UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended March 31, 2018

OR

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

For the transition period from ________to ________

Commission file number: 000-55314

nFüsz, Inc.

(Exact name of Registrant as Specified in its Charter)

Nevada	**90-1118043**
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification Number)

344 S. Hauser Blvd
Suite 414
Los Angeles, CA 90036
(Address of Principal Executive Offices including Zip Code)

(855) 250-2300
(Registrant's Telephone Number, Including Area Code)

(Former name, former address and former fiscal year, if changed since last report)

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 reports), and (2) has been subject to such filing requirements for the past 90 days. YES [X] NO [ ]

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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act Yes [ ] No [X]

Large accelerated filer	[ ]	Accelerated filer	[ ]
Non-accelerated filer	[ ]	Smaller reporting company	[X]
(Do not check if a smaller reporting company)		Emerging growth company	[X]

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

As of May 15, 2018, 155,590,443 shares of the issuer's common stock, par value of $0.0001 per share, were outstanding.

nFÜSZ, INC.
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PART I — FINANCIAL INFORMATION

ITEM 1 – FINANCIAL STATEMENTS

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nFÜSZ, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

	March 31, 2018 (Unaudited)	December 31, 2017
ASSETS		
Current assets:		
Cash	$ 1,604,137	$ 10,560
Prepaid expenses	35,880	40,909
Total current assets	1,640,017	51,469
Property and equipment, net	25,249	30,554
Other assets	8,780	8,780
Total assets	**$ 1,674,046**	**$ 90,803**
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable and accrued expenses	$ 613,723	$ 663,506
Accrued interest (including $31,308 and $99,425 payable to related parties)	31,308	248,120
Accrued officers' salary	118,008	607,333
Note payable	-	125,000
Notes payables - related party	1,964,985	1,964,985
Convertible note payable, net of discount of $0 and $675,443, respectively	-	1,020,315
Derivative liability	1,735,354	1,250,581
Total current liabilities	4,463,378	5,879,840
Commitments and contingencies		
Stockholders' deficit		
Preferred stock, $0.0001 par value, 15,000,000 shares authorized, none issued or outstanding	-	-
Common stock, $0.0001 par value, 200,000,000 shares authorized, 152,126,287 and 119,118,513 shares issued and outstanding as of March 31, 2018 and December 31, 2017	15,213	11,912
Additional paid in capital	34,229,846	22,738,574
Common stock issuable, none as of March 31, 2018 and 4,500,000 shares as of December 31, 2017	(20)	430
Accumulated deficit	(37,034,371)	(28,539,953)
Total stockholders' deficit	**(2,789,332)**	**(5,789,037)**
Total liabilities and stockholders' deficit	**$ 1,674,046**	**$ 90,803**

The accompanying notes are an integral part of these condensed consolidated financial statements

nFÜSZ, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	For the Three Months Ended	
	March 31, 2018	*March 31, 2017*
Net Sales	$ 8,003	$ -
Operating Expenses:		
Research and development	130,000	89,600
General and administrative	5,269,574	617,537
Total operating expenses	(5,399,574)	(707,137)
Loss from operations	(5,391,571)	(707,137)
Other income (expense)		
Change in fair value of derivative liability	(2,624,887)	-
Debt extinguishment	(1,067,242)	(26,000)
Interest expense - amortization of debt discount	(747,623)	(39,678)
Interest expense (including $58,142 and $58,142 to related parties)	(203,933)	(84,005)
Financing costs	(171,739)	-
Other expense	(6,239)	-
Gain on extinguishment of derivative liability	1,718,816	-
Total other expense	(3,102,847)	(149,683)
Net loss	**$ (8,494,418)**	**$ (856,820)**
Loss per share - basic and diluted	$ (0.07)	$ (0.01)
Weighted average number of common shares outstanding - basic and diluted	127,358,921	95,882,696

The accompanying notes are an integral part of these condensed consolidated financial statements

nFÜSZ, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS DEFICIT
(Unaudited)

	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Common Stock Issuable	Accumulated Deficit	Total
Balance at December 31, 2017	**119,118,513**	**$ 11,912**	**$ 22,738,574**	**$ 430**	**$ (28,539,953)**	**$ (5,789,037)**
Common shares issued upon exercise of warrants	1,011,856	101	21,899	-	-	22,000
Derivative liability extinguished upon exercise of warrants	-	-	723,037	-	-	723,037
Proceeds from sale of common stock	16,409,067	1,641	2,276,859	-	-	2,278,500
Fair value of common shares issued for services	4,748,514	475	3,269,722	(450)	-	3,269,747
Fair value of common stock issued upon conversion of debt	7,383,006	738	2,276,561	-	-	2,277,299
Fair value of common stock issued upon conversion of accrued officer's salary	407,226	41	582,292			582,333
Common shares issued upon exercise of put option	3,048,105	305	999,695	-	-	1,000,000
Fair value of vested stock options	-	-	1,341,207	-	-	1,341,207
Net loss	-	-	-	-	(8,494,418)	(8,494,418)
Balance at March 31, 2018	**152,126,287**	**$ 15,213**	**$ 34,229,846**	**$ (20)**	**$ (37,034,371)**	**$ (2,789,332)**

The accompanying notes are an integral part of these condensed consolidated financial statements

nFÜSZ, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	For the Three Months Ended	
	March 31, 2018	*March 31, 2017*
Operating Activities:		
Net loss	$ (8,494,418)	$ (856,820)
Adjustments to reconcile net loss to net cash used in operating activities:		
Share-based compensation	4,610,954	264,273
Change in fair value of derivative liability	2,624,887	-
Debt extinguishment	1,067,242	26,000
Amortization of debt discount	747,623	39,678
Financing costs	171,739	-
Depreciation and amortization	5,305	5,305
Gain on extinguishment of derivative liability	(1,718,816)	-
Effect of changes in assets and liabilities:		
Accounts payable, accrued expenses, and accrued interest	(11,468)	214,440
Accounts receivable	-	8,468
Other assets	-	3,977
Prepaid expenses	5,029	(23,413)
Net cash used in operating activities	(991,923)	(318,092)
Financing Activities:		
Proceeds from sale of common stock	2,278,500	170,000
Proceeds from exercise of put option	1,000,000	-
Proceeds from convertible note payable	130,000	-
Proceeds from warrant exercise	22,000	-
Proceeds from series A preferred stock	-	255,000
Payment of convertible notes payable	(845,000)	-
Net cash provided by financing activities	2,585,500	425,000
Net change in cash	1,593,577	106,908
Cash - beginning of period	10,560	16,762
Cash - end of period	$ 1,604,137	$ 123,670
Supplemental disclosures of cash flow information:		
Cash paid for interest	$ 258,627	$ 3,750
Cash paid for income taxes	$ -	$ -
Supplemental disclosure of non-cash investing and financing activities:		
Conversion of note payable and accrued interest to common stock	$ 2,277,299	$ -
Fair value of derivative liability extinguished upon exercise of warrants	$ 723,037	$ -
Common stock issued to settle accrued officer's salary	$ 582,333	$ -
Fair value of derivative liability from issuance of convertible debt and warrant features	$ 301,739	$ -
Common stock issued to settle accounts payable	$ -	$ 30,000

The accompanying notes are an integral part of these condensed consolidated financial statements

nFÜSZ, INC.
Notes to Condensed Consolidated Financial Statements
For the Three Months Ended March 31, 2018 and 2017
(Unaudited)

1. DESCRIPTION OF BUSINESS

Organization

Cutaia Media Group, LLC ("CMG") was a limited liability company formed on December 12, 2012 under the laws of the State of Nevada. On May 19, 2014, bBooth, Inc. was incorporated under the laws of the State of Nevada. On May 19, 2014, CMG was merged into bBooth, Inc. and bBooth, Inc. changed its name to bBooth (USA), Inc. The operations of CMG and bBooth (USA), Inc. became known as, and are referred to in this Report as, "bBoothUSA".

On October 16, 2014, bBoothUSA completed a Share Exchange Agreement with Global System Designs, Inc. ("GSD") which was accounted for as a reverse merger transaction. In connection with the closing of the Share Exchange Agreement, GSD management was replaced by bBoothUSA management, and GSD changed its name to bBooth, Inc.

