall network, which will include approximately 30 malls in select states in the United States. Our right to install our Mobi-Beacons to market and sell third party paid advertising in the interior common areas of these malls is exclusive. Under our agreement between us and Rouse, Rouse is entitled to an agreed upon revenue share over the four-year term of the agreement. In the event the net revenue share as defined in the agreement is not attained for any measurement period, also as defined in the agreement, either party may terminate the agreement upon 90 days prior written notice. Either party may also terminate the agreement due to a material breach which is not cured within 30 days of written notice. Also, Rouse upon at least 60 days written notice to us prior to the end of the second contract year, may terminate the agreement with respect to any participating property for any reason at the end of the second contract year. The agreement also provides for Rouse to adjust the number of malls subject to the agreement from time-to-time based upon changes in its beneficial ownership in the malls.

In February 2012, the Company entered into a lease agreement for new executive office space of approximately 4,200 square feet located at 600 Old Country Road, Suite 541, Garden City, NY 11530. The lease agreement is for 63 months, commencing April 2012 and expiring June 2017. The annual rent under this office facility for the first year is estimated at $127,000, including electricity, subject to an annual increase of 3%. In the event of a default in which the Company is evicted from the office space, Mobiquity would be responsible to the landlord for an additional payment of rent of $160,000 in the first year of the lease, an additional payment of $106,667 in the second year of the lease and an additional payment of rent of $53,333 in the third year of the lease. Such additional rent would be payable at the discretion of the Company in cash or in Common Stock of the Company.

Our lease for approximately 2,000 square feet of space at an annual cost of approximately $28,600 (inclusive of taxes) at 1105 Portion Road, Farmingville, NY 11738 expired in November 2013. We currently lease this property on a month to month basis for approximately $2,500 per month beginning December 2014, with a 5% increase in rent each month.

In March 2013, we entered into a two-year lease for an approximately 1,200 square foot facility of office and warehouse space in Barcelona, Spain, at monthly cost of approximately $2,200. This lease on a month-to-month basis. We have closed this facility and consolidated our efforts moving our activities back to the United States.

In March of 2014, we entered into a month-to-month lease agreement for approximately 400 square feet of office space located in Manhattan, NY at a monthly cost of $3,700. In May of 2015 we moved to a larger location with the same landlord on a month to month basis for $4,700 each month.

Minimum future rentals under non-cancelable lease commitments are as follows:

YEARS ENDING DECEMBER 31,	
2017	2,467,968
2018	0
2019 and thereafter	0
	$2,467,968

Rent and real estate tax expense was approximately $3,610,000 and $3,318,000 for the years December 31, 2016 and 2015, respectively.

EMPLOYMENT CONTRACTS –

Michael D. Trepeta and Dean L. Julia

On March 1, 2005, the Company entered into employment contracts with two of its officers, namely, Dean L. Julia and Michael D. Trepeta. The employment agreements provide for minimum annual salaries plus bonuses equal to 5% of pre-tax earnings (as defined) and other perquisites commonly found in such agreements. In addition, pursuant to the employment contracts, the Company granted the officers options to purchase up to an aggregate of 400,000 shares of common stock.

On August 22, 2007, the Company approved a three-year extension of the employment contracts with two of its officers expiring on February 28, 2011. The employment agreements provided for minimum annual salaries with scheduled increases per annum to occur on every anniversary date of the contract and extension commencing on March 1, 2008. A signing bonus of options to purchase 150,000 shares granted to each executive were fully vested at the date of the grant and exercisable at $1.20 per share through August 22, 2017. Ten year options to purchase 50,000 shares of common stock are to be granted at fair market value on each anniversary date of the contract and extension commencing March 1, 2008. Termination pay of one year base salary based upon the scheduled annual salary of each executive officer for the next contract year, plus the amount of bonuses paid (or entitle to be paid) to the executive for the current fiscal year of the preceding fiscal year, whichever is higher.

On April 7, 2010, the Board of Directors approved a five-year extension of the employment contract of Dean L. Julia and Michael D. Trepeta to expire on March 1, 2015. The Board approved the continuation of each officer's current salary and scheduled salary increases on March 1st of each year. The Board also approved a signing bonus of stock options to purchase 200,000 shares granted to each officer which is fully vested at the date of grant and exercisable at $.50 per share through April 7, 2020; ten-year stock options to purchase 100,000 shares of Common Stock to be granted to each officer at fair market value on each anniversary date of the contract and extension thereof commencing March 1, 2011; and termination pay of one year base salary based upon the scheduled annual salary of each executive officer for the next contract year plus the amount of bonuses paid or entitled to be paid to the executive for the current fiscal year or the preceding fiscal year, whichever is higher. In the event of termination, the executives will continue to receive all benefits included in the employment agreement through the scheduled expiration date of said employment agreement prior to the acceleration of the termination date thereof.

In July 2012, the Company approved and in January 2013 the Company implemented amending the employment agreements of Messrs. Julia and M. Trepeta to expire on February 28, 2017, subject to an automatic one year renewal on March 1, 2013 and on each March 1st thereafter, unless the Employment Agreement is terminated in accordance with its terms on or before December 30th of the prior calendar year. In the event of termination without cause, the executives will continue to receive all salary and benefits included in the employment agreement through the

scheduled expiration date of said employment agreement prior to the acceleration of the termination date thereof, plus one year termination pay.

On May 28, 2013, the Company approved amending the employment agreements of Messrs. Julia and Trepeta to provide that each officer may choose an annual bonus equal to 5% of pre-tax earnings for the most recently completed year before deduction of annual bonuses paid to officers or, in the event majority control of the Company is acquired by a person or a group of persons during the prior fiscal year, the officer may choose to receive the aforementioned bonus or 1% of the control consideration paid by acquirer(s) to acquire majority control of the Company.

Thomas Arnost

In December 2014, we entered into a three-year employment agreement with Thomas Arnost serving as Executive Chairman of the board. Mr. Arnost receives a monthly salary of $10,000 plus an annual grant of options for serving on the board of directors. In the event of his termination, by Mr. Arnost or by the company for cause, Mr. Arnost will receive his pay through the termination date. In the event that Mr. Arnost is terminated without cause, he shall be entitled to receive his salary paid through the end of the term of his agreement. Mr. Arnost may terminate the agreement at any time by giving three months' prior written notice to our board of directors. Mr. Arnost will also be entitled to indemnification against all claims, judgments, damages, liabilities, costs and expenses (including reasonably legal fees) arising out of, based upon or related to his performance of services to us, to the maximum extent permitted by law.

Sean Trepeta

In December 2014, Mobiquity Networks entered into an employment agreement with Sean Trepeta, to serve as President of Mobiquity Networks as an employee at will. Mr. Trepeta, as a full-time employee, is to be paid a salary at the rate of $20,000 per month. Upon the execution of the agreement, he received 10-year options to purchase 1,500,000 shares of our common stock vesting quarterly over a period of three years. For calendar 2015, he will be entitled to a bonus of $125,000 upon revenues of Mobiquity Networks achieving a minimum of $6 million in revenues and a further bonus of $125,000 for a total of $250,000 at such time as Mobiquity Network's revenues achieve a minimum of $12 million, it being understood that any revenues which do not have a 30% margin shall not count toward these totals. All options granted to Mr. Trepeta will become immediately vested in the event of a change in control of our Company or sale of substantially all of our assets. In the event we terminate Mr. Trepeta without cause, after six months of continued employment under the employment agreement, Mr. Trepeta is entitled to receive three months' severance pay.

Paul Bauersfeld

In December 2014, we entered into an employment agreement with Paul Bauersfeld, our Chief Technology Officer, who is an employee at will. Mr. Bauersfeld, as a full-time employee, is to be paid a salary at the rate of $25,000 per month. Upon the execution of the agreement, he received 10-year options to purchase 1,000,000 shares of our common stock vesting quarterly over a period of three years. For calendar 2015, he will be entitled to a bonus of $125,000 upon revenues of Mobiquity Networks achieving a minimum of $6 million in revenues and a further bonus of $125,000 for a total of $250,000 at such time as Mobiquity Network's revenues achieve a minimum of $12 million, it being understood that any revenues which do not have a 30% margin shall not count toward these totals. The foregoing compensatory arrangements with Mr. Bauersfeld is in addition to the non-statutory stock options to purchase 2,600,000 shares of our common stock previously granted to Mr. Bauersfeld. All options granted to Mr. Bauersfeld will become immediately vested in the event of a change of control of our company or sale of substantially all of our assets. In the event we terminate Mr. Bauersfeld without cause. Mr. Bauersfeld is entitled to receive six months' severance pay.

Sean McDonnell

Sean McDonnell, our Chief Financial Officer, is an employee at will and is currently receiving a salary of $132,000 per annum.

TRANSACTIONS WITH MAJOR CUSTOMERS –

The Company sells its products to a geographically diverse group of customers, performs ongoing credit evaluations of its customers and generally does not require collateral. During the year ended December 31, 2016 a customer accounted for approximately 35% of net revenues and for the year ended December 31, 2015 a customer accounted for approximately 38% of net revenues. The Company holds on hand certain items that are ordered on a regular basis.

NOTE 11: SEGMENT INFORMATION

Reportable operating segment is determined based on Mobiquity Technologies, Inc.’s management approach. The management approach, as defined by accounting standards which have been codified into FASB ASC 280, “Segment Reporting,” is based on the way that the chief operating decision-maker organizes the segments within an enterprise for making decisions about resources to be allocated and assessing their performance. Our chief operating decision-maker is our Chief Executive Officer and Chief Financial Officer.

While our results of operations are primarily reviewed on a consolidated basis, the chief operating decision-maker also manages the enterprise in two operating segments: (i) Ace Marketing and Promotions, Inc. captures Branding & Branded Merchandise (ii) Mobiquity Networks represent our Mobil Marketing.

