FRANKLIN UNIVERSAL TRUST
Form SC 13G
September 13, 2016

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

SCHEDULE 13G

UNDER THE SECURITIES EXCHANGE ACT OF 1934

FRANKLIN UNIVERSAL TRUST

(NAME OF ISSUER)

COMMON STOCK

(TITLE OF CLASS OF SECURITIES)

355145103

(CUSIP NUMBER)

August 31, 2016

(DATE OF EVENT WHICH REQUIRES FILING OF THIS STATEMENT)

CHECK THE APPROPRIATE BOX TO DESIGNATE THE RULE PURSUANT TO WHICH THIS SCHEDULE IS FILED:

{X} RULE 13D-1(B)

{ } RULE 13D-1(C)

{ } RULE 13D-1(D)

*The remainder of this cover page shall be filled out for a reporting persons initial filing on this form with respect to the subject class of securities,and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be ""filed"" for the purpose of Section 18 of the Securities Exchange Act of 1934 (""Act"") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the notes.)

PAGE 1 OF 4

CUSIP NO. 355145103   SCHEDULE 13G   PAGE 2 OF 4

(1) NAME AND IRS NUMBER OF REPORTING PERSONS

FINANCIAL & INVESTMENT MANAGEMENT GROUP, LTD. (#38-2562340)

(2) CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP
A.............{ }
B.............{ }

(3) SEC USE ONLY

(4) CITIZENSHIP OR PLACE OF ORGANIZATION

MICHIGAN

NUMBER OF SHARES OF:

(5) SOLE VOTING POWER

NONE

(6) SHARED VOTING POWER

1,155,842

(7) SOLE DISPOSITIVE POWER

NONE

(8) SHARED DISPOSITIVE POWER

1,155,842

(9) AGGREGATE AMOUNT BENEFICIALLY OWNED

1,155,842 *SEE NOTE 1*

(10) CHECK IF AGGREGATE AMOUNT EXCEEDS CERTAIN SHARES

{ }

(11) PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

4.60%

(12) TYPE OF REPORTING PERSON

IA

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ITEM 1 (A) NAME OF ISSUER

FRANKLIN UNIVERSAL TRUST

ITEM 1 (B) ADDRESS OF ISSUER

ONE FRANKLIN PARKWAY
SAN MATEO, CA 94403-1906

ITEM 2 (A) NAME OF PERSON FILING

FINANCIAL & INVESTMENT MANAGEMENT GROUP, LTD

ITEM 2 (B)   ADDRESS OF PERSON FILING

111 CASS ST.
TRAVERSE CITY, MI 49684

ITEM 2 (C)   CITIZENSHIP

MICHIGAN

ITEM 2 (D)   TITLE OF CLASS OF SECURITIES

COMMON STOCK

ITEM 2 (E)   CUSIP NO.

355145103

ITEM 3   THIS STATEMENT IS BEING FILED BY AN INVESTMENT ADVISOR IN ACCORDANCE WITH RULE 13D-1(B)(1)(ii)(E).

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OWNERSHIP
ITEM 4 (A)   AMOUNT BENEFICIALLY OWNED

1,155,842   * SEE NOTE 1 *

ITEM 4 (B)   PERCENT OF CLASS

4.60%

ITEM 4 (C)   NUMBER OF SHARES:

(i)   SOLE POWER TO VOTE

NONE

(ii)   SHARED POWER TO VOTE

1,155,842

(iii)   SOLE POWER TO DISPOSE

NONE

(iv)   SHARED POWER TO DISPOSE

1,155,842

** NOTE 1 **
FINANCIAL & INVESTMENT MANAGEMENT GROUP, LTD IS A REGISTERED INVESTMENT ADVISOR, MANAGING INDIVIDUAL CLIENT ACCOUNTS. ALL SHARES REPRESENTED IN THIS REPORT ARE HELD IN ACCOUNTS OWNED BY THE CLIENTS OF FINANCIAL & INVESTMENT MANAGEMENT GROUP, LTD. BECAUSE OF THIS, FINANCIAL & INVESTMENT MANAGEMENT GROUP, LTD DISCLAIMS BENEFICIAL OWNERSHIP.