Effective April 21, 2017, we changed our corporate name from bBooth, Inc. to nFüsz, Inc. The name change was effected through a parent/subsidiary short-form merger of nFüsz, Inc., our wholly-owned Nevada subsidiary, formed solely for the purpose of the name change, with and into us. We were the surviving entity. To effectuate the merger, we filed Articles of Merger with the Secretary of State of the State of Nevada on April 4, 2017 and a Certificate of Correction with the Secretary of State of the State of Nevada on April 17, 2017. The merger became effective on April 21, 2017. Our board of directors approved the merger, which resulted in the name change on that date. In accordance with Section 92A.180 of the Nevada Revised Statutes, stockholder approval of the merger was not required.

On the effective date of the name change merger, our name was changed to "nFüsz, Inc." and our Articles of Incorporation, as amended (the "Articles"), were further amended to reflect our new legal name. With the exception of the name change, there were no other changes to our Articles.

Nature of Business

We have developed proprietary interactive video technology which serves as the basis for certain products and services that we market under the brand name "notifi". Our notifiCRM, notifiADS, notifiLINKS, and notifiWEB products are cloud-based, software-as-a-service ("SaaS"), customer relationship management ("CRM"), sales lead generation, advertising and social engagement software, accessible on mobile and desktop platforms, that we license to individual consumers, sales-based organizations, consumer brands, marketing and advertising agencies, as well as to artists and social influencers. Our notifiCRM platform is an enterprise scalable, subscription-based customer relationship management program that incorporates proprietary, interactive audio/video messaging and interactive on-screen "virtual salesperson" communications technology. Our notifiCRM is distinguished from other CRM programs because it utilizes interactive video as the primary means of communication between our subscribers and their clients or prospects. Such clients and prospects can respond to notifiCRM subscribers' calls to action in real time by clicking on links embedded in the video, all without leaving or stopping the video. Subscribers also have access to detailed analytics that reflect when the videos were viewed, by whom, how many times, for how long, and what items were clicked-on in the video to assist subscribers in determining the possible interest level of that particular client or prospect in the subject matter of the video. Our notifiTV and notifiLIVE products are also part of our proprietary interactive video platform that allows viewers to interact with pre-recorded as well as live broadcast video content by clicking on links embedded in on-screen people, objects, graphics or sponsors' signage. Viewers can experience our notifiTV and notifiLIVE interactive content and capabilities on most devices available in the market today without the need to download special software or proprietary video players.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying condensed consolidated financial statements are unaudited. These unaudited interim condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and applicable rules and regulations of the Securities and Exchange Commission ("SEC") regarding interim financial reporting. Certain information and note disclosures normally included in the financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to such rules and regulations. Accordingly, these interim condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto contained in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2017 filed with the SEC. The condensed consolidated balance sheet as of December 31, 2017 included herein was derived from the audited consolidated financial statements as of that date.

In the opinion of management, the accompanying unaudited condensed consolidated financial statements contain all adjustments necessary to fairly present the Company's financial position and results of operations for the interim periods reflected. Except as noted, all adjustments contained herein are of a normal recurring nature. Results of operations for the fiscal periods presented herein are not necessarily indicative of fiscal year-end results.

Principles of Consolidation

The consolidated financial statements include the accounts of nFüsz, Inc., (formerly bBooth, Inc.) and Songstagram, Inc. ("Songstagram") our wholly owned subsidiary. All intercompany transactions and balances have been eliminated in consolidation.

Going Concern

We have incurred operating losses since inception and have negative cash flows from operations. We had a stockholders' deficit of $2,789,332 as of March 31, 2018, and incurred a net loss of $8,494,418 and utilized $991,923 of cash during the period then ended. These factors raise substantial doubt about the Company's ability to continue as a going concern. The ability of the Company to continue as a going concern is dependent upon the Company's ability to raise additional funds and implement its business plan. The financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern. In addition, the Company's independent registered public accounting firm, in its report on the Company's December 31, 2017 consolidated financial statements, has raised substantial doubt about the Company's ability to continue as a going concern.

Our continuation as a going concern is dependent on our ability to obtain additional financing until we can generate sufficient cash flows from operations to meet our obligations. We intend to continue to seek additional debt or equity financing to continue our operations. There is no assurance that we will ever be profitable or that debt or equity financing will be available to us. The consolidated financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classifications of liabilities that may result should we be unable to continue as a going concern.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported periods. Significant estimates include assumptions made in valuing derivative liabilities, valuation of debt and equity instruments, share-based compensation arrangements and realization of deferred tax assets. Amounts could materially change in the future.

Revenue Recognition

We generate substantially all of our revenue from subscription services, which are comprised of subscription fees from customer accounts. Subscription service arrangements are generally non-cancelable and do not provide for refunds to customers in the event of cancellations or any other right of return. We record revenue net of sales or excise taxes.

In May 2014, the FASB issued ASU 2014-09, Revenue from Contracts with Customers (Topic 606), (ASC 606). The underlying principle of ASC 606 is to recognize revenue to depict the transfer of goods or services to customers at the amount expected to be collected. ASC 606 creates a five-step model that requires entities to exercise judgment when considering the terms of contract(s), which includes (1) identifying the contract(s) or agreement(s) with a customer, (2) identifying our performance obligations in the contract or agreement, (3) determining the transaction price, (4) allocating the transaction price to the separate performance obligations, and (5) recognizing revenue as each performance obligation is satisfied.

Under ASC 606, revenue is recognized when performance obligations under the terms of a contract are satisfied, which occurs for the Company upon shipment or delivery of products or services to our customers based on written sales terms, which is also when control is transferred. Revenue is measured as the amount of consideration we expect to receive in exchange for transferring the products or services to a customer.

The Company adopted the guidance of ASC 606 on January 1, 2018. The implementation of ASC 606 had no impact on the prior period financial statements and no cumulative effect adjustment was recognized.

Derivative Financial Instruments

The Company evaluates its financial instruments 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 in the consolidated statements of operations. The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is evaluated at the end of each reporting period. Derivative instrument liabilities are classified in the balance sheet as current or non-current based on whether or not net-cash settlement of the derivative instrument could be required within 12 months of the balance sheet date.

The Company uses Level 2 inputs for its valuation methodology for the derivative liabilities as their fair values were determined by using a probability weighted average Black-Scholes-Merton pricing model based on various assumptions. The Company's derivative liabilities are adjusted to reflect fair value at each period end, with any increase or decrease in the fair value being recorded in results of operations as adjustments to fair value of derivatives.

Share Based Payments

The Company issues stock options, common stock, and equity interests as share-based compensation to employees and non-employees. The Company accounts for its share-based compensation to employees in accordance with FASB ASC 718 "Compensation – Stock Compensation." Stock-based compensation cost is measured at the grant date, based on the estimated fair value of the award, and is recognized as expense over the requisite service period.

The Company accounts for share-based compensation issued to non-employees and consultants in accordance with the provisions of FASB ASC 505-50*"*Equity - Based Payments to Non-Employees.*"* Measurement of share-based payment transactions with non-employees is based on the fair value of whichever is more reliably measurable: (*a*) the goods or services received; or (*b*) the equity instruments issued. The final fair value of the share-based payment transaction is determined at the performance completion date. For interim periods, the fair value is estimated, and the percentage of completion is applied to that estimate to determine the cumulative expense recorded.

The Company values stock compensation based on the market price on the measurement date. As described above, for employees this is the date of grant, and for non-employees, this is the date of performance completion. The Company values stock options and warrants using the Black-Scholes option pricing model.

Net Loss Per Share

Basic net loss per share is computed by using the weighted-average number of common shares outstanding during the period. Diluted net loss per share is computed giving effect to all dilutive potential common shares that were outstanding during the period. Dilutive potential common shares consist of incremental common shares issuable upon exercise of stock options. No dilutive potential common shares were included in the computation of diluted net loss per share because their impact was anti-dilutive. As of March 31, 2018, the Company had a total of 22,447,225 options and 30,107,413 warrants outstanding, and the potential issuance of approximately 11.2 million shares of common stock upon conversion of notes payable. These shares were excluded from the computation of net loss per share because they are anti-dilutive. As of March 31, 2017, the Company had total of 17,530,953 options and 18,455,264 warrants which were excluded from the computation of net loss per share because they are anti-dilutive.