Corporate management defines and reviews segment profitability based on the same allocation methodology as presented in the segment data tables below:

Fiscal 2016

	Ace Marketing & Promotions, Inc.	Mobiquity Networks Inc.	Total
Net sales	$2,202,591	$65,932	$2,268,523
Operating (loss), excluding depreciation	(575,492)	(6,464,214)	(7,039,706)
Interest income	3	–	3
Interest (expense)	(4,463)	(3,520,609)	(3,525,072)
Depreciation and amortization	(20,925)	(138,922)	(159,847)
Comprehensive Loss	(600,877)	(10,123,745)	(10,724,622)
Total assets at December 31, 2016	374,156	352,017	726,173

Fiscal 2015

	Ace Marketing & Promotions, Inc.	Mobiquity Networks Inc.	Total
Net sales	$2,491,875	–	$2,491,875
Operating (loss), excluding depreciation	(1,831,241)	(7,436,250)	(9,267,491)
Interest income	41	–	41
Interest (expense)	–	(996,011)	(996,011)
Depreciation and amortization	(48,014)	(144,941)	(192,955)
Comprehensive Loss	(1,879,214)	(8,577,202)	(10,456,416)
Total assets at December 31, 2015	3,038,728	292,442	3,331,170

All intersegment sales and expenses have been eliminated from the tables above.

NOTE 12: COMMON STOCK PURCHASE AGREEMENT

On March 31, 2014, the Company entered into a common stock purchase agreement (referred to herein as the “Purchase Agreement”), with Aspire Capital Fund, LLC, an Illinois limited liability company (referred to herein as “Aspire Capital”), which provides that, upon the terms and subject to the conditions and limitations set forth therein, Aspire Capital is committed to purchase up to an aggregate of $15.0 million of Common Stock over the approximately

24-month term of the Purchase Agreement. In consideration for entering into the Purchase Agreement, concurrently with the execution of the Purchase Agreement, we issued to Aspire Capital 1,000,000 shares of Common Stock as a commitment fee (referred to in herein as the "Commitment Shares"). Upon execution of the Purchase Agreement, we sold to Aspire Capital 1,000,000 shares of Common Stock (referred to herein as the "Initial Purchase Shares"). Concurrently with entering into the Purchase Agreement, we also entered into a registration rights agreement with Aspire Capital (referred to herein as the "Registration Rights Agreement"), in which we agreed to file one or more registration statements as permissible and necessary to register under the Securities Act of 1933, as amended, or the Securities Act, the sale of the shares of Common Stock that have been and may be issued to Aspire Capital under the Purchase Agreement.

Pursuant to the Purchase Agreement and the Registration Rights Agreement, the Company was obligated to register 15,000,000 shares of Common Stock under the Securities Act, which includes the Commitment Shares and Initial Purchase Shares that have already been issued to Aspire Capital and an additional 13,000,000 shares of Common Stock which the Company may issue to Aspire Capital after the registration statement is declared effective under the Securities Act. Said Registration Statement was declared effective by the SEC on April 28, 2014 and has since become stale. The Purchase Agreement terminated on March 16, 2016.

NOTE 13: SUBSEQUENT EVENTS

There are no subsequent events required to be disclosed in the Notes to Financial Statements through the date of the report, except as follows:

In February 2017, The Company debt holders converted $3,772,000 of notes being converted at 0.05 per share into 75,440,000 shares of common stock.

February 28, 2017, the Company entered into an agreement with a two non-affiliated persons to provide $1.6 million of short term secured debt financing in three monthly tranches. The Company will issue in connection with each tranche, a six-month secured convertible promissory note. In connection with this transaction, the Company agreed to issue an origination fee of 1,600,000 shares of restricted common stock. Alexander Capital L.P. acted as Placement Agent and Advisor for this transaction.

In February 2017, the Company reported that all of its Series AA preferred stock and substantially all of its outstanding debt both secured and unsecured (approximately $12.1 million) have been converted into equity securities of the Company as outlined below. It should be noted that the capital transactions below were based on a premium to the average closing sale price of $0.045 per share during the 60 day period prior to February 08, 2017. The Company had outstanding 1,118,538 shares of newly designated Series AAA preferred stock and $1,350,000 of convertible notes. The convertible notes consist of $1,200,000 of secured notes and $150,000 of unsecured notes. Of the 1,118,538 shares of Series AAA preferred stock outstanding, 240,000 Series AA preferred stock with an original cost basis of $2.4 million were converted into Series AAA preferred stock. The remaining 878,538 shares of Series AAA preferred stock were issued in exchange for the conversion of principal and accrued interest of approximately $8,7855,380 of unsecured debt. The terms of the Series AAA preferred stock can be summarized as follows:

The price of each preferred share may be convertible into common stock with an equivalent purchase price of $.10 per common share. If the preferred shares are converted, the subscriber will then receive 100% warrant coverage, with each warrant exercisable at $.05 per share with a cash payment to the Company through the close of business on December 31, 2019. The preferred shares have no voting or other preferences except as required by law other than the right of conversion described above and a liquidation preference equal to $.01 per share.

Thomas Arnost, our Executive Vice Chairman, and another principal stockholder agreed to convert letters of credit in the principal amount of $2,700,000 and $322,000 of secured debt into shares of common stock at the then marketing price of $.05 per share. Accrued interest on these obligations were either previously converted into our common stock or were upon conversion of the principal, converted into common stock at the fair market value of our common stock

at each interest accrual date.

In April 2017, Michael Trepeta entered into a separation agreement with the Company pursuant to which he resigned as an executive officer and director. There is currently a vacancy in the Board of Directors of the Company. After his resignation, the Board changed Dean Julia's title from Co-Chief Executive Officer to Chief Executive Officer.

Pursuant to Michael Trepeta's separation agreement, Mr. Trepeta is entitled to the following benefits:

- Six months' coverage under the Company's existing director/officer insurance policy;
- Indemnification per existing employment agreement;
- Expense reimbursement through May 31, 2017;
- All options vested shall continue until their normal expiration date; and
- Mutual releases.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

Not applicable.

Item 9A. Controls and Procedures.

Under the supervision and with the participation of our management, including the Chief Executive Officer and Chief Financial Officer, we have evaluated the effectiveness of our disclosure controls and procedures as required by Exchange Act Rule 13a-15(b) as of the end of the period covered by this report. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that these disclosure controls and procedures are not effective.

Report of Management on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting for the Company. Internal control over financial reporting is a process to provide reasonable assurance regarding the reliability of our financial reporting for external purposes in accordance with accounting principles generally accepted in the United States of America. Internal control over financial reporting includes maintaining records that in reasonable detail accurately and fairly reflect our transactions; providing reasonable assurance that transactions are recorded as necessary for preparation of our financial statements; providing reasonable assurance that receipts and expenditures of company assets are made in accordance with management authorization; and providing reasonable assurance that unauthorized acquisition, use or disposition of company assets that could have a material effect on our financial statements would be prevented or detected on a timely basis. Because of its inherent limitations, internal control over financial reporting is not intended to provide absolute assurance that a misstatement of our financial statements would be prevented or detected.

A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our company’s annual or interim financial statements will not be prevented or detected on a timely basis. In its assessment of the effectiveness of internal control over financial reporting as of December 31, 2016, our company determined that there were control deficiencies that constituted material weaknesses, as described below:

We did not maintain appropriate financial reporting controls – As of December 31, 2016, our company has not maintained sufficient internal controls over financial reporting for the financial reporting process. As at December 31, 2016, our company did not have sufficient financial reporting controls with respect to timely financial reporting and the ability to process complex accounting issues such as debt conversions. Subsequent to December 31, 2016, our company has obtained the necessary assistance to ensure that the performance of complex accounting issues can be performed accurately and on a timely basis.

Management conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in *Internal Control – Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, management concluded that the company's internal control over financial reporting was not effective as of December 31, 2016. There were no significant changes in our internal control over financial reporting during the year ended December 31, 2016 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. Our independent auditors have not audited and are not required to audit this assessment of our internal control over financial reporting for the fiscal year ended December 31, 2016.

Item 9B. Other Information.

In April 2017, Michael Trepeta entered into a separation agreement with the Company pursuant to which he resigned as an executive officer and director. There is currently a vacancy in the Board of Directors of the Company. After his resignation, the Board changed Dean Julia's title from Co-Chief Executive Officer to Chief Executive Officer.

Pursuant to Michael Trepeta's separation agreement, Mr. Trepeta is entitled to the following benefits:

- Six months' coverage under the Company's existing director/officer insurance policy;
- Indemnification per existing employment agreement;
- Expense reimbursement through May 31, 2017;
- All options vested shall continue until their normal expiration date; and
- Mutual releases.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

Our executive officers and directors and their respective ages and positions as of the date of this Form 10-K are:

NAME (1) (2)	AGE	POSITION
Executive Officers:		
Thomas Arnost	69	Executive Chairman of the Board
Dean L. Julia	48	Chief Executive Officer/Treasurer/Director/Co-Founder
Paul Bauersfeld	53	Chief Technology Officer
Sean J. McDonnell, CPA	55	Chief Financial Officer
Sean Trepeta	48	President of Mobiquity Networks and director

Directors are elected at the annual meeting of stockholders and hold office until the following annual meeting. The terms of all officers expire at the annual meeting of directors following the annual stockholders meeting. Officers serve at the pleasure of our board of directors and may be removed, either with or without cause, by our board of directors, and a successor elected by a majority vote of our board of directors, at any time. Nevertheless, the foregoing are subject to the employment contracts of our executive officers.

Executive Officers

Thomas Arnost. Mr. Arnost has been a director of our company since December 2011, he has served as Chairman of the Board since October 2013 and he has served as Executive Chairman of the Board since October 2014. Mr. Arnost served as the Co-President of Univision Television Group, from 1997 to 2006, and prior to that as Executive Vice President of Univision Television Group from 1994 to 1996. Previously he served as the Co-President of Univision Communications, Inc. Station Group, which he joined in 1994. In 2002, Mr. Arnost helped in the successful launch of the Telefutura Station Group which has since significantly contributed to Univision's overall growth. During his tenure with Univision, total station group revenue grew from under $120 million in 1993 to approximately $700 million in 2006. Also during his tenure, Univision’s market value grew from roughly $500 million to over $14 billion. Mr. Arnost’s extensive business, financial, management and leadership experience in the telecommunications industry particularly qualifies him for serving on the company’s board as an independent director. Mr. Arnost graduated from the University of Arizona with a BS in Finance.