ITEM (5)   OWNERSHIP OF LESS THAN FIVE PERCENT

CHECK THE FOLLOWING BOX IF THE STATEMENT IS BEING FILED TO NOTIFY THAT THE OWNERSHIP IS NOW LESS THAN FIVE PERCENT

{ X }

ITEM (6) OWNERSHIP OF MORE THAN FIVE PERCENT ON BEHALF OF ANOTHER PERSON

ALL SHARES REPRESENTED IN THIS REPORT ARE OWNED BY ADVISORY CLIENTS OF FINANCIAL & INVESTMENT MANAGEMENT GROUP, LTD NONE OF WHICH, TO OUR KNOWLEDGE, OWNS FIVE PERCENT OR MORE OF THE CLASS.

ITEM (7) IDENTIFICATION AND CLASSIFICATION OF THE SUBSIDIARY WHICH ACQUIRED THE SECURITY BEING REPORTED ON BY THE PARENT HOLDING COMPANY:

NOT APPLICABLE

ITEM (8) IDENTIFICATION AND CLASSIFICATION OF MEMBERS OF THE GROUP

NOT APPLICABLE

ITEM (9) NOTICE OF DISSOLUTION OF GROUP

NOT APPLICABLE

ITEM (10) CERTIFICATION
By signing below, I certify that, to the best of my knowledge and belief, the securities referred to above were acquired in the ordinary course of business and were not acquired for the purpose of and do not have the effect of changing or influecing the control of the issuer of such securities and were not acquired in the connection with or as a participant in any transaction having such purposes or effect.

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct."

September 13, 2016

Matthew Bohrer
CCO

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There are various updates recently issued, most of which represented technical corrections to the accounting literature or application to specific industries and are not expected to a have a material impact on the Company's consolidated financial position, results of operations or cash flows.

NOTE 2— FAIR VALUE MEASUREMENT

As defined in (Financial Accounting Standards Board ASC 820), fair value is 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 (exit price). The Company utilized the market data of similar entities in its industry or assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable. The Company classifies fair value balances based on the observability of those inputs. FASB ASC 820 establishes a fair value hierarchy that prioritizes the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurement).

The three levels of the fair value hierarchy are as follows:

Level 1 –	Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis. Level 1 primarily consists of financial instruments such as exchange-traded derivatives, marketable securities and listed equities.

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Level 2 –	Pricing inputs are other than quoted prices in active markets included in level 1, which are either directly or indirectly observable as of the reported date and includes those financial instruments that are valued using models or other valuation methodologies. These models are primarily industry-standard models that consider various assumptions, including quoted forward prices for commodities, time value, volatility factors, and current market and contractual prices for the underlying instruments, as well as other relevant economic measures. Substantially all of these assumptions are observable in the marketplace throughout the full term of the instrument, can be derived from observable data or are supported by observable levels at which transactions are executed in the marketplace. Instruments in this category generally include non-exchange-traded derivatives such as commodity swaps, interest rate swaps, options and collars.
Level 3 –	Pricing inputs include significant inputs that are generally less observable from objective sources. These inputs may be used with internally developed methodologies that result in management's best estimate of fair value.

The following table sets forth by level within the fair value hierarchy the Company's financial assets and liabilities that were accounted for at fair value as of November 30, 2015 and August 31, 2015.

Recurring Fair Value Measures	Level 1	Level 2	Level 3	Total
LIABILITIES:				
Derivative liabilities as of November 30, 2015	$ -	$ -	$475,200	$475,200
Derivative liabilities as of August 31, 2015	$ -	$ -	$424,592	$424,592

NOTE 3 – STOCKHOLDERS EQUITY

On January 14, 2015, the Company filed an amendment to their Articles increasing the authorized shares to 1,875,000,000 shares.

