

Orbital Tracking Corp.  
Form PRE 14A  
January 23, 2018

**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**SCHEDULE 14A**

Proxy Statement Pursuant to Section 14(a) of the Securities

Exchange Act of 1934

Filed by the Registrant  [X]

Filed by a Party other than the Registrant  [ ]

Check the appropriate box:

[X] Preliminary Proxy Statement

[ ] **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

[ ] Definitive Proxy Statement

[ ] Definitive Additional Materials

[ ] Soliciting Material Pursuant to §240.14a-12

**ORBITAL TRACKING CORP.**

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

1. Title of each class of securities to which transaction applies:

2. Aggregate number of securities to which transaction applies:

3. Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

4. Proposed maximum aggregate value of transaction:

5. Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

1) Amount Previously Paid:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date Filed:

**orbital tracking corp.**

**18851 ne 29<sup>th</sup> avenue, suite 700**

**aventura, fl 33180**

January \_\_\_\_, 2018

To Our Shareholders:

We are soliciting your consent to approve a Reverse Stock Split of the Company's common stock at a ratio of 1 for 150 (the "Proposal"). On January 18, 2018, the Company's Board of Directors approved the Proposal. The Company's Board of Directors has deemed it advisable to seek stockholder approval of the Proposal, as required under the Nevada Revised Statutes, and has decided to seek the written consent of stockholders through a consent solicitation process rather than holding a special meeting of stockholders, in order to eliminate the costs and management time involved in holding a special meeting. The Proposal is described in more detail in the accompanying Consent Solicitation Statement.

We have established the close of business on January 22, 2018, as the record date for determining stockholders entitled to submit written consents. Stockholders holding a majority of our outstanding voting capital as of the close of business on the record date must vote in favor of the Proposal to be approved by stockholders.

This solicitation is being made on the terms and subject to the conditions set forth in the accompanying Consent Solicitation Statement and Written Consent. To be counted, your properly completed Written Consent must be received before 5:00 p.m. Eastern Time, on February 28, 2018, subject to early termination of the Consent Solicitation by our Board of Directors if a majority approval is received, or extension of the time of termination by our Board of Directors (the "Expiration Time").

Failure to submit the Written Consent will have the same effect as a vote against the Proposal. We recommend that all stockholders consent to the Proposal, by marking the box entitled "FOR" with respect to the Proposal and submitting the Written Consent by one of the methods set forth in the form of Written Consent which is attached as Appendix A to the Consent Solicitation Statement. If you sign and send in the Written Consent form but do not indicate how you want to vote as to the Proposal, your consent form will be treated as a consent "FOR" the Proposal.

By Order of the Board of Directors of Orbital Tracking Corp.

Sincerely,

*/s/ David Phipps*

David Phipps

Chief Executive Officer and Director

**orbital tracking corp.**

**18851 ne 29<sup>th</sup> avenue, suite 700**

**aventura, fl 33180**

## **CONSENT SOLICITATION STATEMENT**

This Consent Solicitation Statement dated January \_\_\_\_, 2018 is being furnished in connection with the solicitation of written consents of the stockholders of Orbital Tracking Corp. a Nevada corporation (the “Company,” “Orbital,” “us,” “we,” or “our”) with regard to the following Proposal (the “Proposal”):

1. To approve a Reverse Stock Split of the Company’s common stock at a ratio of 1 for 150

The foregoing business is more fully described in the following pages, which are made part of this notice.

**Our Board of Directors unanimously adopted the Proposal and recommends that stockholders vote FOR the approval of the Proposal.** The Board of Directors has decided to seek written consent rather than calling a special meeting of stockholders, in order to eliminate the costs and management time involved in holding a special meeting. Written consents are being solicited from holders of all of our voting capital of record pursuant to Section 78.320 of the Nevada Revised Statutes and Article I Section 8 of our Bylaws.

Voting materials, which include this Consent Solicitation Statement and a Written Consent form (attached as Appendix A), are being mailed to all stockholders on or about January \_\_\_\_, 2018. Our Board of Directors set the close of business on January 22, 2018, as the record date for the determination of stockholders entitled to act with respect to the Consent Solicitation (the “Record Date”).

Stockholders holding a majority of our outstanding voting capital (“Voting Capital”), which consists of our common stock and our Series B through Series K Convertible Preferred Stock as of the close of business on the Record Date, must vote in favor of the Proposal to be approved by stockholders.

