SANTINI GINO
Form 5
February 03, 2010

FORM 5

OMB APPROVAL

OMB Number:	3235-0362
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).
Form 3 Holdings Reported
Form 4 Transactions Reported

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

ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person *
SANTINI GINO

(Last) (First) (Middle)

LILLY CORPORATE CENTER

(Street)

INDIANAPOLIS,Â INÂ 46285

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
LILLY ELI & CO [LLY]

3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)
12/31/2009

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
Sr.VP, Corp. Strategy & BD

6. Individual or Joint/Group Reporting

(check applicable line)

_X_ Form Filed by One Reporting Person
___ Form Filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned at end of Issuer's Fiscal Year (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
				Amount	(A) or (D)	Price			
Common Stock	05/05/2009	Â	G	5,259	D	$ 0	96,915	D	Â
Common Stock	12/07/2009	Â	G	420	D	$ 0	96,495	D	Â
Common Stock	05/05/2009	Â	G	751	A	$ 0	3,806	I (1)	by daughter
Common Stock	05/05/2009	Â	G	751	A	$ 0	3,806	I (1)	by son
	05/05/2009	Â	G	3,757	A	$ 0	16,145	I (1)	by wife

Common Stock									
Common Stock	Â	Â	Â	Â	Â	Â	3,249	I	401(k)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 2270 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(*e.g.*, puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. of D Se Be O Er Is Fi (Ir
					(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares		

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SANTINI GINO LILLY CORPORATE CENTER INDIANAPOLIS,Â INÂ 46285	Â	Â	Â Sr.VP, Corp. Strategy & BD	Â

Signatures

Gino Santini	02/03/2010
**Signature of Reporting Person	Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Reporting person disclaims beneficial ownership of these shares.

Note: File three copies of this Form, one of which must be manually signed. If space provided is insufficient, *see* Instruction 6 for procedure.
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Date:

December 29, 2015

NEW YORK COMMUNITY BANCORP, INC.

/s/ Ilene A. Angarola

Ilene A. Angarola

Executive Vice President

and Director, Investor Relations

EXHIBIT INDEX

Exhibit 99.1 Press release issued by the Company on December 29, 2015.

Times, Serif; margin: 0; text-align: justify">

Meeting with and introducing products to customer
Developing flavor profiles for the specific customer
Participating in test marketing of the product with the flavors developed for the customer
Agreeing to a roll out schedule for the customer.

Although we have agreements with potential customers representing approximately 10,000 outlets to develop flavors and test our products and have begun to develop flavor profiles for others, we have no assurance that we will supply any chain with our products. During the year ended March 31, 2014 we began shipping our products to one of the customers with whom we have contracts and to a number of smaller customers.

In addition to the large retail fast food and fast casual chains, we will sell to food distributors that supply products to the food services market place. Effective July 2, 2014 we entered into an agreement with Sysco Merchandising and Supply Chain Services, Inc. for resale by the Sysco Corporation (“Sysco”) to the foodservice industry of the Company’s ready-to-blend smoothies, shakes and frappes. Our products will be included in Sysco’s national core selection of beverage items, making Barfresh its exclusive single-serve, pre-portioned beverage provider. The Agreement is mutually exclusive; provided however, we may supply our products to other foodservice distributors, but only to the extent required for such foodservice distributors to service multi-unit chain operators with at least 20 units and where Sysco is not such multi-unit chain operators nominated distributor for our products. We have begun shipping to Sysco under this agreement and anticipate a national rollout to approximately 74 distribution centers over the next 12 months.

There can be no assurance that we will not become dependent on one or a few major customers.

We intend to monetize the international patents outside of our current area of operations, North America, by expanding contract manufacturing to other countries and selling either through selling agents or our own sales personnel or by entering into some form of license or royalty agreements with third parties. Most recently, as part of our expansion due to the acquisition of the international patents, we engaged a leading regional Australian food ingredient supply and product developer as our wholesaler and distributor. Our first order was shipped to Australia in January 2014.