On February 11, 2015, the Company received a stock subscription agreement to purchase 120,000,000 shares of common stock at $0.00025 per share. On March 11, 2015, the subscriber paid the Company $30,000 as a cash payment for the shares. On October 29, 2015, the Company issued 69,998,713 of the 120,000,000 shares as the Company did not have adequate authorized shares to issue the total number subscribed.

NOTE 4– RELATED PARTY TRANSACTIONS

As of August 31, 2015, there was a loan payable due to Ezra E. Ezra, a former officer of the Company for $21,965, which is non-interest bearing with no specific repayment terms and a loan payable due to David F. Levy for $15,000 which is non-interest bearing with no specific repayment terms.

During the three months ended November 30, 2015, an affiliate of the Company advanced $2,400. The advance is on demand and does not bear interest.

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NOTE 5– CONVERTIBLE NOTES PAYABLE

Yew

On May 17, 2013, the Company issued a $130,928 unsecured convertible promissory note that matured August 31, 2013. The note bears interest at a rate of 4.9% and was convertible into 130,928 shares of the Company's common stock, at a conversion rate of $1.00 per share. Interest was also convertible into common stock at the conversion rate of $1.00 per share. In October 2013, the note was transferred to IBC Funds however the original note holder was not paid, the conversion price was modified to 55% of the lowest closing price during the 20 days preceding conversion, and the note reverted to the original holder. As of November 30, 2015, the outstanding balance was $130,928.

Dutchess Opportunity Fund

On October 17, 2013, the Company issued an unsecured convertible note in the principal amount of $300,000 to Dutchess Opportunity Fund, II, LP ("Dutchess"). The Company received proceeds from the Note in the amount of $235,000. The Note does not bear an interest rate; however, the Company was obligated to repay Dutchess $300,000 on or before October 17, 2015. The Company is obligated to pay Dutchess monthly amortization payments of $20,000 beginning on December 1, 2013.

The note was immediately convertible into shares of the Company's common stock, par value $.001, (the "Common Stock") at the sole option of Dutchess. At inception date, the conversion price was 90% of the lowest volume weighted average price of the Common Stock during the 20 trading days immediately prior to a conversion notice from Dutchess to the Company.

On March 16, 2016, the Company entered into a settlement agreement with the Dutchess Opportunity II Fund, LLC whereby the fund received a warrant to purchase 150,000,000 shares to common stock at $0.0001 per share in exchange for forgiving all principal, interest and fess of the $300,000 note. The Company valued the settlement and accrued $255,000 as of August 31, 2015 against the note payable for a total liability of $616,385.

Radican Notes

On September 16, 2013, the Company issued two unsecured notes payable, in the aggregate amount of $150,000, bearing interest at 12% per annum with both principal and interest due at March 31, 2014. The holders have a right, at maturity or in an event of default (as defined), to convert any outstanding and unpaid principal portion of the notes and accrued interest at a conversion price of 50% of the average of five lowest bid prices of the Company’s common stock during the previous fifteen trading days from the conversion date.

At inception, the Company has identified the embedded derivatives related to the above described notes. These embedded derivatives included certain conversion features and reset provisions.

The accounting treatment of derivative financial instruments requires that the Company record fair value of the derivatives as of the inception date of notes and to fair value as of each subsequent reporting date which at November 30, 2015, was $239,985. As of November 30, 2015 the balances of the notes were $150,000.

LG Capital Funding, LLC

On August 7, 2014, the Company issued an unsecured 8% convertible redeemable note in the amount of $40,000, bearing interest at 8% per annum with both principal and interest due on August 7, 2015.

The note is convertible into the Company’s common stock, after 180 days, at a conversion price at 43% discount to the lowest average of the bid ten trading days preceding the delivery of any conversion notice.