***Dean L. Julia*.** Mr. Julia has served as Chief Executive Officer of Mobiquity since December 2000 and as Co-CEO since March 2012. In 1998, Mr. Julia co-founded Mobiquity and became an officer, director and principal stockholder of our company. Mr. Julia is responsible for establishing our overall strategy and fostering key relationships with technology partners and developers. Mr. Julia has also served as COO of Mobiquity's wholly-owned subsidiary, Mobiquity Networks since its formation in January 2011, where he is responsible for the integration of the sales and intellectual property departments of Mobiquity. From September 1996 through February 1998, Mr. Julia served as President and Chief Executive Officer of DLJ Consulting, a financial intermediary consultant for public and private companies. Mr. Julia is a founder of our company and has served on the board since its inception. He is expected to resign from the board on the listing date of our common stock on the NYSE MKT. Mr. Julia received his Bachelor of Business Administration from Hofstra University in 1990.

Paul Bauersfeld. Mr. Bauersfeld has served as Chief Technology Officer of our company since June 2013. Mr. Bauersfeld is a technology executive and engineer with over 20 years' experience in software product development and entrepreneurial organizations. In 2003, Mr. Bauersfeld founded Varsity Networks, a leading online media and services company dedicated to serving the local sports market through technology. He served as CEO of Varsity Networks from its formation through 2013, where he was responsible for expanding the network to include over 10,000 local sports communities with millions of monthly visitors. Prior to his positions at Varsity Network, he held positions at a number of Fortune 100 and startup companies in the technology and media industries. Mr. Bauersfeld has also acted as an advisor to a number of technology developmental corporations. His roles have included Co-founder and CEO of MessageOne from 2000 to 2001, which enterprise was later acquired by Dell Computer Corp., VP of ecommerce at Ziff-Davis from 1999 to 2000, Technology Director at Viacom's Nickelodeon Online from 1997 to 1999, Founder of GiftOne in 1996, where he served in the position of President, which entity was acquired by Skymall 1997, as well as engineering positions at Apple Computer from 1998 to 1993 and Xerox Corporation from 1986 to 1988. He has a BS in Electrical Engineering from Rochester Institute of Technology, which degree he received in 1986.

Sean J. McDonnell, CPA. Mr. McDonnell has been our Chief Financial Officer since January 2005. Since January 1990, Mr. McDonnell has also owned and operated a private accounting and tax practice handling many different types of business entities and associations. Mr. McDonnell has spent much of his time helping his customers grow their companies and acquire financing for the purchase of buildings and equipment. Prior to starting his own practice, he was employed from 1985 through 1990 as a senior staff member at the accounting firm of Breiner & Bodian CPA's. After graduating from Dowling College in 1984 with a Bachelor in Business Administration, he was employed by Kenneth Silver C.P.A. from 1984 to 1985. Mr. McDonnell has been a certified public accountant for almost 20 years.

Sean Trepeta. Mr. Trepeta has been a director of our company since December 2011. Mr. Trepeta is also serving as President of Mobiquity Networks, where he is responsible for sales and marketing strategies. Mr. Trepeta continues to foster strategic relationships with agencies and national brands. Prior to joining the Mobiquity Networks team in May 2011, Mr. Trepeta was President of Varsity Networks, a leading online portal dedicated to serving the High School sports market, from 2007 to 2011. Prior to this, from 1998 to 2007, Mr. Trepeta was the President and Co-Founder of OPEX Communications, Inc., a leading telecommunication service provider which was located in Chicago, specializing in traditional long-distance, wireless, and dedicated services. Before OPEX, from 1996 to 1998, Mr. Trepeta was the vice president of sales and marketing for the US Buying Group, Inc. (USBG) responsible for developing a small business-buying program, which included value added services such as overnight shipping, office supplies, and computer software products, as well as a full line of telecommunications services. Mr. Trepeta also developed and implemented the agent and carrier divisions of USBG. Prior to joining USBG, he was with MCI Telecommunications and NYNEX in New York City. As Mr. Trepeta holds a Bachelor of Science degree from the State University of New York at Cortland. Mr. Trepeta is expected to resign from the board on the listing date of our common stock on the NYSE MKT. Mr. Trepeta is the brother of Michael Trepeta.

Corporate Governance

Our business, property and affairs are managed by, or under the direction of, our Board, in accordance with the General Corporation Law of the State of New York and our By-Laws. Members of the Board are kept informed of our business through discussions with the Chief Executive Officers and other key members of management, by reviewing materials provided to them by management.

We continue to review our corporate governance policies and practices by comparing our policies and practices with those suggested by various groups or authorities active in evaluating or setting best practices for corporate governance of public companies. Based on this review, we have adopted, and will continue to adopt, changes that the Board believes are the appropriate corporate governance policies and practices for our Company. We have adopted changes and will continue to adopt changes, as appropriate, to comply with the Sarbanes-Oxley Act of 2002 and subsequent rule changes made by the SEC and any applicable securities exchange.

Director Qualifications and Diversity

The board seeks independent directors who represent a diversity of backgrounds and experiences that will enhance the quality of the board's deliberations and decisions. Candidates shall have substantial experience with one or more publicly traded companies or shall have achieved a high level of distinction in their chosen fields. The board is particularly interested in maintaining a mix that includes individuals who are active or retired executive officers and senior executives, particularly those with experience in the finance and capital market industries.

In evaluating nominations to the Board of Directors, our Board also looks for certain personal attributes, such as integrity, ability and willingness to apply sound and independent business judgment, comprehensive understanding of a director's role in corporate governance, availability for meetings and consultation on Company matters, and the willingness to assume and carry out fiduciary responsibilities. Qualified candidates for membership on the Board will be considered without regard to race, color, religion, sex, ancestry, national origin or disability.

Risk Oversight

Enterprise risks are identified and prioritized by management and each prioritized risk is assigned to the full board for oversight. These risks include, without limitation, the following:

Risks and exposures associated with strategic, financial and execution risks and other current matters that may present material risk to our operations, plans, prospects or reputation.

Risks and exposures associated with financial matters, particularly financial reporting, tax, accounting, disclosure, internal control over financial reporting, financial policies, investment guidelines and credit and liquidity matters.

Risks and exposures relating to corporate governance; and management and director succession planning.

Risks and exposures associated with leadership assessment, and compensation programs and arrangements, including incentive plans.

Board Leadership Structure

In accordance with the Company's By-Laws, the Chairman of the Board, Thomas Arnost, presides at all meetings of the Board. Currently, the offices of Chairman of the Board and Chief Executive Officer are separated, although the Company has no fixed policy with respect to the separation of these titles. The Chairman of the Board is a non-executive officer of the Company.

Indemnification

The New York Business Corporation Law contains provisions permitting and, in some situations, requiring New York corporations to provide indemnification to their officers and directors for losses and litigation expense incurred in connection with their service to the corporation. Our certificate of incorporation and bylaws contain provisions requiring our indemnification of our directors and officers and other persons acting in their corporate capacities.

In addition, we may enter into agreements with our directors providing contractually for indemnification consistent with the certificate of incorporation and bylaws. Currently, we have no such agreements. The New York Business Corporation Law also authorizes us to purchase insurance for our directors and officers insuring them against risks as to which we may be unable lawfully to indemnify them. We intend to obtain limited insurance coverage for our officers and directors as well as insurance coverage to reimburse us for potential costs of our corporate indemnification of officers and directors.

As far as exculpation or indemnification for liabilities arising under the Securities Act of 1933 may be permitted for directors and officers and controlling persons, we have been advised that in the opinion of the Securities and Exchange Commission such exculpation or indemnification is against public policy as expressed in the Act and is, therefore, unenforceable.

LACK OF COMMITTEES

Our Company has no audit, compensation or nominating committees of our board of directors or committees performing similar functions. The audit committee communications will go directly to the board members until such time as an audit committee is formed.

Under the National Association of Securities Dealers Automated Quotations definition, an "independent director" means a person other than an officer or employee of the Company or its subsidiaries or any other individuals having a relationship that, in the opinion of the Company's board of directors, would interfere with the exercise of independent judgment in carrying out the responsibilities of the director. The board's discretion in determining director independence is not completely unfettered. Further, under the NASDAQ definition, an independent director is a person who (1) is not currently (or whose immediate family members are not currently), and has not been over the past three years (or whose immediate family members have not been over the past three years), employed by the company; (2) has not (or whose immediate family members have not) been paid more than $120,000 during the current or past three fiscal years; (3) has not (or whose immediately family has not) been a partner in or controlling shareholder or executive officer of an organization which the company made, or from which the company received, payments in excess of the greater of $200,000 or 5% of that organizations consolidated gross revenues, in any of the most recent three fiscal years; (4) has not (or whose immediate family members have not), over the past three years been employed as an executive officer of a company in which an executive officer of Mobiquity has served on that company's compensation committee; or (5) is not currently (or whose immediate family members are not currently), and has not been over the past three years (or whose immediate family members have not been over the past three years) a partner of Mobiquity's outside auditor.

The term "Financial Expert" is defined under the Sarbanes-Oxley Act of 2002, as amended, as a person who has the following attributes: an understanding of generally accepted accounting principles and financial statements; has the ability to assess the general application of such principles in connection with the accounting for estimates, accruals and reserves; experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the company's financial statements, or experience actively supervising one or more persons engaged in such activities; an understanding of internal controls and procedures for financial reporting; and an understanding of audit committee functions.

The Company may in the future form an audit committee to consist of one or more independent directors. In the event an audit committee is established, of which there can be no assurances given, its first responsibility would be to adopt a written charter. Such charter would be expected to include, among other things:

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being directly responsible for the appointment, compensation and oversight of our independent auditor, which shall report directly to the audit committee, including resolution of disagreements between management and the auditors regarding financial reporting for the purpose of preparing or issuing an audit report or related work;

- annually reviewing and reassessing the adequacy of the committee's formal charter;

- reviewing the annual audited financial statements with our management and the independent auditors and the adequacy of our internal accounting controls;

- reviewing analyses prepared by our management and independent auditors concerning significant financial reporting issues and judgments made in connection with the preparation of our financial statements;

- reviewing the independence of the independent auditors;

- reviewing our auditing and accounting principles and practices with the independent auditors and reviewing major changes to our auditing and accounting principles and practices as suggested by the independent auditor or its management;

- reviewing all related party transactions on an ongoing basis for potential conflict of interest situations; and

- all responsibilities given to the audit committee by virtue of the Sarbanes-Oxley Act of 2002, which was signed into law by President George W. Bush on July 30, 2002.

LACK OF INDEPENDENT DIRECTORS

Currently, the Company has four directors, each of which are members of management. Accordingly, the Company has no independent directors at the current time.