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There were **140,224,577** shares of common stock outstanding on the record date, **January 22, 2018**. Our shares of preferred stock outstanding, and their respective voting power, after application of conversion of voting limitations is **39,565,384** and is identified by class as follows:

Preferred Class	Outstanding Shares	Votes
		Available
Series B	3,333	-
Series C	1,913,676	4,375,828
Series D	2,892,109	19,808,539
Series E	5,174,200	930,435
Series F	349,999	-
Series G	5,202,602	-
Series H	13,741	-
Series I	49,110	50,000
Series J	44,698	4,698,000
Series K	1,156,866	9,702,580
Totals	16,800,334	39,565,384

Any beneficial owner of the Company who is not a record holder must arrange with the person who is the record holder or such record holder's assignee or nominee to: (i) execute and deliver a Written Consent on behalf of such beneficial owner; or (ii) deliver a proxy so that such beneficial owner can execute and deliver a Written Consent on its own behalf.

Stockholders who wish to consent must deliver their properly completed and executed Written Consents to Equity Stock Transfer, LLC in accordance with the instructions set forth in the Written Consent. The Company reserves the right (but is not obligated) to accept any Written Consent received by any other reasonable means or in any form that reasonably evidences the giving of consent to the approval of the Proposal.

Requests for copies of this Consent Solicitation Statement should be directed to Orbital Tracking Corp. at the address or telephone number set forth above.

The Company expressly reserves the right, in its sole discretion and regardless of whether any of the conditions of the Consent Solicitation have been satisfied, subject to applicable law, at any time prior to 5:00 p.m. Eastern Time, on February 28, 2018 (the "Expiration Date") to (i) terminate the Consent Solicitation for any reason, including if the consent of stockholders holding a majority of the Company's outstanding Voting Capital has been received, (ii) waive any of the conditions to the Consent Solicitation, or (iii) amend the terms of the Consent Solicitation.

The final results of this solicitation of written consents will be published in a Current Report on Form 8-K (the "Form 8-K") by the Company. This Consent Solicitation Statement and the Form 8-K shall constitute notice of taking of a corporate action without a meeting by less than unanimous written consent as permitted by applicable law and Article I Section 8 of our Bylaws.

All questions as to the form of all documents and the validity and eligibility (including time of receipt) and acceptance of consents and revocations of consents will be determined by the Company, in its sole discretion, which determination shall be final and binding.

### **Revocation of Consents**

Written consents may be revoked or withdrawn by any stockholder at any time before the Expiration Date. A notice of revocation or withdrawal must specify the record stockholder's name and the number of shares being withdrawn. After the Expiration Date, all written consents previously executed and delivered and not revoked will become irrevocable.

Revocations may be submitted to the Corporate Secretary of the Company by the same methods as written consents may be submitted, as set forth in the form of Written Consent attached hereto as Appendix A.

### **Solicitation of Consents**

Our Board of Directors is sending you this Consent Solicitation Statement in connection with its solicitation of stockholder consent to approve the Proposal. The Company will pay for the costs of solicitation. We will pay the reasonable expenses of brokers, nominees and similar record holders in mailing consent materials to beneficial owners of our Common Stock. Because the approval of holders of a majority of the outstanding Voting Capital is required to approve the Proposal, not returning the Written Consent will have the same effect as a vote against the Proposal.

Other than as discussed above, the Company has made no arrangements and has no understanding with any other person regarding the solicitation of consents hereunder, and no person has been authorized by the Company to give any information or to make any representation in connection with the solicitation of consents, other than those contained herein and, if given or made, such other information or representations must not be relied upon as having been authorized. In addition to solicitations by mail, consents may be solicited by directors, officers and other employees of the Company who will receive no additional compensation therefor.



David Phipps, our Chief Executive Officer and Chairman, beneficially owns shares of our common stock and Series E Preferred Stock and intends to submit his consent “For” the Proposal. As a result, approximately 14,008,435 shares held by Mr. Phipps will be voted in favor of the Proposal, including 13,416,400 shares of common stock and 592,035 shares of common stock underlying Series E Preferred Stock, subject to beneficial ownership limitations, constituting approximately 9.99% of our issued and outstanding common stock as of the Record Date. See “Security Ownership of Certain Beneficial Owners and Management”.