Recent Accounting Pronouncements

In February 2016, the FASB issued Accounting Standards Update No. 2016-02 (ASU 2016-02), Leases (Topic 842). ASU 2016-02 requires a lessee to record a right-of-use asset and a corresponding lease liability, initially measured at the present value of the lease payments, on the balance sheet for all leases with terms longer than 12 months, as well as the disclosure of key information about leasing arrangements. ASU 2016-02 requires recognition in the statement of operations of a single lease cost, calculated so that the cost of the lease is allocated over the lease term, generally on a straight-line basis. ASU 2016-02 requires classification of all cash payments within operating activities in the statement of cash flows. Disclosures are required to provide the amount, timing and uncertainty of cash flows arising from leases. A modified retrospective transition approach is required for lessees for capital and operating leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements, with certain practical expedients available. ASU 2016-02 is effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. Early application is permitted. The Company has not yet evaluated the impact of the adoption of ASU 2016-02 on the Company's financial statement presentation or disclosures.

In July 2017, the FASB issued ASU No. 2017-11, "Earnings Per Share (Topic 260); Distinguishing Liabilities from Equity (Topic 480); Derivatives and Hedging (Topic 815): (Part I) Accounting for Certain Financial Instruments with Down Round Features; (Part II) Replacement of the Indefinite Deferral for Mandatorily Redeemable Financial Instruments of Certain Nonpublic Entities and Certain Mandatorily Redeemable Noncontrolling Interests with a Scope Exception" ("ASU 2017-11"). ASU 2017-11 allows companies to exclude a down round feature when determining whether a financial instrument (or embedded conversion feature) is considered indexed to the entity's own stock. As a result, financial instruments (or embedded conversion features) with down round features may no longer be required to be accounted for as derivative liabilities. A company will recognize the value of a down round feature only when it is triggered, and the strike price has been adjusted downward. For equity-classified freestanding financial instruments, an entity will treat the value of the effect of the down round as a dividend and a reduction of income available to common stockholders in computing basic earnings per share. For convertible instruments with embedded conversion features containing down round provisions, entities will recognize the value of the down round as a beneficial conversion discount to be amortized to earnings. ASU 2017-11 is effective for fiscal years beginning after December 15, 2018, and interim periods within those fiscal years. Early adoption is permitted. The guidance in ASU 2017-11 can be applied using a full or modified retrospective approach. The Company is currently evaluating the impact of the adoption of ASU 2017-11 on the Company's financial statement presentation or disclosures.

Other recent accounting pronouncements issued by the FASB, including its Emerging Issues Task Force, the American Institute of Certified Public Accountants, and the Securities and Exchange Commission did not or are not believed by management to have a material impact on the Company's present or future consolidated financial statements.

3. PROPERTY AND EQUIPMENT

Property and equipment consisted of the following as of March 31, 2018 and December 31, 2017.

	March 31, 2018 (Unaudited)	December 31, 2017
Furniture and fixtures	$ 56,890	$ 56,890
Office equipment	50,669	50,669
	107,559	107,559
Less: accumulated depreciation	(82,310)	(77,005)
	$ 25,249	$ 30,554

Depreciation expense amounted to $5,305 for three months ended March 31, 2018 and 2017, respectively.

4. NOTE PAYABLE

On March 21, 2015, the Company entered into an agreement with DelMorgan Group LLC ("DelMorgan"), pursuant to which DelMorgan agreed to act as the Company's exclusive financial advisor. In connection with the agreement, the Company paid DelMorgan $125,000, which was advanced by a third-party lender in exchange for an unsecured note payable issued by the Company bearing interest at the rate of 12% per annum payable monthly beginning on April 20, 2015.

Effective March 20, 2017, for no additional consideration the Company entered into an extension agreement with the third-party lender to extend the maturity date of the Note to March 21, 2018. All other terms of the Note remain unchanged. As of December 31, 2017, the balance due under the note was $125,000.

On January 29, 2018, the Company settled the debt of $125,000 in exchange for 1,250,000 shares of its Common Stock. There was no gain or loss recognized as the fair value of the common shares issued approximates the note payable settled.

5. NOTES PAYABLE – RELATED PARTIES

The Company has the following related parties notes payable as of March 31, 2018 and December 31, 2017:

Note	Issuance Date	Maturity Date	Interest Rate	Original Borrowing	Balance at March 31, 2018	Balance at December 31, 2017
					(Unaudited)	
Note 1 (A)	December 1, 2015	August 1, 2018	12.0%	$ 1,203,242	$ 1,198,883	$ 1,198,883
Note 2	December 1, 2015	August 1, 2018	12.0%	189,000	189,000	189,000
Note 3 (B)	December 1, 2015	April 1, 2017	12.0%	111,901	111,901	111,901
Note 4 (C)	August 4, 2016	December 4, 2018	12.0%	343,326	343,326	343,326
Note 5	August 4, 2016	December 4, 2018	12.0%	121,875	121,875	121,875
Total notes payable – related parties, net					$ 1,964,985	$ 1,964,985

(A) Per the terms of the agreement, at Mr. Cutaia's discretion (majority stockholder and Chief Executive Officer (CEO)), he may convert up to $374,665 of outstanding principal, plus accrued interest thereon, into shares of common stock at a conversion rate of $0.07 per share.

(B) As of March 31, 2018, and the date of this report, the note is past due. The Company is currently in negotiations with the note holder to settle the note payable.

(C) A total of 30% of the note principal can be converted to shares of common stock at a conversion price $0.07 per share.

Total interest expense for notes payable to related parties for the three months ended March 31, 2018 and 2017 was $58,142, respectively.

6. CONVERTIBLE NOTES PAYABLE

The Company has the following convertible notes payable as of March 31, 2018 and December 31, 2017:

Note	Note Date	Maturity Date	Interest Rate	Original Borrowing	Balance at March 31, 2018	Balance at December 31, 2017
					(Unaudited)	
Note payable	April 3, 2016	April 4, 2018	12%	$ 600,000	$ -	$ 680,268
Note payable	June and August 2017	February and March 2018	5%	$ 220,500	-	220,500
Note payable	Various	Various	5%	$ 320,000	-	320,000
Note payable	December 8, 2017	December 8, 2018	8%	$ 370,000	-	370,000
Note payable	December 13, 2017	September 20, 2018	8%	$ 105,000	-	105,000
Total notes payable					-	1,695,768
Debt discount					-	(675,453)
Total notes payable, net of debt discount					$ -	$ 680,268

During 2016 through 2017, the Company issued convertible notes payable to unrelated, third party creditors/investors totaling $1,695,768. The notes bear an average interest rate of 8% per annum, secured by the Company's assets, matures starting February 2018 through January 2019 and convertible to shares of common stock based upon a discounted market price. As of December 31, 2017, outstanding balance of the notes payable amounted $1,695,768 and unamortized debt discount of $675,453.

During the period ended March 31, 2018, the Company issued similar convertible notes payable totaling $150,000 in exchange for cash of $130,000. The Company determined that since the conversion floor had no limit to the conversion price, that the Company could no longer determine if it had enough authorized shares to fulfil the conversion obligation. As such, pursuant to current accounting guidelines, the Company determined that the conversion feature of the notes created a derivative with a fair value of $252,778 at the date of issuance. The Company accounted for the fair value of the derivative up to the face amount of the note of $150,000 as a valuation discount amortized over the life of the note, and the excess of $102,778 being recorded as financing cost (see Note 8 for discussion of derivative liability). In addition, the Company also recorded the notes' original issue discount of $20,000 as financing costs.

As part of the offering, the Company also granted a five-year warrant to acquire 1,000,000 shares of the Company's common stock with an exercise price of $0.14 per share. A total of 500,000 warrants that were granted included full ratchet reset provision in case a future offering at a price below $0.14 per share and a fundamental transaction provision that could give rise to an obligation to pay cash to the warrant holder and a reset. As such, pursuant to current accounting guidelines, the Company determined that the warrant exercise price and fundamental transaction clause created a derivative with a fair value of $48,961 at the date of issuance. The Company accounted for the fair value of the derivative as financing cost. See Note 8 for discussion of derivative liability.