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The Company has identified the embedded derivatives related to the above described note. These embedded derivatives included certain conversion features and reset provisions.

The accounting treatment of derivative financial instruments requires that the Company record fair value of the derivatives as of the inception date of note and to fair value as of each subsequent reporting date which at November 30, 2015 was $115,191. As of November 30, 2015 the balance of the note was $28,680.

On May 20, 2015, the Company issued an unsecured 8% convertible redeemable note in the amount of $23,650, bearing interest at 8% per annum with both principal and interest due on May 22, 2016.

The note is convertible into the Company's common stock, after 180 days, at a conversion price at 43% discount to the lowest bid twenty trading days preceding the delivery of any conversion notice.

The Company has identified the embedded derivatives related to the above described note. These embedded derivatives included certain conversion features and reset provisions.

The accounting treatment of derivative financial instruments requires that the Company record fair value of the derivatives as of the inception date of note and to fair value as of each subsequent reporting date which at November 30, 2015 was $120,024. As of November 30, 2015, the balance of the note was $23,650.

NOTE 6 – DERIVATIVE INSTRUMENTS

The Company issued debt instruments that were convertible into common stock of the Company's common stock. The conversion options embedded in these instruments contain no explicit limit to the number of shares to be issued upon settlement and as a result are classified as liabilities under ASC 815.

The following table summarizes the changes in the derivative liabilities as of November 30, 2015:

Balance as of August 31, 2015	$424,592

Change in fair value of derivative liability	(50,608)
Balance as of November 30, 2015	$475,200

NOTE 7 - COMMITMENTS AND CONTINGENCIES

On November 21, 2014, on the 17^{th} Judicial Circuit Court in and Broward County, Florida (the "Court"), a Contract and Indebtedness lawsuit was filed by TCA Global Credit Master Fund, L.P. against the company. It commenced an action against the company to recover an aggregate dollar amount of $395,623.04.

On April 5, 2016, an agreement was reached whereby a third party purchased the note for $400,000 and is to pay the original note holder over a 10 month period. The Company will issue shares to the third party at market price on date of issuance of which 65% will be paid to the original note holder. Upon satisfaction of the $400,000 note the original note holder will vacate the lawsuit. The Company has accrued an additional $219,762 for a total of $615,386 for the liability.

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On March 16, 2016, the Company entered into a settlement agreement with the Dutchess Opportunity II Fund, LLC whereby the fund received a warrant to purchase 150,000,000 shares to common stock at $0.0001 per share in exchange for forgiving all principal, interest and fees of the $300,000 note. The Company valued the settlement and accrued $255,000 as of August 31, 2015 against the note payable for a total liability of $615,385.

NOTE 8 – MAJOR VENDORS

The Company has vendors that supply transmission systems for their customers' calls. Three vendors provided 87.52% and 95.81% of their product delivery in the three month period ended November 30, 2015 and 2014, respectively.

The following table sets forth the percentage below:

	Percent of total purchases Three Months Ended November 30,		Accounts payable as of November 30, 2015
	2015	2014	
Percent of total purchases			
Vendor A	46.64%	46.67%	$ 5,464
Vendor B	25.84%	30.02%	$ 3,050
Vendor C	15.04%	19.12%	$ 1,750
TOTAL	87.52%	95.81%	$ 10,264

NOTE 9- SUBSEQUENT EVENTS

The Company entered into a Purchase and Sale Agreement (the "Purchase Agreement") on September 24, 2015 with Kil W. Lee ("Mr. Lee") and United Mobile Solutions Corp., a Delaware corporation (formerly known as United Mobile Solutions, LLC) ("UMS"). Pursuant to the terms of the Purchase Agreement, the Company agreed to acquire from Mr. Lee all of the issued and outstanding capital stock of UMS in exchange for shares of the Company's preferred stock, par value $0.001 per share, ("Preferred Stock"), convertible into 85% of the Company's fully diluted common stock, par value $0.001 per share ("Common Stock"), as of the date of closing (the "Exchange"), prior to giving effect to dilution of the issued and outstanding shares of Common Stock by (i) shares of Common Stock underlying options to be issued to David Levy under a management option plan, which will represent 5.0% of the fully diluted shares of Common Stock of the Company at the date of exercise of the options ("Prospective Levy Options"), (ii) shares of Common Stock underlying a warrant to be issued to Mesa Partner, which will represent 4.9% of the fully diluted shares of Common