CODE OF ETHICS

The Company has a new code of ethics that applies to the Company's directors and officers which has been designed to deter wrongdoing and to promote:

- Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- Full, fair, accurate, timely and understandable disclosure in reports and documents that the Company files with, or submits to, the SEC and in other public communications made by the Company;
- Compliance with applicable governmental law, rules and regulations;
- The prompt internal reporting of violations of the code of ethics to an appropriate pre-identified person; and
- Accountability for adherence to the code of ethics.

A copy of the Code of Ethics was filed as Exhibit 14 to our Form 10-K for the fiscal year ended December 31, 2014.

COMPLIANCE WITH SECTION 16(A) OF THE EXCHANGE ACT

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires our officers and directors, and persons who own more than ten percent of a registered class of our equity securities, to file reports of ownership and changes in ownership with the Securities and Exchange Commission (the "Commission"). Officers, directors and greater than ten percent stockholders are required by the Commission's regulations to furnish us with copies of all Section 16(a)

forms they file. During fiscal 2016, to the best of the knowledge of the Company's directors and officers, no form 3's or form 4's or form 5's were filed late with the Commission by officers or directors, except that Tom Arnost made Form 4 late filings.

Item 11. Executive Compensation.

The following table sets forth the overall compensation earned over the fiscal years ended December 31, 2016 and 2015 by (1) each person who served as the principal executive officer of the company during fiscal year 2016 and 2015; (2) the Company's most highly compensated (up to a maximum of two) executive officers as of December 31, 2016 and 2015 with compensation during fiscal years 2016 and 2015 of $100,000 or more; and (3) those two individuals, if any, who would have otherwise been in included in section (2) above but for the fact that they were not serving as an executive of the company as of December 31, 2016.

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards	Option Awards ($)(1)	Salary Compensation Non-Equity Incentive Plan Compensation ($)	Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)(2)(3)	Total ($)
Dean L. Julia	2016	$360,000	$ -	–	$-	–	–	$ 32,596	$392,596
Co-CEO of the company	2015	$360,914	$ –	–	$149,950	–	–	$ 57,866	$568,730
Michael D. Trepeta	2016	$300,000	$ -	–	$-	–	–	$ 38,625	$338,625
Co-CEO of the company	2015	$360,592	$ –	–	$149,950	–	–	$ 53,793	$564,335
Sean Trepeta	2016	$240,000	$ –	–	$-	–		$ 26,746	$266,746
President of Mobiquity Networks	2015	$240,000	$ –	–	$27,900	–	–	$ 24,804	$292,704
Paul Bauersfeld	2016	$300,000	$ –	–	$-	–	–	$ 26,746	$326,746
Chief Technology Officer	2015	$301,737	$ –	–	$–	–	–	$ 27,028	$328,765

(1) The options and restricted stock awards presented in this table for fiscal 2016 and 2015 reflect the full grant date fair value, as if the total dollar amount were earned in the year of grant. The stock awards are valued based on the fair market value of such Shares on the date of grant and are charged to compensation expense over the related vesting period. The options are valued at the date of grant based upon the Black-Scholes method of valuation, which is expensed over the service period over which the options become vested. As a general rule, for time-in-service-based options, the company will immediately expense any option or portion thereof which is vested upon grant, while expensing the balance on a pro rata basis over the remaining vesting term of the option.

(2) Includes all other compensation not reported in the preceding columns, including (i) perquisites and other personal benefits, or property, unless the aggregate amount of such compensation is less than $10,000; (ii) any "gross-ups" or other amounts reimbursed during the fiscal year for the payment of taxes; (iii) discounts from market price with respect to securities purchased from the company except to the extent available generally to all security holders or

to all salaried employees; (iv) any amounts paid or accrued in connection with any termination (including without limitation through retirement, resignation, severance or constructive termination, including change of responsibilities) or change in control; (v) contributions to vested and unvested defined contribution plans; (vi) any insurance premiums paid by, or on behalf of, the company relating to life insurance for the benefit of the named executive officer; and (vii) any dividends or other earnings paid on stock or option awards that are not factored into the grant date fair value required to be reported in a preceding column.

(3) Includes compensation for service as a director described under Director Compensation, below.

For a description of the material terms of each named executive officers' employment agreement, including the terms of the terms of any common share purchase option grants, see that section of this Form 10-K/A captioned "Employment Agreements."

No outstanding common share purchase option or other equity-based award granted to or held by any named executive officer in the past three years were re-priced or otherwise materially modified, including extension of exercise periods, the change of vesting or forfeiture conditions, the change or elimination of applicable performance criteria, or the change of the bases upon which returns are determined, nor was there any waiver or modification of any specified performance target, goal or condition to payout, except as follows:

- On December 19, 2014, we agreed to issue to Dean Julia and Michael Trepeta effective January 3, 2015, options to purchase 250,000 shares of our common stock at an exercise price of $.35 per share over a term of 10 years. These options were issued to replace a similar number of options exercisable at $1.00 per share due to expire on January 3, 2015.

- In December 2015, the Board replaced Dean Julia's and Michael Trepeta's expiring options to purchase 200,000 shares at $1.20 per share with new six month options on the same terms.

For a description of the material terms of any contract, agreement, plan or other arrangement that provides for any payment to a named executive officer in connection with his or her resignation, retirement or other termination, or a change in control of the company see "Employment Agreements".

Executive Officer Outstanding Equity Awards at Fiscal Year-End

The following table provides certain information concerning any common share purchase options, stock awards or equity incentive plan awards held by each of our named executive officers and Thomas Arnost that were outstanding as of December 31, 2016.

	Option Awards					Stock Awards			
Name	**Number of Securities Underlying Unexercised**	**Number of Securities Underlying Unexercised**	**Equity Incentive Plan Awards:**	**Option Exercise Price ($)**	**Option Expiration Date**	**Number of Shares or Units of**	**Market Value of Shares or**	**Equity Incentive Plan Awards:**	**Equ Inc Pla Aw**

	Options(#) Exercisable	Options(#) Unexercisable	Number of Securities Underlying Unexercised Unearned Options (#)			Stock That Have Not Vested (#)	Units of Stock That Have Not Vested	Number of Unearned Shares, Units or Other Rights That Have Not Vested	Ma or Pay Val of Un Sha Uni Oth Rig Tha Hav Ves
Dean L. Julia (1)	250,000	–	–	$.35	12/19/24	–	–	–	–
	200,000	–	–	$1.20	06/28/16	–	–	–	–
	150,000	–	–	$1.20	08/22/17	–	–	–	–
	50,000	–	–	$.38	03/01/18	–	–	–	–
	50,000	–	–	$.65	03/02/19	–	–	–	–
	50,000	–	–	$.54	03/25/20	–	–	–	–
	200,000	–	–	$.50	04/07/20	–	–	–	–
	100,000	–	–	$.26	02/28/21	–	–	–	–
	100,000	–	–	$.63	02/28/22	–	–	–	–
	50,000	–	–	$.25	02/13/23	–	–	–	–
	100,000	–	–	$.45	04/01/23	–	–	–	–
	1,500,000	–	–	$.30	01/17/24	–	–	–	–
	100,000	–	–	$.59	03/03/24	–	–	–	–
	250,000	–	–	$.50	07/16/24	–	–	–	–
	100,000	–	–	$.30	04/22/25	–	–	–	–
	100,000	–	–	$.59	03/03/24	–	–	–	–
	100,000	–	–	$.32	03/01/25	–	–	–	–
Michael D. Trepeta	250,000	–	–	$.35	12/19/24	–	–	–	–
	200,000	–	–	$1.20	06/28/16	–	–	–	–
	150,000	–	–	$1.20	08/22/17	–	–	–	–
	50,000	–	–	$.38	03/01/18	–	–	–	–
	50,000	–	–	$.65	03/02/19	–	–	–	–
	50,000	–	–	$.54	03/25/20	–	–	–	–
	200,000	–	–	$.50	04/07/20	–	–	–	–
	100,000	–	–	$.26	02/28/21	–	–	–	–
	100,000	–	–	$.63	02/28/22	–	–	–	–
	50,000	–	–	$.25	02/13/23	–	–	–	–
	100,000	–	–	$.45	04/01/23	–	–	–	–
	1,500,000	–	–	$.30	01/17/24	–	–	–	–

100,000	–	–	$.59	03/03/24	–	–	–	–
250,000	–	–	$.50	07/16/24	–	–	–	–
100,000	–	–	$.30	04/22/25	–	–	–	–
100,000	–	–	$.59	03/03/24	–	–	–	–
100,000	–	–	$.32	03/01/25	–	–	–	–

	Option Awards					Stock Awards			
Name	Number of Securities Underlying Unexercised Options(#) Exercisable	Number of Securities Underlying Unexercised Options(#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested
Sean Trepeta (1) (2)	50,000	–	–	$.75	05/07/22	–	–	–	–
	50,000	–	–	$.25	02/13/23	–	–	–	–
	100,000	–	–	$.59	03/03/24	–	–	–	–
	125,000	1,375,000	–	$.50	12/19/24	–	–	–	–
	100,000	–	–	$.30	04/22/25	–	–	–	–
Thomas Arnost	250,000	–	–	$.50	07/16/24	–	–	–	–
	125,000	–	–	$.45	07/08/19	–	–	–	–
	100,000	–	–	$.59	03/01/24	–	–	–	–
	250,000	–	–	$.40	12/13/23	–	–	–	–
	50,000	–	–	$.75	05/07/22	–	–	–	–
	50,000	–	–	$.25	02/13/23	–	–	–	–
	200,000	–	–	$.60	12/20/16	–	–	–	–
	125,000	–	–	$.43	10/07/19				
	125,000	–	–	$.35	01/07/20	–	–	–	–
	125,000	–	–	$.30	04/06/20	–	–	–	–

	125,000	–	–	$.25	07/06/20	–	–	–	–
	125,000	–	–	$.30	10/06/20	–	–	–	–
	100,000	–	–	$.30	04/20/25				
	125,000	–	–	$.1835	01/27/21	–	–	–	-
	125,000	–	–	$.1125	04/07/21	–	–	–	-
	125,000	–	–	$.1085	07/07/21				
	125,000	–	–	$.04	10/07/21				
Paul	500,000	–	–	$.45	06/11/18	–	–	–	–
Bauresfeld	100,000	–	–	$.59	03/03/24	–	–	–	–
(1)	1,000,000	1,000,000	–	$.50	07/15/19	–	–	–	–
	500,000	500,000	–	$.50	12/19/24	–	–	–	–
Sean	50,000	–	–	$.35	12/19/24	–	–	–	–
McDonnell	250,000	–	–	.50	01/17/24	–	–	–	–
(3)									

(1) All options contain cashless exercise provisions.