During the period ended March 31, 2018 the Company paid $845,000 to settle certain outstanding convertible notes and converted outstanding convertible notes payable and accrued interest of $2,139,005 thru the issuance of 6,133,006 shares of common stock. As the fair value of the common shares issued of $1,679,276 exceeded the recorded amount of the convertible notes and accrued interest settled, the Company recorded a loss on debt extinguishment $1,090,056 on the settlement. The Company amortized the remaining debt discount of $675,453 to interest expense during the period.

As of March 31, 2018, all convertible notes payable had been settled or paid.

Total interest expense for convertible notes payable for the three months ended March 31, 2018 and 2017 was $144,541 and $20,128, respectively.

8. DERIVATIVE LIABILITY

Under authoritative guidance used by the FASB on determining whether an instrument (or embedded feature) is indexed to an entity's own stock, instruments which do not have fixed settlement provisions are deemed to be derivative instruments. The Company has issued certain convertible notes whose conversion price contains reset provisions based on a future offering price and/or whose conversion price is based on a future market price. However, since the number of shares to be issued is not explicitly limited, the Company is unable to conclude that enough authorized and unissued shares are available to share settle the conversion option. In addition, the Company also granted certain warrants which included a fundamental transaction provision that could give rise to an obligation to pay cash to the warrant holder.

As a result, the conversion option and warrants are classified as a liability and bifurcated from the debt host and accounted for as a derivative liability in accordance with ASC 815 and will be re-measured at the end of every reporting period with the change in value reported in the statement of operations.

The derivative liabilities were valued using a probability weighted average Black-Scholes-Merton pricing model with the following average assumptions:

	March 31, 2018	Upon Issuance	December 31, 2017
Stock Price	$ 1.45	$ 0.10	$ 0.10
Exercise Price	$ 0.13	$ 0.08	$ 0.06
Expected Life	4.75	2.33	1.26
Volatility	228%	193%	189%
Dividend Yield	0%	0%	0%
Risk Free Interest Rate	1.93%	1.18%	1.72%
Fair Value	$ 1,735,354	$ 301,739	$ 1,250,581

The expected life of the conversion feature of the notes and warrants was based on the remaining contractual term of the notes and warrants. The Company uses the historical volatility of its common stock to estimate the future volatility for its common stock. The expected dividend yield was based on the fact that the Company has not paid dividends in the past and does not expect to pay dividends in the future. The risk-free interest rate was based on rates established by the Federal Reserve Bank.

As of December 31, 2017, the Company had recorded a derivative liability of $1,250,581. During the period ended March 31, 2018, the Company recorded an additional derivative liability totaling $301,739 as a result of the issuance of convertible notes and warrants. During the period ending March 31, 2018, the Company extinguished a derivative liability of $1,718,816 upon the conversion and payment of outstanding convertible notes payable, which was recorded as a gain on extinguishment, and $723,072 from exercise of warrants that was accounted for as a charge to additional paid in capital. During the period ended March 31, 2018 the Company recorded a change in fair value of $2,624,887 up to the dates of the extinguishment which has been reflected as a cost in the accompanying statement of operations. At March 31, 2018, the fair value of the derivative liability amounted to $1,735,354.

9. EQUITY TRANSACTIONS

The Company's common stock activity for the three months ended March 31, 2018 is as follows:

Common Stock

Shares Issued for Services – During the period ended March 31, 2018, the Company issued 4,748,514 common shares to employees and vendors for services rendered with a fair value of $3,269,747 and are expensed based on fair market value of the stock price at the date of grant. Included in these issuances were 4,500,000 shares of common stock with a fair value of $1,539,000 granted to officers and a director of the Company for services rendered.

Shares Issued from Stock Subscription. For the period ended March 31, 2018, the Company issued 16,409,067 common shares to investors for net cash proceeds of $2,278,500.

Shares Issued from Conversion of Note Payable - During the period ended March 31, 2018, the Company issued 7,383,006 shares of common stock upon conversion of notes payable and accrued interest of $1,187,243 (see Note 4 and 6).

Shares Issued Upon Exercise of Put Option - In January and February 2018, the Company issued Put Notices to Kodiak and issued 3,048,105 shares of common stock in exchange for cash of $1,000,000. In addition, the Company also issued Kodiak the prorated warrants to purchase 2,000,000 shares of common stock at $0.25 per share.

Shares Issued for Accrued Salary - On March 28, 2018 the Company converted the CEO's accrued salary of $582,333 into 407,226 shares of common stock with a fair value of $582,333 at the date of conversion.

Shares Issued from Exercise of Warrants - During the period months ended March 31, 2018, a total of 1,281,000 warrants were exercised in a cash and cashless exercised in exchange for 1,011,856 common shares. The Company received cash of $22,000 upon exercise of the warrants.

Stock Options

Effective October 16, 2014, the Company adopted the 2014 Stock Option Plan (the "Plan") under the administration of the board of directors to retain the services of valued key employees and consultants of the Company.

At its discretion, the Company grants share option awards to certain employees and non-employees, as defined by ASC 718, Compensation—Stock Compensation, under the 204 Stock Option Plan (the “Plan”) and accounts for its share-based compensation in accordance with ASC 718.

A summary of option activity for the three months ended March 31, 2018 is presented below.

	Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (in Years)	Aggregate Intrinsic Value
Outstanding at December 31, 2017	21,840,953	$ 0.33	1.21	
Granted	906,272	0.26		
Exercised	-	-		
Forfeited or expired	(300,000)	1.30		
Outstanding at March 31, 2018	22,447,225	$ 0.25	1.83	$ 26,926,862
Vested and deemed vested at March 31, 2018	12,229,135	$ 0.30		$ 14,435,999
Exercisable at March 31, 2018	9,692,428	$ 0.35		$ 10,693,296

During the three months ended March 31, 2018, the Company granted stock options to employees and consultants to purchase a total 906,272 shares of common stock for services rendered. The options have an average exercise price of $0.26 per share, expire in five years and vest on grant date or over a period of three years from grant date. Total fair value of these options at grant date was $164,165 using the Black-Scholes Option Pricing model with the following average assumptions: life of 5 years; risk free interest rate of 2.56%; volatility of 184% and dividend yield of 0%.

The total stock compensation expense recognized relating to vesting of these stock options for the three months ended March 31, 2018 amounted to $1,341,207. As of March 31, 2018, total unrecognized stock-based compensation expense was $3,549,739 which is expected to be recognized as an operating expense through February 2021.

The fair value of share option award is estimated using the Black-Scholes method based on the following weighted-average assumptions:

	3 Months Ended March 31, 2018	3 Months Ended March 31, 2017
Risk-free interest rate	2.25% - 2.66%	1.93%
Average expected term (years)	5 years	5 years
Expected volatility	184.45%	160%
Expected dividend yield	-	-

The risk-free interest rate is based on the U.S. Treasury yield curve in effect at the time of measurement corresponding with the expected term of the share option award; the expected term represents the weighted-average period of time that share option awards granted are expected to be outstanding giving consideration to vesting schedules and historical participant exercise behavior; the expected volatility is based upon historical volatility of the Company’s common stock; and the expected dividend yield is based upon the Company’s current dividend rate and future expectations.

Warrants

The Company has the following warrants outstanding as of March 31, 2018 all of which are exercisable:

	Warrants		Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Life (Years)		Aggregate Intrinsic Value
Outstanding at December 31, 2017	28,436,413	$	0.13	2.79	$	-
Granted	3,000,000		0.21	-		-
Forfeited	(48,000)		0.10	-		-
Exercised	(1,281,000)		0.17	-		-
Outstanding at March 31, 2018	30,107,413	$	0.14	3.15	$	39,553,468
Vested March 31, 2018	30,107,413				$	39,553,468
Exercisable at March 31, 2018	30,107,413				$	39,553,468

For the three months ended March 31, 2018, the Company issued warrants to note holders to purchase a total of 1,000,000 shares of common stock. The warrants are exercisable at an average price of $0.14 per share and will expire in January 2023. A total of 500,00 warrants issued were accounted as derivative liability (see Note 6).

On February 21, 2018, the Company issued 2,000,000 warrants as part of the exercise of our put option with Kodiak. The exercise price of the 2,000,000 warrants is $0.25 per share and expire on February 20, 2023.