### **No Appraisal Rights**

Under the Nevada Revised Statutes and our charter documents, holders of our outstanding Voting Capital will not be entitled to statutory rights of appraisal, commonly referred to as dissenters’ rights or appraisal rights (i.e., the right to seek a judicial determination of the “fair value” of their shares and to compel the purchase of their shares for cash in that amount) with respect to the Proposal.

### **Householding Matters**

Stockholders that share a single address will receive only one Consent Solicitation Statement and Written Consent at that address, unless we have received instructions to the contrary from any stockholder at that address. This practice, known as “householding,” is designed to reduce our printing and postage costs. However, if a stockholder of record residing at such an address wishes to receive a separate copy of this Consent Solicitation Statement or of future consent solicitations (as applicable), he or she may write to us at: Orbital Tracking Corp., 18851 N.E. 29th Ave., Suite 700, Aventura, Florida 33180, Attention: Corporate Secretary. We will deliver separate copies of this Consent Solicitation Statement and form of Written Consent promptly upon written request. If you are a stockholder of record receiving multiple copies of our Consent Solicitation Statement and form of Written Consent, you can request householding by contacting us in the same manner. If you own your shares through a bank, broker or other stockholder of record, you can request additional copies of this Consent Solicitation Statement and form of Written Consent or request householding by contacting the stockholder of record.

As of the Record Date, the closing price of our common stock was \$0.0226 per share and our total market capitalization was approximately \$3,169,075.

### **INTEREST OF DIRECTORS AND EXECUTIVE OFFICERS IN THE PROPOSAL**

Except for David Phipps, our Chief Executive Officer and Chairman who beneficially owns shares of our Series E Preferred Stock, members of the Board of Directors and executive officers of the Company do not have any interest in the Proposal that is not shared by all other stockholders of the Company.

## **SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The following tables sets forth, as of January 22, 2018, the number of and percent of the Company's common stock beneficially owned by: (1) all directors and nominees, naming them; (2) our executive officers; (3) our directors and executive officers as a group, without naming them; and (4) persons or groups known by us to own beneficially 5% or more of our voting securities.

A person is deemed to be the beneficial owner of securities that can be acquired by him within 60 days from January 22, 2018 upon the exercise of options, warrants or convertible securities. Each beneficial owner's percentage ownership is determined by assuming that options, warrants or convertible securities that are held by him, but not those held by any other person, and which are exercisable within 60 days of January 22, 2018 have been exercised and converted.

**Amount and Nature of Beneficial Ownership**

Name and Address of Beneficial Owner (13) Directors and Executive Officers	Total Voting Power (1)		Common Stock (2)		Series B Preferred Stock (3) Shares Beneficially Held		Series C Preferred Stock (4) Shares Beneficially Held		Series D Preferred Stock (5) Shares Beneficially Held	
	Number of Shares	Percent	Number of Shares	Percent	Percent	Percent	Percent	Percent	Percent	Percent
David Phipps	14,008,435 (14)	7.8 %	29,008,435 (15)	13.1 %	-	-	-	-	-	-
Hector Delgado	-	-	1,450,000 (16)	0.7 %	-	-	-	-	-	-
Theresa Carlise	-	-	4,250,000 (17)	1.9 %	-	-	-	-	-	-
Directors and Executive Officers as a Group (3 persons)	14,008,435	7.8 %	34,708,435	15.6 %	-	-	-	-	-	-
Certain Persons Michael Brauser (18)	14,008,435 (22)	7.8 %	14,008,435 (22)	6.3 %	-	-	-	-	-	1,522,566 (19)
Frost Gamma Investments Trust (19)	14,008,435 (24)	7.8 %	14,008,435 (24)	6.3 %	-	-	1,852,894 (24)	96.8 %	-	-
Barry Honig GRQ 401K (21)	14,008,435 (26)	7.8 %	14,008,435 (26)	6.3 %	3,333 (26)	100.0 %	-	-	-	691,094 (27)
Sandor Capital Master Fund LP (23)	14,008,435 (28)	7.8 %	14,008,435 (28)	6.3 %	-	-	60,782 (28)	3.2 %	-	655,000 (29)
	14,008,435 (30)	7.8 %	14,008,435 (30)	6.3 %	-	-	-	-	-	-

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Investments 14,008,435(32) 7.8% 14,008,435(32) 6.3 %

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