(2) Sean Trepeta owns warrants to purchase 150,001 shares at $.50 per share which are not granted under a compensation plan, which warrants he purchased from the company as part of a private placement offering which was primarily sold to non-affiliated persons.

(3) Sean McDonnell owns warrants to purchase 83,334 shares at $.50 per share which are not granted under a compensation plan, which warrants he purchased from the company as part of a private placement offering which was primarily sold to non-affiliated persons.

Employment Agreement of Executive Chairman

In December 2014, we entered into a three-year employment agreement with Thomas Arnost serving as Executive Chairman of the board. Mr. Arnost receives a monthly salary of $10,000 plus an annual grant of options for serving on the board of directors. In the event of his termination, by Mr. Arnost or by the company for cause, Mr. Arnost will receive his pay through the termination date. In the event that, Mr. Arnost is terminated without cause, he shall be entitled to receive his salary paid through the end of the term of his agreement. Mr. Arnost may terminate the agreement at any time by giving three months prior written notice to our board of directors. Mr. Arnost will also be entitled to indemnification against all claims, judgments, damages, liabilities, costs and expenses (including reasonably legal fees) arising out of, based upon or related to his performance of services to us, to the maximum extent permitted by law.

Employment Agreements of Co-Chief Executive Officers

Each of the following executive officers is a party to an employment agreement with the company as of December 31, 2016.

Name	Position	Monthly Salary (1)	Bonus
Dean L. Julia	Chief Executive Officer	$ 30,000	(2)
Michael Trepeta (3)	Former Co-Chief Executive Officer	$ 30,000	(2)

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(1) Compensation of each executive officer named in the table above has his monthly base salary increased by $2,000 each subsequent March 1st during the term of the agreement and any extensions thereof. Each officer has deferred their March 1, 2015, 2016 and 2017 salary increase of $2,000 per month, which deferral can change on demand of the respective executive.

(2) Annual bonuses are paid by us by the last business day of March for the preceding calendar (fiscal) year, except in the event of termination prior to the end of any fiscal year (other than termination for cause), a pro rata portion of

(3) the annual bonus shall be paid within 30 days of termination. In 2013, we approved amending the employment agreements of Messrs. Julia and Trepeta to provide that each officer may choose an annual bonus equal to 5% of

pre-tax earnings for the most recently completed year before deduction of annual bonuses paid to officers or, in the event majority control of the company is acquired by a person or a group of persons during the prior fiscal year, the officer may choose to receive the aforementioned bonus or 1% of the control consideration paid by acquirer(s) to acquire majority control of the company.

Since November 1, 2016, Mr. Trepeta has been on medical leave from the Company without the approval of the board of directors of the Company. During this time period, no salaries have been paid to or accrued for his benefit.

A summary of each Executive's employment agreement, as amended, is as follows:

Each executive's employment agreement has a term of five years and automatically renews for a period of one year thereafter effective on March 1st of each new calendar year unless the employment agreement is terminated in accordance with its terms on or prior to December 30th of the prior calendar year. As of January 1, 2016, each executive's employment agreement currently expires on February 28, 2021. Each executive may terminate his employment agreement upon written three-month notice. In such event, we shall be relieved of all of our obligations under the agreement, except for payment of the executive's base salary and annual bonus earned and unpaid through the effective date of termination, those obligations with respect to indemnification and director and officer insurance and severance pay as described below.

We may terminate the Executive's employment for cause as defined in each agreement. In the event the employment agreement is terminated for cause, the executive's base salary and any unearned annual bonus, severance pay and all benefits shall terminate immediately upon such discharge, and we shall have no further obligations to the executive except for payment and reimbursement for any monies due which right to payment or reimbursement accrued prior to such termination.

We may terminate the employment agreement upon the disability as defined in the agreement or death of the executive by giving written notice to the executive. In the case of disability, such termination will become effective immediately upon the giving of such notice unless otherwise specified by us. Upon any such termination, we shall be relieved of all our obligations under the executive's employment, except for payment of the executive's base salary and annual bonus earned and unpaid through the effective date of termination and severance pay.

In the event of termination by us of executive's employment agreement without cause, then the executive shall be entitled to receive on the termination date termination pay of one-year base salary based upon the scheduled annual salary of each executive officer for the next contract year, plus the amount of bonuses paid or entitled to be paid to the executive for the current fiscal year or the preceding fiscal year, whichever is higher. In the event of termination, the executives will continue to receive all salary and benefits included in the employment agreement through the scheduled expiration date of said employment agreement prior to the acceleration of the termination date thereof.

We have agreed to defend and indemnify each Executive in his capacity as an officer against all claims, judgments, damages, liabilities, costs and expenses (including reasonable attorney's fees) arising out of, based upon, or related to his performance of services to us, to the maximum extent permitted under law. We will also use our reasonable best efforts to include each Executive as an insured under all applicable directors' and officers' liability insurance policies maintained by us.

Each Executive is currently entitled to the following additional benefits:

- $2,000 per month pay raise on each March 1 during the term of the Agreement and any extension thereof;

- As an executive officer, the annual grant on March 1 of each year of ten-year stock options to purchase 100,000 shares at an exercise price equal to the then fair market value of our common stock as determined by our board of directors. As a director of the company, each Executive also receives as a board member the number of options granted annually to each other board member;

- Election to our board of directors and during the term of employment, the board's nomination for re-election to the board;

- Paid disability insurance and term life insurance for the benefit of each Executive's family in an amount fixed by our board of directors at a cost not to exceed $10,000 per annum;

- Use of company automobile with all related costs paid for by us;

- Health insurance; and

- Right to participate in any pensions of our company.

In the past, we agreed to compensate Dean Julia and Michael Trepeta with options to purchase Mobiquity Network Inc.'s common stock in the event such entity raised financing as a stand-alone enterprise for its operations. In order to terminate this arrangement, in January 2014, our board of directors approved an exchange of Mobiquity Network options previously issued Messrs. Julia and Trepeta for options to purchase 1,500,000 shares of our common stock at the then fair market value of our common stock, under our 2009 Stock Option Plan as described below. As of December 31, 2016, our financial statements reflect accrued liabilities for salaries and other compensation items of $131,000 and $96,000 owed to Dean L. Julia and Michael Trepeta, respectively.

Employment Agreement – Paul Bauersfeld

In December 2014, we entered into an employment agreement with Paul Bauersfeld, our Chief Technology Officer, who is an employee at will. Mr. Bauersfeld, as a full-time employee, is to be paid a salary at the rate of $25,000 per month. Upon the execution of the agreement, he received 10-year options to purchase 1,000,000 shares of our common stock vesting quarterly over a period of three years. For calendar 2015, he was entitled to a bonus of $125,000 upon revenues of Mobiquity Networks achieving a minimum of $6 million in revenues and a further bonus of $125,000 for a total of $250,000 at such time as Mobiquity Network's revenues achieve a minimum of $12 million, it being understood that any revenues which do not have a 30% margin shall not count toward these totals. In fiscal 2015, Mr. Bauersfeld did not earn a bonus. The foregoing compensatory arrangements with Mr. Bauersfeld is in addition to the non-statutory stock options to purchase 2,600,000 shares of our common stock previously granted to Mr. Bauersfeld. All options granted to Mr. Bauersfeld will become immediately vested in the event of a change of control of our company or sale of substantially all of our assets. In the event we terminate Mr. Bauersfeld without cause. Mr. Bauersfeld is entitled to receive six months' severance pay. As of December 31, 2016, our financial statements reflect accrued liabilities for salaries owed to Mr. Bauersfeld of $95,000.

Employment Agreement – Sean Trepeta

In December 2014, Mobiquity Networks entered into an employment agreement with Sean Trepeta, to serve as President of Mobiquity Networks as an employee at will. Mr. Trepeta, as a full-time employee, is to be paid a salary at the rate of $20,000 per month. Upon the execution of the agreement, he received 10-year options to purchase 1,500,000 shares of our common stock vesting quarterly over a period of three years. For calendar 2015, he was entitled to a bonus of $125,000 upon revenues of Mobiquity Networks achieving a minimum of $6 million in revenues and a further bonus of $125,000 for a total of $250,000 at such time as Mobiquity Network's revenues achieve a minimum of $12 million, it being understood that any revenues which do not have a 30% margin shall not count toward these totals. For fiscal 2015, Mr. Trepeta did not earn any bonus. All options granted to Mr. Trepeta will become immediately vested in the event of a change in control of our Company or sale of substantially all of our assets. In the event we terminate Mr. Trepeta without cause, after six months of continued employment under the employment agreement, Mr. Trepeta is entitled to receive three months' severance pay. As of December 31, 2016, our financial statements reflect accrued liabilities for salaries owed to Sean Trepeta of $67,500.

Employment Arrangements

Sean McDonnell, our Chief Financial Officer, is an employee at will and is currently receiving a salary of $132,000 per annum. As of December 31, 2016, our financial statements reflect accrued liabilities for salaries owed to Mr. McDonnell of $35,750.

DIRECTOR COMPENSATION

Currently, all four directors of the Company are executive officers of the Company. Their compensation is described herein. In the event that the Company obtains non-executive/independent directors, it is anticipated that their compensation will include cash fees to attend board meetings and/or committee meetings and stock options in consideration of their services as a director.