During the three months ended March 31, 2018, a total of 1,281,000 warrants were exercised and converted into 1,011,856 common shares at a weighted average exercise price of $0.17. The Company received $22,000 upon exercise of the warrants.

9. COMMITMENTS AND CONTINGENCIES

Litigation

We know of no material proceedings in which any of our directors, officers or affiliates, or any registered or beneficial stockholder is a party adverse to our Company or any of our subsidiaries or has a material interest adverse to our Company or any of our subsidiaries.

10. SUBSEQUENT EVENTS

Subsequent to March 31, 2018, the Company issued 1,050,000 common shares for net proceeds of $700,000. In addition, 41,667 shares of common stock that were subject to vesting schedules and previously accounted for were issued.

On April 16, 2018, the Company and Kodiak Capital Group, LLC “Kodiak” agreed that all notes payable between the parties shall be deemed satisfied and cancelled. Further, all registered shares held by Kodiak shall be subject to the following amended more restrictive leak-out provision: the number of shares Kodiak may sell in any given week is hereby limited to not more than the greater of (a) 400,000 shares per week or (b) five percent of the prior week’s reported trading volume, proportionately adjusted for weeks with fewer than five trading days.

On April 19, 2018, 487,620 options were exercised and converted into 487,620 common shares at $.07. The Company received $34,133 upon exercise of the options.

On April 27, 2018, a total of 2,000,000 warrants were exercised in a cashless exercise in exchange for 1,884,869 common shares.

ITEM 1A – RISK FACTORS

Not applicable to smaller reporting companies.

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

Forward-Looking Statements

This quarterly report contains "forward-looking statements". All statements other than statements of historical fact are "forward-looking statements" for purposes of federal and state securities laws, including, but not limited to, any projections of earnings, revenue or other financial items; any statements of the plans, strategies and objections of management for future operations; any statements concerning proposed new services, products or developments; any statements regarding future economic conditions or performance; any statements of belief; and any statements of assumptions underlying any of the foregoing.

Forward-looking statements may include the words "may," "could," "estimate," "intend," "continue," "believe," "expect" or "anticipate" or other similar words. These forward-looking statements present our estimates and assumptions only as of the date of this quarterly report. Accordingly, readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the dates on which they are made. Except as required by applicable law, we undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise, even if experience or future changes make it clear that any projected results or events expressed or implied therein will not be realized. You are advised, however, to consult any further disclosures we make in future public filings, statements and press releases.

Forward-looking statements in this quarterly report include express or implied statements concerning our future revenues, expenditures, capital and funding requirements; the adequacy of our current cash and working capital to fund present and planned operations and financing needs; our proposed expansion of, and demand for, product offerings; the growth of our business and operations through acquisitions or otherwise; and future economic and other conditions both generally and in our specific geographic and product markets. These statements are based on currently available operating, financial and competitive information and are subject to various risks, uncertainties and assumptions that could cause actual results to differ materially from those anticipated or implied in the forward-looking statements due to a number of factors including, but not limited to, those set forth below in the section entitled "Risk Factors" in this quarterly report, which you should carefully read. Given those risks, uncertainties and other factors, many of which are beyond our control, you should not place undue reliance on these forward-looking statements. You should be prepared to accept any and all of the risks associated with purchasing any securities of our company, including the possible loss of all of your investment.

In this quarterly report, unless otherwise specified, all references to "common shares" refer to the common shares in our capital stock.

As used in this quarterly report on Form 10-Q, the terms "we", "us" "our" and "nFüsz" refer to nFüsz, Inc., a Nevada corporation unless otherwise specified.

The discussion and analysis of our financial condition and results of operations are based on our financial statements, which we have prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of these condensed consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements, as well as the reported revenues and expenses during the reporting periods. On an ongoing basis, we evaluate estimates and judgments, including those described in greater detail below. We base our estimates on historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

The following discussion should be read together with the information contained in the unaudited condensed consolidated financial statements and related notes included in Item 1 – Financial Statements, in this Form 10-Q.

Overview

Cutaia Media Group, LLC ("CMG") was a limited liability company formed on December 12, 2012 under the laws of the State of Nevada. On May 19, 2014, bBooth, Inc. was incorporated under the laws of the State of Nevada. On May 19, 2014, CMG was merged into bBooth, Inc. and bBooth, Inc. changed its name to bBooth (USA), Inc. The operations of CMG and bBooth (USA), Inc. became known as, and are referred to in this Report as, "bBoothUSA".

On October 16, 2014, bBoothUSA completed a Share Exchange Agreement with Global System Designs, Inc. ("GSD") which was accounted for as a reverse merger transaction. In connection with the closing of the Share Exchange Agreement, GSD management was replaced by bBoothUSA management, and GSD changed its name to bBooth, Inc.

Effective April 21, 2017, we changed our corporate name from bBooth, Inc. to nFüsz, Inc. The name change was effected through a parent/subsidiary short-form merger of nFüsz, Inc., our wholly-owned Nevada subsidiary, formed solely for the purpose of the name change, with and into us. We were the surviving entity. To effectuate the merger, we filed Articles of Merger with the Secretary of State of the State of Nevada on April 4, 2017 and a Certificate of Correction with the Secretary of State of the State of Nevada on April 17, 2017. The merger became effective on April 21, 2017. Our board of directors approved the merger, which resulted in the name change on that date. In accordance with Section 92A.180 of the Nevada Revised Statutes, stockholder approval of the merger was not required.

On the effective date of the name change merger, our name was changed to "nFüsz, Inc." and our Articles of Incorporation, as amended (the "Articles"), were further amended to reflect our new legal name. With the exception of the name change, there were no other changes to our Articles.

Critical Accounting Policies

Our Company's financial statements have been prepared in accordance with accounting principles generally accepted in the United States, which require that we make certain assumptions and estimates that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of net revenue and expenses during each reporting period. On an ongoing basis, management evaluates its estimates, including those related to valuation of the fair value of financial instruments, share based compensation arrangements and long-lived assets. These estimates are based on historical experience and on various other factors that it believes to be reasonable under the circumstances. Actual results could differ from those estimates.

Use of Estimates

The preparation of financial statements in conformity with GAAP 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 reported periods. Significant estimates include the value of derivative liability and share-based payments. Amounts could materially change in the future.

Derivative Financial Instruments

The Company evaluates its financial instruments 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 in the consolidated statements of operations. The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is evaluated at the end of each reporting period. Derivative instrument liabilities are classified in the balance sheet as current or non-current based on whether or not net-cash settlement of the derivative instrument could be required within 12 months of the balance sheet date.

The Company uses Level 2 inputs for its valuation methodology for the derivative liabilities as their fair values were determined by using a probability weighted average Black-Scholes-Merton pricing model based on various assumptions. The Company's derivative liabilities are adjusted to reflect fair value at each period end, with any increase or decrease in the fair value being recorded in results of operations as adjustments to fair value of derivatives.

Long-Lived Assets

The Company evaluates long-lived assets for impairment whenever events or changes in circumstances indicate that their net book value may not be recoverable. When such factors and circumstances exist, the Company compares the projected undiscounted future cash flows associated with the related asset or group of assets over their estimated useful lives against their respective carrying amount. Impairment, if any, is based on the excess of the carrying amount over the fair value, based on market value when available, or discounted expected cash flows, of those assets and is recorded in the period in which the determination is made. No impairment of long-lived assets was required for the nine months ended March 31, 2018.

Share-Based Payment

The Company issues stock options, stock warrants, common stock, and equity interests as share-based compensation to employees and non-employees.

The Company accounts for its share-based compensation to employees in accordance FASB ASC 718 "Compensation – Stock Compensation." Stock-based compensation cost is measured at the grant date, based on the estimated fair value of the award, and is recognized as expense over the requisite service period.

The Company accounts for share-based compensation issued to non-employees and consultants in accordance with the provisions of FASB ASC 505-50*"*Equity - Based Payments to Non-Employees.*"* Measurement of share-based payment transactions with non-employees is based on the fair value of whichever is more reliably measurable: (*a*) the goods or services received; or (*b*) the equity instruments issued. The final fair value of the share-based payment transaction is determined at the performance completion date. For interim periods, the fair value is estimated, and the percentage of completion is applied to that estimate to determine the cumulative expense recorded.