Stock of the Company at the date of exercise of the warrant ("Prospective Mesa Partner Warrant"), and (iii) shares of Common Stock underlying a warrant to be issued to Andora Holdings, LLC, which will represent 4.9% of the fully diluted shares of Common Stock of the Company at the date of exercise of the warrant ("Prospective Andora Holdings Warrant").

On January 29, 2016 ("Closing Date"), the Company closed ("Closing") on the Exchange under the Purchase Agreement pursuant to which the Company acquired 100,000 shares of common stock of UMS held by Mr. Lee, representing all of the issued and outstanding capital stock of UMS, in exchange for issuing 106,250 shares of Preferred Stock of the Company to Mr. Lee and/or his affiliates, convertible into 10,625,000,000 shares of Common Stock of the Company (where each share of Preferred Stock is convertible into 100,000 shares of Common Stock). Upon Closing of the Exchange, UMS became a wholly owned subsidiary of the Company and the Company's pro-forma shares of Common stock and Preferred Stock issued and outstanding after giving effect to the Exchange was 1,875,000,000 shares of Common Stock and 106,250 shares of Preferred Stock, convertible into 10,625,000,000 shares of Common Stock of the Company (representing approximately representing 85% of the Company's fully diluted Common Stock as of the Closing Date), prior to giving effect to dilution of the issued and outstanding shares of Common Stock by the shares of Common Stock underlying the Prospective Levy Options, Prospective Mesa Partner Warrant and Prospective Andora Holdings Warrant.

On April 5, 2016, an agreement was reached whereby a third party purchased the note for $400,000 and is to pay the original note holder over a 10 month period. The Company will issue shares to the third party at market price on date of issuance of which 65% will be paid to the original note holder. Upon satisfaction of the $400,000 note the original note holder will vacate the law suit. The Company has accrued an additional $219,762 for a total of $615,386 for the liability.

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

FORWARD LOOKING STATEMENTS

This quarterly report contains forward-looking statements. These statements relate to future events or our future financial performance. In some cases, you can identify forward-looking statements by terminology such as "may", "should", expects", "plans", "anticipates", "believes", "estimates", "predicts", potential" or "continue" or the negative of these other comparable terminology. These statements are only predictions and involve known and unknown risks, uncertainties and other factors that may cause our or our industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Except as required by applicable law, including the securities laws of the United States, we do not intend to update any of the forward-looking statements to conform these statements to actual results.

Our unaudited financial statements are stated in United States Dollars (US$) and are prepared in accordance with United States Generally Accepted Accounting Principles. The following discussion should be read in conjunction with our financial statements and the related notes that appear elsewhere in this quarterly report. The following discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in the forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed below and elsewhere in this quarterly report.

In this quarterly report, unless otherwise specified, all dollar amounts are expressed in United States dollars. All references to "US$" refer to United States dollars and all references to "common stock" refer to the common shares

in our capital stock.

As used in this quarterly report, the terms "we", "us", "our" and "our company" mean iTalk Inc., unless otherwise indicated.

CORPORATE OVERVIEW

Our company was incorporated on July 10, 2006 in the State of Nevada under the name Sopac Cellular Solutions Inc., and was formed to sell wireless technology and cell phone service to medium and large corporations, involving a large array of cellular service plans, cell phones, software and accessories.