Employee Benefit and Consulting Services Compensation Plans

On January 3, 2005, our company established an Employee Benefit and Consulting Services Compensation Plan (the "2005 Plan") covering 2,000,000 shares, which 2005 Plan was ratified by our stockholders in February 2005. On August 12, 2005, the company's stockholders approved a 2,000,000 share increase in the 2005 Plan to 4,000,000 shares. On August 28, 2009, the Board adopted the "2009 Plan" identical to the 2005 Plan with 4,000,000 shares under the 2009 Plan. In September 2013, the Company's stockholders ratified a board amendment to increase the number of shares covered by the 2009 Plan to 10,000,000 shares. All references to "the Plans" include the 2005 Plan and 2009 Plan. As the 2005 and 2009 Plans are identical other than the number of shares covered by each Plan, it is the Company's intention to first utilized the number of shares issuable (available) under the 2005 Plan prior to issuing shares under the 2009 Plan. In February 2015, the Board approved an increase in the number of shares covered by the 2009 Plan from 10,000,000 shares to 20,000,000 shares, subject to stockholder approval within one year. However, since approval was not obtained within the requisite time period, the Board established a 2016 Plan covering 10,000,000 shares which is otherwise identical to the 2005 and 2009 Plans. All options granted under the 2009 Plan, which exceed the Plan limits, have been moved to the 2016 Plan. The 2005, 2009 and 2016 Plans are collectively herein referred to as the "Plan."

Administration

Our board of directors administers the Plans, has the authority to determine and designate officers, employees, directors and consultants to whom awards shall be made and the terms, conditions and restrictions applicable to each award (including, but not limited to, the option price, any restriction or limitation, any vesting schedule or acceleration thereof, and any forfeiture restrictions). The board may, in its sole discretion, accelerate the vesting of awards.

Types of Awards

The Plans are designed to enable us to offer certain officers, employees, directors and consultants of us and our subsidiaries equity interests in us and other incentive awards in order to attract, retain and reward such individuals and to strengthen the mutuality of interests between such individuals and our stockholders. In furtherance of this purpose, the Plans contain provisions for granting non-statutory stock options and incentive stock options and common stock awards.

Stock Options. A "stock option" is a contractual right to purchase a number of shares of common stock at a price determined on the date the option is granted. An incentive stock option is an option granted under the Internal Revenue Code of 1986 to our employees with certain tax advantages to the grantee over non-statutory stock options. The option price per share of common stock purchasable upon exercise of a stock option and the time or times at which such options shall be exercisable shall be determined by the Board at the time of grant. Such option price in the case of incentive stock options shall not be less than 100% of the fair market value of the common stock on the date of grant and may be granted below fair market value in the case of non-statutory stock options. Incentive stock options granted to owners of 10% or more of our common stock must be granted at an exercise price of at least 110% of the fair market value of our common stock and may not have a term greater than five years. Also, the value of incentive options vesting to any employee cannot exceed $100,000 in any calendar year. The option price of our options must be paid in cash, money order, check or common stock of the company. The non-statutory stock options may also contain at the time of grant, at the discretion of the board, certain other cashless exercise provisions. These cashless exercise provisions are included in the currently outstanding non-statutory stock options granted by the board.

Options shall be exercisable at the times and subject to the conditions determined by the Board at the date of grant, but no option may be exercisable more than ten years after the date it is granted. If the optionee ceases to be an employee of our company for any reason other than death, any incentive stock option exercisable on the date of the termination of employment may be exercised for a period of thirty days or until the expiration of the stated term of the option, whichever period is shorter. In the event of the optionee's death, any incentive stock option exercisable at the date of death may be exercised by the legal heirs of the optionee from the date of death until the expiration of the stated term of the option or six months from the date of death, whichever event first occurs. In the event of disability of the optionee, any incentive stock options shall expire on the stated date that the Option would otherwise have expired or 12 months from the date of disability, whichever event first occurs. The termination and other provisions of a non-statutory stock option shall be fixed by the board of directors at the date of grant of each respective option.

Common Stock Award. Common stock awards are shares of common stock that will be issued to a recipient at the end of a restriction period, if any, specified by the board if he or she continues to be an employee, director or consultant of us. If the recipient remains an employee, director or consultant at the end of the restriction period, the applicable restrictions will lapse and we will issue a stock certificate representing such shares of common stock to the participant. If the recipient ceases to be an employee, director or consultant of us for any reason (including death, disability or retirement) before the end of the restriction period unless otherwise determined by the board, the restricted stock award will be terminated.

Awards

As of December 31, 2016, the Company has granted under the Plans a total of 13,700,001 options and outside the Plans a total of 4,615,000 options or a total of options to purchase 18,315,001 shares of the Company's Common Stock with a weighted average exercise price of $.41 per share. The board has granted options with varying terms**.**

It is not possible to predict the individuals who will receive future awards under the Plans or outside the Plans or the number of shares of Common Stock covered by any future award because such awards are wholly within the discretion of the Board. The table below contains information as of December 31, 2016 on the known benefits provided to certain persons and group of persons who own options under or outside the Plans.

Number of Shares Subject to Options	**Range of Exercise Price ($) per Share**	**Value of Unexercised Options at**

			Dec. 31, 2016 (1)
Dean L. Julia, Co-CEO	3,450,000	.25 – 1.20	$ –
Michael D. Trepeta, Co-CEO	3,450,000	.25 – 1.20	$ –
Sean McDonnell, Chief Financial Officer	300,000	.35 - .50	$ –
Sean Trepeta, President, Mobiquity Networks	1,800,000	.25 - .75	$ –
Thomas Arnost, Executive Chairman	1,350,000	.04 - .35	$ 2,813
Paul Bauersfeld	3,600,000	.45 -.59	$ –
Six Executive Officers as a group	13,950,000	.25 – 1.20	$ –
Non-Executive Officer, Employees and Consultants	4,365,000	.10 – 1.20	$ 2,813

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(1) Value is normally calculated by multiplying (a) the difference between the market value per share at period end (i.e. $.06_ based upon a last sale on (or the last trade date before) December 31, 2016) and the option exercise price by (b) the number of shares of Common Stock underlying the option.

In the past, the Company has granted certain employees and consultants, stock awards for services for the prior year with vesting to occur after the passage of an additional 12 months. These awards totaled 45,000 Shares for 2008, subject to continued services with the Company through December 31, 2009. These awards totaled 51,000 Shares for 2009 subject to continued services with the Company through December 31, 2010. These awards totaled 105,000 Shares for 2010 subject to continued services with the Company through December 31, 2011. These awards totaled 45,000 shares for 2011, subject to continued services with the Company through December 31, 2012. A total of 203,500 shares were issued under the 2005 Plan pursuant to the stock award program described above (net of cancellations). No stock awards were granted in fiscal 2012, fiscal 2013, 2014, 2015 and 2016.

Eligibility

Our officers, employees, directors and consultants of Mobiquity and our subsidiaries are eligible to be granted stock options, and common stock awards.

Termination or Amendment of the Plans

The board may at any time amend, discontinue, or terminate all or any part of the Plans, provided, however, that unless otherwise required by law, the rights of a participant may not be impaired without his or her consent, and provided that we will seek the approval of our stockholders for any amendment if such approval is necessary to comply with any applicable federal or state securities laws or rules or regulations.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

As of April 6, 2017, we have 185,201,768 shares of common stock outstanding. The only persons of record who presently hold or are known to own (or believed by the company to own) beneficially more than 5% of the outstanding shares of such class of stock is listed below. The following table also sets forth certain information as to holdings of our common stock of all officers and directors individually, and all officers and directors as a group. Shares of common stock which an individual or group has a right to acquire within 60 days pursuant to the exercise or conversion of options, warrants or other similar convertible or derivative securities are deemed to be outstanding for the purpose of computing the percentage ownership of such individual or group, but are not deemed to be outstanding for the purpose of computing the percentage ownership of any other person shown in the table.

Name and Address of Beneficial Owner (1)	Number of Common Shares	Percentage (%)
Thomas Arnost (2)	41,588,874	22.5
Michael D. Trepeta (3)	4,466,402	2.4
Dean L. Julia (3)	4,436,901	2.4
Sean Trepeta (4)	2,950,001	1.6
Sean McDonnell (5)	550,000	*
Paul Bauersfeld (6)	3,700,000	2
All directors and officers as a group (six persons) (7)	57,692,177	30.9
Clyde Berg/Carl Berg (8)	76,925,101	41.5

*Represents less than 1%

(1) Beneficial ownership is determined in accordance with Rule 13d-3 under the Securities Exchange Act of 1934, as amended, and is generally determined by voting powers and/or investment powers with respect to securities. Unless otherwise noted, all of such shares of common stock listed above are owned of record by each individual named as beneficial owner and such individual has sole voting and dispositive power with respect to the shares of

common stock owned by each of them. Such person or entity's percentage of ownership is determined by assuming that any options or convertible securities held by such person or entity, which are exercisable within sixty (60) days from the date hereof, have been exercised or converted as the case may be, but not for the purposes of determining the number of outstanding shares held by any other named beneficial owner. All addresses are c/o Mobiquity Technologies, Inc. 600 Old Country Road, Suite 541, Garden City, NY 11530.

(2) Includes 39,73,874 shares, warrants to purchase 500,000 shares and options to purchase 1,350,000 shares.

(3) Mr. Trepeta's beneficial ownership includes 1,016,402 shares and options to purchase 3,450,000 shares. Mr. Julia's beneficial ownership includes 986,901 shares and options to purchase 3,450,000 shares.

(4) Includes 1,000,000 shares and options/warrants to purchase 1,950,001 shares.

(5) Includes 166,667 shares and options/warrants to purchase 383,333 shares.

(6) Includes 100,000 shares and options to purchase 3,600,000 shares.

(7) Includes all the securities referenced in notes (2) through (6).

(8) Clyde Berg directly owns 4,966,667 shares and Berg & Berg Enterprises directly owns 1,000,000 shares. The Clyde J. Berg Trust owns 666,666 shares of common stock. The foregoing persons also own warrants to purchase 2,416,668 shares. Berg & Berg Enterprises also owns 678,751 shares of Series AAA Preferred Stock which are convertible into 67,875,100 shares of common stock. In the event the 678,751 shares of Series AAA preferred stock is converted, then the beneficial ownership by the Bergs will increase to 144,800,201 shares (46.7%) as a result of the issuance of 67,875,100 warrants. The amounts shown in the table and the footnotes reflect the combined ownership of all these accounts.

Securities Authorized for Issuance under Equity Compensation Plans.

The following summary information is as of December 31, 2016 and relates to our 2005 Plan and 2009 Plan described elsewhere herein pursuant to which we have granted options to purchase our common stock:

Plan category	(a) Number of shares of common stock to be issued upon exercise of outstanding options	(b) Weighted average exercise price of outstanding options(1)	(c) Number of securities remaining available for future issuance under equity compensation plans (excluding shares reflected in column (a)(2)
2005 and 2009 Equity Compensation Plans	18,315,001	.41	5,481,499 (2)

(1) Options are exercisable at a price range of $.10 to $1.20 per share.