The Company values stock compensation based on the market price on the measurement date. As described above, for employees this is the date of grant, and for non-employees, this is the date of performance completion.
The Company values stock options using the Black-Scholes option pricing model.

Recent Accounting Policies

For a summary of our recent accounting policies, refer to Note 2 of our unaudited condensed consolidated financial statements included under Item 1 – Financial Statements in this Form 10-Q.

Results of Operations for the Three Months Ended March 31, 2018 as Compared to the Three Months Ended March 31, 2017.

Revenues

Subscription revenues were $8,003 generated from the Company's Software-as-a-Service (SaaS) platform that was launched during the fourth quarter of fiscal 2017. There was no similar transaction in the first quarter of 2017.

Operating Expenses

Research and development expenses were $130,000 for the three months ended March 31, 2018, as compared to $89,600 for the three months ended March 31, 2017. The increase was primarily due to an increase in fees for coders dedicated to software development enhancements and modifications.

General and administrative expenses for the three months ended March 31, 2018 and 2017 was $5,269,574 and $617,537, respectively. The increase was primarily due to an increase in stock-based compensation expense of $4,610,954 plus an increase in labor related costs, legal and audit fees associated with growth of the Company. The significant increase in stock-based compensation was due to increase in the Company's stock price. The Company's stock price increased from $0.10 per share at December 31, 2017 to $1.45 per share at March 31, 2018 or an average of $0.48 per share during the period ended March 31, 2018. In prior period, the average price of the Company's stock was $0.11 per share.

Other expense, net, for the three months ended March 31, 2018 amounted to $3,102,847, which represented a change in fair value of derivative liability of $2,624,887, debt extinguishment of $1,067,242, interest expense for amortization of debt discount of $747,623, interest expense of $203,933 on outstanding notes payable, $171,739 of financing costs attributed to derivative liabilities, and other expense of $6,239. All offset by a gain on extinguishment of derivative liability of $(1,718,816). The amount of other expense, net, was higher in 2018 due to payoff off and conversion of debt that did not occur during the first quarter of 2017.

Modified EBITDA

In addition to our GAAP results, we present Modified EBITDA as a supplemental measure of our performance. However, Modified EBITDA is not a recognized measurement under GAAP and should not be considered as an alternative to net income, income from operations or any other performance measure derived in accordance with GAAP or as an alternative to cash flow from operating activities as a measure of liquidity. We define Modified EBITDA as net income (loss), plus interest expense, depreciation and amortization, stock-based compensation, financing costs and changes in fair value of derivative liability.

Management considers our core operating performance to be that which our managers can affect in any particular period through their management of the resources that affect our underlying revenue and profit generating operations that period. Non-GAAP adjustments to our results prepared in accordance with GAAP are itemized below. You are encouraged to evaluate these adjustments and the reasons we consider them appropriate for supplemental analysis. In evaluating Modified EBITDA, you should be aware that in the future we may incur expenses that are the same as or similar to some of the adjustments in this presentation. Our presentation of Modified EBITDA should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items.

	For the Three Months Ended	
	March 31, 2018	**March 31, 2017**
Net loss	$ (8,494,418)	$ (856,820)
Modified EBITDA		
Stock compensation expense	4,610,954	264,274
Change in fair value of derivative liability	2,624,887	-
Debt extinguishment	1,067,242	-
Amortization of debt discount	747,623	39,678
Interest expense	203,933	84,005
Financing costs	171,739	-
Depreciation	5,305	5,305
Gain on extinguishment of derivative liability	(1,718,816)	-
Total adjustments	7,712,867	419,261
Modified EBITDA	$ (781,551)	$ (437,558)

The $343,993 decrease in modified EBITDA for the year three months ended March 31, 2018 compared to the same period in 2017, resulted from the increase in labor related costs, legal and audit fees associated with growth of the Company.

We present Modified EBITDA because we believe it assists investors and analysts in comparing our performance across reporting periods on a consistent basis by excluding items that we do not believe are indicative of our core operating performance. In addition, we use Modified EBITDA in developing our internal budgets, forecasts and strategic plan; in analyzing the effectiveness of our business strategies in evaluating potential acquisitions; and in making compensation decisions and in communications with our board of directors concerning our financial performance. Modified EBITDA has limitations as an analytical tool, which includes, among others, the following:

- Modified EBITDA does not reflect our cash expenditures, or future requirements, for capital expenditures or contractual commitments;
- Modified EBITDA does not reflect changes in, or cash requirements for, our working capital needs;
- Modified EBITDA does not reflect future interest expense, or the cash requirements necessary to service interest or principal payments, on our debts; and
- Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and the Modified EBITDA does not reflect any cash requirements for such replacements.

Liquidity and Capital Resources

The following is a summary of our cash flows from operating, investing and financing activities for the nine months ended March 31, 2018 and 2017.

	For the Three Months Ended	
	March 31, 2018	March 31, 2017
Cash used in operating activities	$ (991,923)	$ (318,092)
Cash provided by financing activities	2,585,500	425,000
Increase in cash	$ 1,593,577	$ 106,908

For the three months ended March 31, 2018, our cash flows used in operating activities amounted to $991,923 compared to cash used in 2017 of $318,092. The change is due to an increase in business activity which resulted in an additional consulting expenses, salary, and various operating expenses in 2018 compared to 2017. In addition, the Company paid accrued interest as part of the convertible debt payoffs in quarter one 2018.

Our cash provided by financing activities for the three months ended March 31, 2018 amounted to $2,585,500 which represented $2,278,500 of proceeds received from issuances of common stock, proceeds from issuance of common shares of $1,000,000 from exercise of Put option, $130,000 of proceeds from the issuance of convertible debt, and $22,000 of proceeds from the exercise of warrants, offset by $845,000 of convertible debt payments. Our cash provided by financing activities for the three months ended March 31, 2017 amounted to $425,000 which represented $170,000 of proceeds received from issuances of common stock and $255,000 of proceeds received from the issuance of convertible series A preferred stock.

As of March 31, 2018, total liabilities are $4,463,378, of which $1,735,354 is attributed to derivative liabilities related to 1.2 million of outstanding warrants (see section 8 Derivative Liability). Without the derivative liability total liabilities are $2,728,024, of which $1,964,985 is related party debt.

As of March 31, 2018, the derivative liability of $1,735,354 relates to 1.2 million of outstanding warrants, and the obligation only arises if (1) the Company, at any time while the Warrants are outstanding, shall distribute to ALL holders of Common Stock evidences of its indebtedness or assets or rights or warrants to subscribe for or purchase any security other than the Common Stock at a price lower than $0.14, which is the highest exercise price of the outstanding warrants or (2) if, at any time while the Warrants are outstanding, (A) the Company effects any merger or consolidation of the Company with or into another Person, (B) the Company effects any sale of all or substantially all of its assets in one or a series of related transactions, (C) any tender offer or exchange offer is completed pursuant to which holders of Common Stock are permitted to tender or exchange their shares for other securities, cash or property, or (D) the Company effects any reclassification of the Common Stock or any compulsory share exchange pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash or property (each "Fundamental Transaction").

As of March 31, 2018, we had cash of $1,604,137. We estimate our operating expenses for the next three months may continue to exceed any revenues we generate, and we may need to raise capital through either debt or equity offerings to continue operations.

We are in the early stages of our business. We are required to fund growth from financing activities, and we intend to rely on a combination of equity and debt financings. Due to market conditions and the early stage of our operations, there is considerable risk that our company will not be able to raise such financings at all, or on terms that are not overly dilutive to our existing shareholders. We can offer no assurance that we will be able to raise such funds.

Going Concern

We have incurred operating losses since inception and have negative cash flows from operations. We had a stockholders' deficit of $2,789,332 as of March 31, 2018 and incurred a net loss of $8,494,418 and utilized $991,923 in cash during the period ended. As a result, our continuation as a going concern is dependent on our ability to obtain additional financing until we can generate sufficient cash flows from operations to meet our obligations. We intend to continue to seek additional debt or equity financing to continue our operations.

Our condensed consolidated financial statements have been prepared on a going concern basis, which implies we may not continue to meet our obligations and continue our operations for the next fiscal year. The continuation of our Company as a going concern is dependent upon our ability to obtain necessary debt or equity financing to continue operations until our Company begins generating positive cash flow.