On December 18, 2012, the Company filed Articles of Merger with the Nevada Secretary of State to change the name from “Sopac Cellular Solutions Inc.” to “iTalk Inc.”, to be effected by way of a merger with the wholly-owned subsidiary iTalk Inc., which was created solely for the name change.

Also on December 18, 2012, the Company filed a Certificate of Change with the Nevada Secretary of State to give effect to a forward split of our authorized, issued and outstanding shares of common stock on a 25 new for 1 old basis and, consequently, the authorized capital increased from 75,000,000 to 1,875,000,000 shares of common stock and our issued and outstanding shares of common stock increased from 1,700,000 to 42,500,000, all with a par value of $0.001. These amendments became effective on December 21, 2012 upon approval from the Financial Industry Regulatory Authority and the ticker symbol changed to our new symbol “TALK” to better reflect our company’s new name. Our CUSIP number is 465353 100.

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On July 10, 2013, the Company's majority stockholders approved to amend the Articles of Incorporation reduce number of authorized shares of common stock from 1,875,000,000 to 500,000,000 shares and to authorize 50,000,000 shares of preferred stock.

On January 14, 2015, the Company filed an amendment to their Articles increasing the authorized shares to 1,875,000,000 shares.

RESULTS OF OPERATIONS

Revenues

Total revenue during the three months ended November 30, 2015 was $100,404 as compared to $180,537 for the three month period ended November 30, 2014. Lower sales resulted in lower revenue in 2015 over the same periods in 2014

Cost of Services

Cost of services consists primarily of direct network services purchased from carriers under preferred bulk purchase agreements. Cost of services decreased to $99,971 during the three months ended November 30, 2015 as compared to $158,306 for the three months ended November 30, 2014. Lower sales in 2015 versus 2014 resulted in lower cost of services in the respective years and periods.

Operating expenses

Selling, General and Administrative

Selling, general and administrative expenses consist primarily of consulting services, stock based compensation, insurance, fees for professional services, general corporate expenses and facility and equipment expenses. Selling general and administrative expenses were $12,808 during the three months ended November 30, 2015 as compared to $114,368 for the three ended November 30, 2014. Lower Costs in 2015 over 2014 were attributed to no salaries or compensation accrued in 2015 verses 2014 plus lower volume of sales in 2015.

Depreciation and amortization

Depreciation and amortization expenses during the three months ended November 30, 2015 was $10,800 compared to $10,109 for the same period in 2014. The change from year to year was not significant.

Other income (expense)

During the three month period ended November 30, 2015, the Company incurred other expense of $117,961 compared to other expense of $175,238 for the same period in 2014. The other expense for the period ended November 30, 2015 consisted of a loss of $50,608 of the derivative liabilities compared to a loss of $171,364, for the same period in 2014, offset by interest expense of $67,353 during the three month period ended November 30, 2015 and $3,874 for the same period in 2014.

Net Income (Loss)

Net loss for the three months ended November 30, 2015 was $141,136 compared to net loss of $277,484 for the same period in 2014.

Liquidity and Capital Resources

We have financed our operations since inception primarily through private offerings of our equity securities and issuance of convertible notes.

Working Capital

Our working capital deficit was $2,662,608 as of November 30, 2015 (current liabilities in excess of current assets) and $2,532,271 at August 31, 2015.

Total current assets, which consisted of cash, were $4,626 and $14,601 as of November 30, 2015 and August 31, 2015, respectively.

Cash flow

Cash used in operations was $12,375 during the three month period ended November 30, 2015. This compared to cash used in operations of $95,777 during the same period in 2014.

Cash provided from financing activities were proceeds of $2,400 from advances from related party while during the same period in 2014; cash provided was $65,500 from the issuance of convertible debt.