(2) We have three stock plans with 24,000,000 shares authorized as of December 31, 2016. We have previously issued 203,500 shares under the Plan.

Item 13. Certain Relationships and Related Transactions and Director Independence.

We describe below all transactions and series of similar transactions, other than compensation arrangements, during our last three fiscal years, to which we were a party or will be a party in which:

- the amounts exceeded or will exceed $120,000; and
- any of our directors, executive officers or holders of more than 5% of our capital stock, or any member of the immediate family of the foregoing persons, had or will have a direct or indirect material interest.

Compensation arrangements for our directors and named executive officers are described elsewhere in this Form 10-K.

December 2014 and 2015 Transactions with the Bergs and Berg & Berg Enterprises

In November 2014, Carl and Mary Ann Berg 2011 CRT Carl Berg Trustee loaned Mobiquity $1 million. In December 2014, Clyde J. Berg 2011 CRT Carl Berg Trustee loaned Mobiquity $1 million. In December 2014, Sherry Berg-Zorn loaned Mobiquity $50,000. An additional $500,000 was loaned in January 2015 by the Clyde J. Berg CRT. In February 2015, Berg & Berg Enterprises loaned $850,000 to Mobiquity. On July 31, 2015, the Company agreed on behalf of the aforementioned debt holders (in anticipation of the $500,000 loan referenced in the next paragraph by Berg & Berg Enterprises) that the principal and accrued interest on these Notes aggregating $3.4 million are now convertible at $.30 per share. Further, for every $1.00 principal and accrued interest thereon converted, the Note Holder will receive a five-year warrant to purchase one share of common stock at an exercise price of $.50 per share. No other securities will be issued to the Note Holders upon conversion of their securities.

Between August and October 2015, the Company raised $3,675,000 through the issuance of its unsecured debt. The Company issued 3,675,000 shares of Common Stock and warrants to purchase a like number of shares as prepaid interest, exercisable at $.40 per share through August 31, 2017. Of the $3,675,000, Berg & Berg Enterprises invested $1,000,000. In December 2015, Berg & Berg Enterprises also purchased 200,000 shares of the Company's preferred stock convertible into 10,000,000 shares of common stock with anti-dilution protection for 2016.

Recent Financings

In 2015 and 2016, we have completed the various financing summarized below.

Date	Dollar Amount	# of Securities Sold
January 2015	$500,000	Issued two-year promissory note in the principal amount of $500,000
February 2015	$850,000	Issued two-year promissory note in the principal amount of $850,000
March 2015	$500,000	Issued 1,666,667 common shares and a like number of warrants
April 2015	$1,710,000	Issued 5,700,000 common shares and a like number of warrants
May 2015	$510,000	Issued 1,700,000 common shares and a like number of warrants
August/October 2015	$3,675,000	Issued promissory notes in the principal amount of $3,675,000 and 3,675,000 shares of restricted common stock and warrants to purchase an additional 3,675,000 shares of restricted common stock
December 2015-March 2016	$2,400,000	Issued 240,000 shares of preferred stock convertible into 12,000,000 shares of common stock with anti-dilution protection for 2016
April – May 2016	$1,025,000	Issued convertible promissory notes in the principal amount of $1,025,000, convertible at $.20 per share with 100% warrant coverage.
Third Quarter 2016	$700,000	Issued short term convertible promissory notes in the principal amount oif $700,000 and prepaid interest of 4,900,000 common shares.
Fourth Quarter 2016	$595,417	Exercise of outstanding warrants/options at $.05 per share and issuance of approximately 11,908,335 shares of common stock.

First Quarter 2017 Loan Agreements and Certain Transactions

Prior to the February 28, 2017 sale of secured debt, the Company's holders of all of its Series AA preferred stock and substantially all of its outstanding debt both secured and unsecured (approximately $14.5 million) have been converted into equity securities of the Company as outlined below. It should be noted that the capital transactions below were based on a premium to the average closing sale price of $0.045 per share during the 60 day period prior to February 08, 2017.

On February 28, 2017, the Company entered into an agreement with a two non-affiliated persons to provide $1.6 million of short term secured debt financing in three monthly tranches, with the first monthly tranche in the amount of $600,000. The Company will issue in connection with each tranche, six-month secured convertible promissory note(s). Each note is initially convertible at $.05 per share. Any prepayment of the note requires the payment of a 25% premium and guaranteed interest for the entire six-month note. In the case of default, the amount owed by the Company will become 130% of the outstanding principal and accrued interest thereon. The Conversion Price will rest in the event that the note is unpaid and in default on the sixth month anniversary date of the issuance of the note. In connection with this transaction, the Company agreed to issue an origination fee of 1,600,000 shares of restricted common stock. Alexander Capital L.P. acted as Placement Agent and Advisor for this transaction.

As of April 5, 2017, the Company has outstanding 185,201,768 shares of common stock, 1,118,538 shares of newly designated Series AAA preferred stock and $1,350,000 of convertible notes. The convertible notes consist of $1,200,000 of secured notes and $150,000 of unsecured notes. Of the 1,118,538 shares of Series AAA preferred stock outstanding, 240,000 Series AA preferred stock with an original cost basis of $2.4 million were converted into Series AAA preferred stock. The remaining 878,538 shares of Series AAA preferred stock were issued in exchange for the conversion of principal and accrued interest of approximately $8,785,380 of unsecured debt. The terms of the Series AAA preferred stock can be summarized as follows:

The price of each preferred share may be convertible into common stock with an equivalent purchase price of $.10 per common share. If the preferred shares are converted, the subscriber will then receive 100% warrant coverage, with each warrant exercisable at $.05 per share with a cash payment to the Company through the close of business on December 31, 2019. The preferred shares have no voting or other preferences except as required by law other than the right of conversion described above and a liquidation preference equal to $.01 per share.

Thomas Arnost, our Executive Vice Chairman, and another principal stockholder agreed to convert letters of credit in the principal amount of $2,700,000 and $322,000 of secured debt into shares of common stock at the then marketing price of $.05 per share. Accrued interest on these obligations were either previously converted into our common stock or were upon conversion of the principal, converted into common stock at the fair market value of our common stock at each interest accrual date.

The Company also raised an additional $407,084 from the exercise of outstanding warrants and new subscriptions. For these transactions, the Company issued 8,141,667 shares of common stock.

Transactions with Thomas Arnost, Executive Chairman

In December 2013, Thomas Arnost, a director of Mobiquity, purchased from TCA Global Credit Master Fund, the Company’s outstanding convertible promissory note in the amount of $350,000. Subsequently Mr. Arnost and the Company agreed to fix the conversion price of the note at $.30 per share, extend the due date of the Note to June 12, 2014, which was subsequently extended to December 22, 2014 and again extended to December 31, 2015, subject to Mr. Arnost’s right to call the note at any time in his sole discretion, and increase the interest rate to 15% per annum. In December 2015, Mr. Arnost extended the due date of the note to December 31, 2016 and the Company agreed to lower the conversion price to $.20 per share.

Our agreement with Simon Properties requires us to maintain letters of credit for each calendar year under the agreement represented by the minimum amount of fees due for such calendar year. For 2015 and 2016, the minimum

fees of $2.7 million has been secured through two bank letters of credit, one of which was issued in the amount of $1,350,000 utilizing the funds and the second letter of credit was obtained in the same amount through the funds of Thomas Arnost, our Executive Chairman. In the event Simon draws down upon either letter of credit, we have until the next minimum payment date (about 90 days) after the draw down to obtain replacement letters of credit. Each person who secured our letters of credit has the opportunity to notify us that they wish to turn the cash funds securing the letters of credit over to us and to convert such funds into our common stock. In February 2017, Thomas Arnost agreed to convert his $322,000of secured debt and both Mr. Arnost and SNW JR Properties agreed to convert their letters of credit and any accrued interest at a conversion price of $.05 per share as to the principal amount and at market price for interest accrued at each respective interest accrual date. A total of 36,838,872 shares were issued to Mr. Arnost and 27,779,680 shares were issued to SNW JB Properties.

Executive Compensation

Please see “Executive Compensation” for information regarding compensation of directors and executive officers.

Employment Agreements

We have entered into employment agreements with Thomas Arnost, Dean L. Julia, and Michael D. Trepeta. These agreements also provide for us to indemnify such officers and/or directors to the maximum extent permitted by law. We also carry directors’ and officers’ liability insurance which protects each of our officers and directors up to the policy maximum of $4.0 million, subject to a deductible of $100,000 for securities claims and $75,000 for other claims. For more information regarding our employment agreements and indemnification provisions, see “Executive Compensation.”

Separation Agreement – Michael D. Trepeta

In April 2017, Michael Trepeta entered into a separation agreement with the Company pursuant to which he resigned as an executive officer and director. Pursuant to Michael Trepeta’s separation agreement, Mr. Trepeta is entitled to the following benefits:

- Six months’ coverage under the Company’s existing director/officer insurance policy;
- Indemnification per existing employment agreement;
- Expense reimbursement through May 31, 2017;
- All options vested shall continue until their normal expiration date; and
- Mutual releases.

Policies for Approval of Related Party Transactions

Our board of directors reviews and approves transactions with directors, officers and holders of 5% or more of our voting securities and their affiliates, or each, a related party. Prior to the filing of this Form 10-K, the material facts as to the related party’s relationship or interest in the transaction are disclosed to our board of directors prior to their consideration of such transaction. In connection with the proposed offering, we intend to adopt a written related party transactions policy that such transactions must be approved by our audit committee or another independent body of

our board of directors.

Director Independence

Reference is made to “Item 10” for details pertaining to the lack of independent directors on the Company’s board of directors as of the filing date of this Form 10-K. As the Company has no independent directors as of the filing date of this Form 10-K, it also has no “Financial Expert” serving as an independent board member or to form an audit committee.

Item 14. Principal Accountant Fees and Services.

In March, 2015, Sadler, Gibb & Associates, LLC became the Company's public auditors. Their fees are described in the table below.