There is no assurance that we will ever be profitable or that debt or equity financing will be available to us. The consolidated financial statements do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or the amounts and classifications of liabilities that may result should we be unable to continue as a going concern.

The Company has the following outstanding notes payable to related parties at March 31, 2018 that are due in the current year:

Payable to:	Issuance Date	Maturity Date	Interest Rate	Original Borrowing	Balance at March 31, 2018
Rory Cutaia (1)	December 1, 2015	August 1, 2018	12.0%	$ 1,203,242	$ 1,198,883
Rory Cutaia	December 1, 2015	August 1, 2018	12.0%	189,000	189,000
Past Director	December 1, 2015	April 1, 2017	12.0%	111,901	111,901
Rory Cutaia (2)	August 4, 2016	December 4, 2018	12.0%	343,326	343,326
Rory Cutaia	August 4, 2016	December 4, 2018	12.0%	121,875	121,875
Total notes payable – related parties					$ 1,964,985

(1) Per the terms of the agreement, at Mr. Cutaia's discretion, he may convert up to $374,665 of outstanding principal, plus accrued interest thereon, into shares of common stock at a conversion rate of $0.07 per share.

(2) A total of 30% of the note principal can be converted to shares of common stock at a conversion price $0.07 per share.

ITEM 3 - QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable.

ITEM 4 - CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended, (the “Exchange Act”), that are designed to ensure that information required to be disclosed in our reports under the Exchange Act, is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to our management, including our principal executive officer and our principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

We carried out an evaluation under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, of the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) and 15d- 15(e) under the Exchange Act) as of the end of the period covered by this quarterly report. Based on this evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures were not effective as of March 31, 2018.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended March 31, 2018 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

ITEM 1 - LEGAL PROCEEDINGS

We know of no material pending legal proceedings to which our company or any of our subsidiaries is a party or of which any of our assets or properties, or the assets or properties of any of our subsidiaries, is the subject. In addition, we do not know of any such proceedings contemplated by any governmental authorities.

We know of no material proceedings in which any of our directors, officers or affiliates, or any registered or beneficial stockholder is a party adverse to our company or any of our subsidiaries or has a material interest adverse to our company or any of our subsidiaries.

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

Common Stock

Shares Issued for Services – The Company issued common shares to vendors for services rendered and are expensed based on fair market value of the stock price at the date of grant. For the three months ended March 31, 2018, the Company issued 4,748,514 shares of common stock to vendors and recorded stock compensation expense of $3,269,747.

Shares Issued from Stock Subscription – The Company issued stock subscription to investors. For the three months ended March 31, 2018, the Company issued 16,409,067 common shares for a net proceed of $1,980,000.

Shares Issued from Conversion of Note Payable - - During the period ended March 31, 2018, the Company issued 7,383,006 shares of common stock with a fair value of $8,874,901 upon conversion of a notes payable. 6,133,006 of the shares were valued and accounted for using a beneficial conversion feature when the notes were executed (see Note 4 and 6).

Shares Issued as Part of Put Notice - In January and February 2018, the Company issued Put Notices to Kodiak and issued 3,048,105 shares of common stock in exchange for cash of $1,000,000. In addition, the Company also issued Kodiak the prorated warrants to purchase 2,000,000 shares of common stock at $0.25 per share.

Shares Issued for Accrued Salary - On March 28, 2018 the Company converted the CEO's accrued salary of $582,333 into 407,226 restricted shares of common stock at a price of $1.43 per share, which represents the closing price of the Company's shares as reported on OTC markets on March 28, 2018.

Shares Issued from Exercise of Warrants - During the three months ended March 31, 2018, a total of 1,281,000 warrants were exercised and converted into 1,011,856 common shares at a weighted average exercise price of $.17. The Company received $22,000 as part of the transactions. As part of the transaction the Company recorded a gain on debt extinguishment to account for the extinguishment of the related derivative liability of $723,037.

ITEM 3 - DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4 - MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5 - OTHER INFORMATION

None.

ITEM 6 - EXHIBITS

The following exhibits are filed as part of, or incorporated by reference into this Report:

Exhibit No.	Description
2.1[2]	Share Exchange Agreement dated as of August 11, 2014 by and among Global System Designs, Inc., bBooth (USA), Inc. (formerly bBooth, Inc.) and the stockholders of bBooth (USA), Inc. (formerly bBooth, Inc.)
3.1[1]	Articles of Incorporation
3.2[1]	Bylaws
3.3[2]	Certificate of Change
3.4[2]	Articles of Merger
4.1[20]	Common Stock Purchase Warrant (First Warrant) dated September 15, 2017, issued to Kodiak Capital Group, LLC
4.2[20]	Common Stock Purchase Warrant (Second Warrant dated September 15, 2017, issued to Kodiak Capital Group, LLC
4.3[20]	Common Stock Purchase Warrant (Third Warrant) dated September 15, 2017, issued to Kodiak Capital Group, LLC
4.4[20]	Promissory Note (Commitment Note), dated September 15, 2017, to Kodiak Capital Group, LLC
4.5[20]	Promissory Note (First Note), dated September 15, 2017, to Kodiak Capital Group, LLC
4.6[20]	Promissory Note (Second Note), dated September 15, 2017, issued to Kodiak Capital Group, LLC
10.1[2]	2014 Stock Option Plan
10.3[3]	Employment Agreement – Rory Cutaia

10.4(4)	Secured Promissory Note dated December 11, 2014 from Songstagram, Inc.
10.5(4)	Secured Promissory Note dated December 11, 2014 from Rocky Wright
10.6(4)	Security Agreement dated December 11, 2014 from Songstagram, Inc.
10.7(4)	Security Agreement dated December 11, 2014 from Rocky Wright
10.8(5)	Acquisition Agreement dated January 20, 2015 among our company, Songstagram, Inc. and Rocky Wright
10.9(5)	Surrender of Collateral, Consent to Strict Foreclosure and Release Agreement dated January 20, 2015 between our company and Songstagram, Inc.
10.10(5)	Form of Termination Agreement and Release dated January 20, 2015
10.11(6)	Settlement and Release Agreement dated February 6, 2015 among our company, Songstagram, Inc. and Jeff Franklin
10.12(7)	Engagement letter dated March 20, 2015 among the Company., DelMorgan Group LLC and Globalist Capital, LLC
10.13(7)	Form of Note Purchase Agreement dated March 20, 2015
10.14(7)	Form of Warrant Certificate dated March 20, 2015
10.15(8)	12% Secured Convertible Note Issued to Rory J. Cutaia
10.16(8)	Security Agreement Issued to Rory J. Cutaia in Connection with 12% Secured Convertible Note
10.17(8)	12% Unsecured Convertible Note issued to Rory J. Cutaia
10.18(8)	12% Unsecured Note issued to Audit Prep Services, LLC
10.19(9)	Form of Stock Repurchase Agreements
10.20(10)	Form of Private Placement Subscription Agreement
10.21(10)	Form of 12% Secured Convertible Note Issued to Rory J. Cutaia
10.22(10)	Form of Security Agreement Issued to Rory J. Cutaia in Connection with 12% Secured Convertible Note
10.23(10)	Form of Warrant Agreement for Rory J. Cutaia
10.24(10)	Form of 12% Unsecured Convertible Note issued to Rory J. Cutaia
10.25(10)	Form of 12% Unsecured Convertible Note issued to Oceanside Strategies, Inc.
10.26(10)	Form of Warrant Agreement for Oceanside Strategies, Inc.
10.27(11)	Private Placement Subscription Agreement
10.28(11)	Form of Option Agreement for Messrs. Geiskopf and Cutaia
10.29(12)	July 12, 2016 Term Sheet with Nick Cannon
10.30(12)	Form of Option Agreement for Jeff Clayborne
10.31(13)	Form of Engagement Agreement dated August 8, 201 between the Company and International Monetary
10.32(14)	Private Placement Subscription Agreement
10.33(15)	April 2016 12% Unsecured Convertible Note issued to Oceanside Strategies, Inc.
10.34(15)	Extension Agreement and Amendment to 12% Unsecured Convertible Note issued to Oceanside Strategies, Inc.
10.35(15)	Warrant Agreement for Oceanside Strategies, Inc.
10.36(16)	Securities Purchase Agreement by and between the Company and the Purchaser, dated February 13, 2017
10.37(16)	Certificate of Designations, Preferences and Rights of the Series A Convertible Preferred Stock, dated February 13, 2017
10.37(a)(16)	Amended Certificate of Designations, Preferences and Rights of the Series A Convertible Preferred Stock, dated July 28, 2017
10.38(16)	Letter from Anton & Chia, LLP, dated February 15, 2017 to the Securities and Exchange Commission
10.39(17)	Articles of Merger, as file with Secretary of State of the State of Nevada on April 4, 2017
10.40(17)	Certificate of Correction, as filed with the Secretary of State of the State of Nevada on April 17, 2017
10.41(18)	On June 22, 2017, the Company moved its headquarters to 344 S. Hauser Blvd., Ste. 414, Los Angeles CA 90036. The Company's telephone number remains the same; 855-250-2300.
10.42(20)	Equity Purchase Agreement dated September 15, 2017 between nFüsz, Inc. and Kodiak Capital Group, LLC
10.43(20)	Registration Rights Agreement dated September 15, 2017 between nFüsz, Inc. and Kodiak Capital Group, LLC
10.44(21)	Corrected Equity Purchase Agreement, dated September 15, 2017, by and between nFüsz, Inc. and Kodiak Capital Group, LLC
10.45(22)	December 5, 2017 Securities Purchase Agreement between nFüsz, Inc. and EMA Financial, LLC
10.46(22)	December 5, 2017 8% Unsecured Convertible Note issued to EMA Financial, LLC
10.47(22)	December 5, 2017 Warrant Agreement for EMA Financial, LLC