Financing transactions may include the issuance of equity or debt securities, obtaining credit facilities, or other financing mechanisms. However, the trading price of our common stock could make it more difficult to obtain financing through the issuance of equity or debt securities. Even if we are able to raise the funds required, it is possible that we could incur unexpected costs and expenses, fail to collect significant amounts owed to us, or experience unexpected cash requirements that would force us to seek alternative financing. Further, if we issue additional equity or debt securities, stockholders may experience additional dilution or the new equity securities may have rights, preferences or privileges senior to those of existing holders of our common stock. If additional financing is not available or is not available on acceptable terms, we will have to curtail our operations.

Off-Balance Sheet Arrangements

We do not maintain off-balance sheet arrangements nor do we participate in any non-exchange traded contracts requiring fair value accounting treatment.

ITEM 3 - QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not required for smaller reporting companies.

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ITEM 4 - CONTROLS AND PROCEDURES

Evaluation of disclosure controls and procedures

Our management, under the supervision and with the participation of our principal executive officer and principal financial officer, we conducted an evaluation as of November 30, 2015 of the effectiveness of the design and operation of our disclosure controls and procedures, as such term is defined under Rule 13a-15(e) promulgated under the Securities Exchange Act of 1934, as amended. Based on this evaluation, our principal executive officer and our principal financial officer concluded that our disclosure controls and procedures were not effective as of November 30, 2015. Such conclusion reflects the identification of material weaknesses as follows: (1) lack of accounting proficiency of our chief executive officer who is our sole officer and our principal accounting officer which has resulted in a reliance on part-time outside consultants to perform substantially all of our accounting functions, (2) a lack of adequate segregation of duties and necessary corporate accounting resources in our financial reporting process and accounting function, and (3) lack of control procedures that include multiple levels of review. Until we are able to remedy these material weaknesses, we have engaged third party consultants and accounting firm to assist with financial reporting.

Changes in internal controls

There were no changes occurred in the Company’s internal controls over financial reporting in the Company’s internal control over financial reporting identified in connection with the evaluation required by paragraph (d) of rule 13a-15 on 15d-15 of the Exchange Act that occurred during the fiscal quarter ended November 30, 2015 that have materially affected, or are reasonably likely to materially affect, the Company’s internal control over financial reporting.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

On November 21, 2014, on the 17th Judicial Circuit Court in and Broward County, Florida, a Contract and Indebtedness lawsuit was filed by TCA Global Credit Master Fund, L.P. against the Company. It commenced an action against the Company to recover an aggregate dollar amount of $395,623.04.

On April 5, 2016, an agreement was reached whereby a third party purchased the note for $400,000 and is to pay the original note holder over a 10 month period. The Company will issue shares to the third party at market price on date of issuance of which 65% will be paid to the original note holder. Upon satisfaction of the $400,000 note, the original note holder will vacate the lawsuit. The Company has accrued an additional $219,762 for a total of $615,385 for the liability.

ITEM 1A. RISK FACTORS

Not required for smaller reporting companies.

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

On February 11, 2015 the Company received a stock subscription agreement to purchase 120,000,000 shares of common stock at $0.00025 per share. On March 11, 2015 the subscriber paid the Company $30,000 as a cash payment for the shares. On October 29, 2015 the Company issued 69,998,713 of the 120,000,000 as the Company did not have adequate authorized shares to issue the total number subscribed.

ITEM 3 - DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

Exhibit No.	Description
31.1*	Certification filed pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 of the Principal Executive Officer
31.2*	Certification filed pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 of the Principal Financial Officer
32.1*	Certification filed pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 of the Principal Executive Officer
32.2*	Certification filed pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 of the Principal Financial Officer
101.INS*	XBRL Instance Document
101.SCH*	XBRL Taxonomy Extension Schema Document
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document

101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document

* Filed herewith.

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SIGNATURES

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

	ITALK INC.	
Date: May 16, 2016	By:	*/s/ David F. Levy* David F. Levy President, Chief Executive Officer and Secretary (Principal Executive Officer)
Date: May 16, 2016	By:	*/s/ Richard Dea* Richard Dea Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)