We are currently assessing our personnel needs in order to provide the best possible service and to maximize our sales potential in connection with our relationship with Sysco.

Critical Accounting Policies

The significant accounting policies set forth in Note 2 to our audited consolidated financial statements included in our Annual Report on Form 10-K for the year ended March 31, 2014, as updated by Note 1 to the Unaudited Condensed Consolidated Financial Statements included herein, and Management's Discussion and Analysis of Financial Condition and Results of Operations included in our Annual Report on Form 10-K for the year ended March 31, 2014, appropriately represent, in all material respects, the current status of our critical accounting policies and estimates, the disclosure with respect to which is incorporated herein by reference

Results of Operations

Results of Operation for Three Months Ended December 31, 2014 as Compared to the Three Months Ended December 31, 2013

(References to 2014 and 2013 are to the three months ended December 31, 2014 and 2013 respectively, unless otherwise specified.)

Revenue and cost of revenue

Revenue for 2014 was $56,109 as compared to $7,541 in 2013. We began shipping to new customers in 2014 whereas in 2013 only a limited number of customers were testing our products.

Cost of revenue for 2014 was $36,353 as compared to $4,414 in 2013. Our gross profit was $19,756 (35%) and $3,127 (41%) for 2014 and 2013, respectively. There were no significant change in our selling prices. Sales in both 2014 and 2013 included sales of blenders and freezers. We only make a nominal profit on these items as they are to accommodate our customers. We have no specific plan as to major sales of equipment to customers in the future. We anticipate that our gross profit percentage for the remainder of 2014 will improve over the current percentage.

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Operating expenses

Our operations during 2014 and 2013 were directed towards increasing sales and finalizing flavor profiles. We are currently evaluating our needs in regards to increased overhead as a result of the agreement with Sysco. We anticipate increases to selling costs mostly related to increasing our sales and marketing staff.

Our general and administrative expenses increased $140,099 as we grew the business and may not necessarily be indicative of the rate of future increases.

The following is a breakdown of our general and administrative expenses for the three months ended December 31, 2014 and 2013:

	2014	2013	Difference
Personnel costs	$237,952	$213,857	$24,095
Stock based compensation/options	24,903	-	24,903
Legal and professional fees	84,255	61,191	23,064
Travel	65,480	45,008	20,472
Rent	34,574	22,257	12,317
Marketing and selling	46,858	24,158	22,700
Director fees	26,202	-	26,202
Investor and public relations	23,036	9,000	14,036
Research and development	19,949	31,866	(11,917)
Consulting fees	16,680	36,416	(19,736)
Other expenses	23,009	19,046	3,963
	$602,898	$462,799	$140,099

Personnel cost represents the cost of employees including salaries, employee benefits and employment taxes and continues to be our largest cost. Personnel cost increased $24,095 (11.3%) from $213,857 to $237,952. We currently have seven full time employees. We anticipate personnel cost to increase in the future as we add more staff.

Stock based compensation is used as an incentive to attract new employees and to compensate existing employees. Stock based compensation, which includes stock issued and options granted to employees and non-employees. The amount in 2014 represents the amortization of stock grants and option grants to two directors. The fair value of the stock was based on the trading value of the shares on the date of grant and are being amortized over the vesting period. The fair value of the stock option was calculated using the Black-Sholes model using the following assumptions: expected life in years, 5; volatility, 91.82%; risk free rate of return, 1.45% and no annual dividends and are being amortized over the vesting period. We anticipate making additional grants in the future. We anticipate making additional grants in the future. No grants were made in 2013.

Legal and professional fees increased $23,064 (37.7%) from $61,191 in 2013 to $84,255 in 2014, as a result of increased activity. We anticipate legal fees related to ongoing Securities and Exchange Commission reporting to remain the same and additional legal fees to be related to the number of contracts we are negotiating.

Travel and entertainment expenses increased $20,472 (45.5%) from $45,008 in 2013 to $65,480 in 2014. The increase is due to increased travel related to selling and marketing activities. We anticipate that travel and entertainment cost will increase as we increase the number of customers that we are selling to.