10.48[22]	December 5, 2017 Securities Purchase Agreement between nFüsz, Inc. and Auctus Fund, LLC
10.49[22]	December 5, 2017 8% Unsecured Convertible Note issued to Auctus Fund, LLC
10.50[22]	December 5, 2017 Warrant Agreement for Auctus Fund, LLC
10.51[22]	December 13, 2017 Securities Purchase Agreement between nFüsz, Inc. and PowerUp Lending Group, LTD
10.52[22]	December 13, 2017 8% Unsecured Convertible Note issued to PowerUp Lending Group, LTD
10.53[23]	January 11, 2018 Securities Purchase Agreement between nFüsz, Inc. and EMA Financial, LLC
10.54[23]	January 11, 2018 8% Unsecured Convertible Note issued to EMA Financial, LLC
10.55[23]	January 11, 2018 Warrant Agreement for EMA Financial, LLC
10.56[23]	January 10, 2018 Securities Purchase Agreement between nFüsz, Inc. and Auctus Fund, LLC
10.57[23]	January 10, 2018 8% Unsecured Convertible Note issued to Auctus Fund, LLC
10.58[23]	January 10, 2018 Warrant Agreement for Auctus Fund, LLC
10.59[24]	Corrected Equity Purchase Agreement, dated September 15, 2017, by and between nFüsz, Inc. and Kodiak Capital Group, LLC (incorporated by reference to Exhibit 10.1 from the Form 8-k/A filed on October 26, 2017)
14.1[2]	Code of Ethics and Business Conduct
21.1	Subsidiaries Global System Designs Inc. (Canada)
31.1*	Certification of Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Principal Financial Officer and Principal Accounting Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1*	Certification of Principal Executive Officer, Principal Financial Officer and Principal Accounting Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2*	Certification of Principal Financial Officer and Principal Accounting Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS*	XBRL Instance Document
101.SCH*	XBRL Taxonomy Extension Schema
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase
101.DEF*	XBRL Taxonomy Extension Definition Linkbase
101.LAB*	XBRL Taxonomy Extension Label Linkbase
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase

*	Filed herewith
(1)	Previously filed as exhibits to our company's registration statement on Form S-1, on April 8, 2013, File Number 333-187782 and incorporated herein.
(2)	Previously filed as exhibits to our company's current report on Form 8-K on October 22, 2014 and incorporated herein.
(3)	Previously filed as an exhibit to our company's current report on Form 8-K on November 24, 2014 and incorporated herein.
(4)	Previously filed as an exhibit to our company's current report on Form 8-K on December 17, 2014 and incorporated herein.
(5)	Previously filed as an exhibit to our company's current report on Form 8-K on January 26, 2015 and incorporated herein.
(6)	Previously filed as an exhibit to our company's current report on Form 8-K on March 9, 2015 and incorporated herein.
(7)	Previously filed as an exhibit to our company's current report on Form 8-K on March 27, 2015 and incorporated herein.
(8)	Previously filed as an exhibit to our company's current report on Form 8-K on December 1, 2015 and incorporated herein.
(9)	Previously filed as an exhibit to our company's current report on Form 8-K on January 28, 2016 and incorporated herein.
(10)	Previously filed as an exhibit to our company's current report on Form 8-K on April 4, 2016 and incorporated herein.
(11)	Previously filed as an exhibit to our company's current report on Form 8-K on May 5, 2016 and incorporated herein.

(12) Previously filed as an exhibit to our company's current report on Form 8-K on July 12, 2016 and incorporated herein.

(13) Previously filed as an exhibit to our company's current report on Form 8-K on August 8, 2016 and incorporated herein.

(14) Previously filed as an exhibit to our company's current report on Form 8-K on September 14, 2016 and incorporated herein.

(15) Previously filed as an exhibit to our company's current report on Form 8-K on January 7, 2017 and incorporated herein.

(16) Previously filed as an exhibit to our company's current report on Form 8-K on February 14, 2017 and incorporated herein.

(17) Previously filed as an exhibit to our company's current report on Form 8-K on April 21, 2017 and incorporated herein.

(18) Previously filed as an exhibit to our company's current report on Form 8-K on June 22, 2017 and incorporated herein.

(19) Filed as an exhibit to our company's quarterly report on Form 10-Q on August 10, 2017 and incorporated herein.

(20) Previously filed as an exhibit to our Company's Current Report on Form 8-K on October 2, 2017 and incorporated herein.

(21) Previously filed as an exhibit to our Company's Current Report on Form 8-k/A on October 27, 2017 and incorporated herein.

(22) Previously filed as an exhibit to our Company's Current Report on Form 8-k on December 14, 2017 and incorporated herein.

(23) Previously filed as an exhibit to our Company's Current Report on Form S-1 on January 26, 2018 and incorporated herein.

(24) Previously filed as an exhibit to our Company's Current Report on Form S-1 on March 9, 2018 and incorporated herein.

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.

nFÜSZ, INC.

May 15, 2018	By: */s/ Rory Cutaia* Rory J. Cutaia President, Chief Executive Officer, Secretary, and Director (Principal Executive Officer)
May 15, 2018	By: */s/ Jeff Clayborne* Jeff Clayborne Chief Financial Officer

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

I, Rory J. Cutaia, certify that:

1. I have reviewed this quarterly report on Form 10-Q nFüsz, Inc.;

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

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

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

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

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

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

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

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

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

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

May 15, 2018

/s/ Rory Cutaia

Rory Cutaia
President, Secretary, Chief Executive Officer, Director, and Principal Executive Officer

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

I, Jeff Clayborne, certify that:

1. I have reviewed this quarterly report on Form 10-Q of nFüsz, Inc.;

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

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

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

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

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

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

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

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

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

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

May 15, 2018

/s/ Jeff Clayborne
Jeff Clayborne
Chief Financial Officer, Principal Financial Officer, and Principal Accounting Officer

CERTIFICATION PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The undersigned, Rory J. Cutaia, hereby certifies, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that

1. the quarterly report on Form 10-Q of nFüsz, Inc. for the quarterly period ended March 31, 2018 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of nFüsz Inc.

May 15, 2018

/s/ Rory Cutaia
Rory J. Cutaia
President, Secretary, Chief
Executive Officer, Director, and Principal Executive Officer

CERTIFICATION PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

The undersigned, Jeff Clayborne, hereby certifies, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that

1. the quarterly report on Form 10-Q of nFüsz, Inc. for the quarterly period ended March 31, 2018 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of nFüsz, Inc.

May 15, 2018

/s/ Jeff Clayborne

Jeff Clayborne
Chief Financial Officer, Principal Financial Officer, and Principal Accounting Officer