	Year Ended December 31,	
	2015	2016
Audit fees	$ 52,273	$ 55,000
Audit- related fees	34,500	19,700
Tax fees	–	–
All other fees	–	–
Total fees	$ 86,773	$ 74,700

Policy on Board Pre-Approval of Services of Independent Registered Public Accounting Firm

Our Board has responsibility for appointing, setting compensation and overseeing the work of the independent registered public accounting firm. In recognition of this responsibility, the Board has established a policy to pre-approve all audit and permissible non-audit services provided by the independent registered public accounting firm. Prior to engagement of the independent registered public accounting firm for the following year's audit, management will submit to the Board for approval a description of services expected to be rendered during that year for each of following categories of services:

Audit services include audit work performed in the preparation and audit of the annual financial statements, review of quarterly financial statements, reading of annual, quarterly and current reports, as well as work that generally only the independent auditor can reasonably be expected to provide, such as the provision of consents and comfort letters in connection with the filing of registration statements.

Audit-related services are for assurance and related services that are traditionally performed by the independent auditor, including due diligence related to mergers and acquisitions and special procedures required to meet certain regulatory requirements.

Tax services consist principally of assistance with tax compliance and reporting, as well as certain tax planning consultations.

Other services are those associated with services not captured in the other categories. We generally do not request such services from our independent auditor.

Prior to the engagement, the Board pre-approves these services by category of service. The fees are budgeted, and the Board requires the independent registered public accounting firm and management to report actual fees versus the budget periodically throughout the year by category of service. During the year, circumstances may arise when it may become necessary to engage the independent registered public accounting firm for additional services not contemplated in the original pre-approval. In those instances, the Board requires specific pre-approval before engaging the independent registered public accounting firm.

The Board may delegate pre-approval authority to one or more of its members. The member to whom such authority is delegated must report, for informational purposes only, any pre-approval decisions to the audit Board at its next scheduled meeting.

None of the services described above provided by our auditors were approved by the Board pursuant to paragraph (c)(7)(i)(C) of Rule 2-01 of Regulation S-X.

PART IV

Item 15. Exhibits, Financial Statement Schedules

(a) FINANCIAL STATEMENTS

The following documents are filed under ITEM 8. FINANCIAL STATEMENTS and are included as part of this Form 10-K as the financial statements of the Company for the years ended December 31, 2016 and 2015:

Reports of Independent Registered Public Accounting Firms

Consolidated Balance Sheets

Consolidated Statements of Operations

Consolidated Statement of Stockholders' Deficit

Notes to Consolidated Financial Statements

(b) EXHIBITS

Exhibit Number	**Exhibit Title**
3.1	Certificate of Incorporation filed March 26, 1998 (1)
3.2	Amendment to Certificate of Incorporation filed June 10, 1999 (1)
3.3	Amendment to Certificate of Incorporation approved by stockholders in 2005(1)
3.4	Amendment to Certificate of Incorporation dated September 11, 2008 (11)
3.5	Amendment to Certificate of Incorporation dated October 7, 2009 (11)
3.6	Amendment to Certificate of Incorporation dated May 18, 2012 (11)
3.7	Amendment to Certificate of Incorporation dated September 10, 2013 (17)
3.8	Amended By-Laws (1)
3.9	2014 Amendment to By-Laws (19)
3.10	Amendment to Certificate of Incorporation filed December 22, 2015 (23)
3.11	Amendment to Certificate of Incorporation dated March 24, 2016 (21)
3.12	Amendment to Certificate of Incorporation(22)

4.1	Registration Rights Agreement (18)
10.1	Employment Agreement - Michael Trepeta (2)
10.2	Employment Agreement - Dean Julia (2)
10.3	Amendments to Employment Agreement - Michael Trepeta (5)(7)
10.4	Amendments to Employment Agreement - Dean L. Julia (5)(7)
10.5	Joint Venture Agreement with Atrium Enterprises Ltd. (6)
10.6	Agreement with Aon Consulting (6)
10.7	Amendment to Exhibits 10.3 and 10.4 dated April 7, 2010 (10)
10.8	Office Lease for Garden City, NY (11)
10.9	Amendment to Employment Agreement – Dean L. Julia (11)
10.10	Amendment to Employment Agreement – Michael D. Trepeta (11)
10.11	Convertible Promissory Note (12)
10.12	Registration Rights Agreement dated June 12, 2012 by and between the company and TCA (13)
10.13	Equity Agreement dated June 12, 2012 by and between the company and TCA (13)
10.14	Amendment to Dean L. Julia’s Employment Agreement (16)
10.15	Amendment to Michael D. Trepeta’s Employment Agreement (16)
10.16	Common Stock Purchase Agreement with Aspire Capital (18)
10.17	Termination of TCA Registration Rights Agreement and Equity Agreement (18)

10.18	Employment Agreement – Sean Trepeta (19)
10.19	Employment Agreement – Paul Bauersfeld (19)
10.20	Employment Agreement – Thomas Arnost (20)
10.21	December 2013 Agreement with Thomas Arnost modifying secured debt purchased by Arnost from TCA (19)
10.22	Letter Agreement dated December 9, 2014 with Thomas Arnost to extend expiration date of secured note to December 31, 2015 (19)
10.23	Letter Agreement dated July 8, 2013 with Thomas Arnost to provide letter of credit for $1,350,000(19)
10.24	Letter Agreement dated July 8, 2013 with SNW Properties to provide letter of credit for $1,350,000(19)
10.25	Letter Agreement dated December 15, 2014 with Carl E. Berg (19)
10.26	Separation Agreement with Michael D. Trepeta(*)
10.27	Form of convertible promissory note. (22)
11.1	Statement re: Computation of per share earnings. See Statement of Operations and Notes to Financial Statements
14.1	Code of Ethics/Code of Conduct (Incorporated by reference to Form 10-K for the year ended December 31, 2014)
21.1	Subsidiaries of the Issuer (15)
23.1	Consent of Sadler Gibb (*)
31.1	Rule 13a-14(a) Certification in accordance with Section 302 of the Sarbanes-Oxley Act of 2002 (*)
31.2	Rule 13a-14(a) Certification in accordance with Section 302 of the Sarbanes-Oxley Act of 2002 (*)
32.1	Certification pursuant to 18. U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (*)
32.2	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (*)
99.1	2005 Employee Benefit and Consulting Services Compensation Plan (2)
99.2	Form of Class A Warrant (2)
99.3	Form of Class B Warrant (2)
99.4	Amendment to 2005 Plan (4)
99.5	Form of Class C Warrant (8)
99.6	2009 Employee Benefit and Consulting Services Compensation Plan (3)
99.7	Form of Class D Warrant (3)
99.8	Form or Class E Warrant(9)
99.9	Form of Class F Warrant (9)
99.10	Form of Class G Warrant (9)
99.11	Form of Class H Warrant (9)
99.12	Form of Class AA Warrant (11)
99.13	Form of Class BB Warrant (11)
99.14	Form of Class CC Warrant (19)
101.INS	XBRL Instance Document (*)
101.SCH	Document, XBRL Taxonomy Extension (*)
101.CAL	Calculation Linkbase, XBRL Taxonomy Extension Definition (*)
101.DEF	Linkbase, XBRL Taxonomy Extension Labels (*)
101.LAB	Linkbase, XBRL Taxonomy Extension (*)
101.PRE	Presentation Linkbase (*)

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* Filed herewith.

52

(1) Incorporated by reference to Registrant's Registration Statement on Form 10-SB as filed with the Commission on February 10, 2005.
(2) Incorporated by reference to Registrant's Registration Statement on Form 10-SB/A filed with the Commission March 18, 2005.
(3) Incorporated by reference to Form 10-K filed for the fiscal year ended December 31, 2009.
(4) Incorporated by reference to the Registrant's Form 10-QSB/A filed with the Commission on August 18, 2005.
(5) Incorporated by reference to the Registrant's Form 10-KSB for its fiscal year ended December 31, 2005.
(6) Incorporated by reference to the Registrant's Form 10-KSB for its fiscal year ended December 31, 2006.
(7) Incorporated by reference to the Registrant's Form 8-K dated September 21, 2007.
(8) Incorporated by reference to the Registrant's Form 10-QSB for its quarter ended September 30, 2006.
(9) Incorporated by reference to the Registrant's Form 10-K for its fiscal year ended December 31, 2010.
(10) Incorporated by reference to the Registrant's Form 10-Q for the quarter ended June 30, 2011.
(11) Incorporated by reference to the Registrant's Form 10-K for its fiscal year ended December 31, 2012.
(12) Incorporated by reference to the Registrant's Form 8-K dated June 14, 2012.
(13) Incorporated by reference to the Registrant's Form 8-K dated June 15, 2012.
(14) Incorporated by reference to the Registrant's Form 8-K dated June 6, 2013.
(15) Incorporated by reference to the Registrant's Form 10-K for its fiscal year ended December 31, 2013.
(16) Incorporated by reference to Form 8-K filed June 6, 2013.
(17) Incorporated by reference to Form 8-K filed September 11, 2013.
(18) Incorporated by reference to Form 8-K filed April 1, 2014.
(19) Incorporated by reference to Form 8-K filed with the SEC on December 19, 2014.
(20) Incorporated by reference to Form 8-K dated December 2, 2014.

(21) Incorporated by reference to Form 8-K dated March 24, 2016.
(22) Incorporated by reference to Form 8-K dated February 28, 2017.
(23) Incorporated by reference to Form 10-K for the fiscal year ended December 31, 2015.

(c) FINANCIAL STATEMENT SCHEDULES

We are not filing any financial statement schedules as part of this Form 10-K because such schedules are either not applicable or the required information is included in the financial statements or notes thereto.

SIGNATURES

Pursuant to the requirements Section 13 or 15(d) 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.

MOBIQUITY
TECHNOLOGIES, INC.

By: /s/ Dean L. Julia
Dean L. Julia,
Principal Executive Officer

Dated: Garden City, New York

April 14, 2017

Pursuant to the requirements of the Securities Exchange Act of 1934, this Report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated:

Signatures	Title	Date
/s/ Dean L. Julia Dean L. Julia	Principal Executive Officer and Director	April 14, 2017
/s/ Sean McDonnell Sean McDonnell	Principal Financial Officer	April 14, 2017
/s/ Sean Trepeta Sean Trepeta	Director	April 14, 2017
/s/ Thomas Arnost Thomas Arnost	Chairman of the Board	April 14, 2017

Dean L. Julia, Sean Trepeta and Thomas Arnost represent all the current members of the Board of Directors.

54