Rent expense is primarily for our location in Beverly Hills, California. Our rent expense is approximately $7,000 per month. The lease on the office commenced in October 2012 and expires in October 2014. We have negotiated an extension to the lease which now expires in November 2016. Our rent has increased to approximately $7,600 per month. Rent expense also includes monthly parking fees as well as an offsite storage facilities.

Marketing and selling expenses increased $22,700 (93.9%) from $24,158 in 2013 to $46,858 in 2014. The increase relates primarily to overall sales and marketing activities. We anticipate a continued increase in these costs.

We had no director fees in 2013. We will continue to incur director fees in the future. We approved a fee of $12,500 per quarter for all non-employee directors. We currently have three non-employee directors who will receive payments in the future.

Investor and public relation expenses increased by $14,036 (156%) from $9,000 in 2013 to $23,036 in 2014. The increase is primarily a result of engaging an IR/PR firm to increase awareness of the company as well as attendance a conferences.

Consulting fees decreased by $19,736 (54.2%) from $36,416 in 2013 to $16,680 in 2014. Our consulting fees vary based on needs. We engage consultants in the area of sales, operations and accounting. Future consulting fees will be variable depending on our needs

Research and development expenses decreased $11,917 (37.4%) from $31,866 in 2013 to $19,949 in 2014. Research and development represents the cost of developing flavor profiles of our products and the development of future equipment. We anticipate cost continuing in future periods, the amounts of which cannot be estimated at this point in time. Our research and development cost will be dependent on new formulations and new flavor profiles as our customer base increases.

Other expenses consist of ordinary operating expenses such as office, telephone, insurance, and stock related costs. We anticipate increases in these expenses.

We had operating losses of $620,049 and $487,324 for 2014 and 2013, respectively.

Interest expense increased $98,239 (227%) from $43,284 in 2013 to $141,523 in 2014. Interest primarily relates to convertible debt that was issued in August 2012 and renewed in September 2013 and short term notes that were issued in December 2013. The stated interest rate on the convertible debt is 12%. After giving effect to the debt discount the effective rate of interest on the short term debt is estimated to be approximately 53% and approximately 74% on the convertible notes. Interest expense includes direct interest of $16,842 and $17,600 for 2014 and 2013, respectively, calculated based on the interest rates stated in our various debt instruments. In addition, interest expense includes non-cash amortization of the debt discount of $124,680 and $25,217 for 2014 and 2013, respectively

We had net losses of $761,572 and $530,608 for 2014 and 2013, respectively.

Results of Operation for Nine Months Ended December 31, 2014 as Compared to the Nine Months Ended December 31, 2013

(References to 2014 and 2013 are to the nine months ended December 31, 2014 and 2013 respectively, unless otherwise specified.)

Revenue and cost of revenue

Revenue for 2014 was $157,834 as compared to $39,799 in 2013. We began shipping to new customers in 2014 whereas in 2013 only a limited number of customers were testing our products.

Cost of revenue for 2014 was $97,456 as compared to $25,733 in 2013. Our gross profit was $60,378 (38%) and $14,066 (35%) for 2014 and 2013, respectively. There were no significant change in our selling prices. Sales in both periods included sales of blenders and freezers. We only make a nominal profit on these items as they are to accommodate our customers. We have no specific plan as to significant sales of equipment to customers in the future. We anticipate that our gross profit percentage for the remainder of 2014 will approximate the current period.

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Operating expenses

Our operations during 2014 and 2013 were directed towards increasing sales and finalizing flavor profiles. We are currently evaluating our needs in regards to increased overhead as a result of the agreement with Sysco.

Our general and administrative expenses increased $693,498 as we grew the business and may not necessarily be indicative of the rate of future increases.

The following is a breakdown of our general and administrative expenses for the nine months ended December 31, 2014 and 2013:

	2014	2013	Difference
Personnel costs	$719,704	$669,777	$49,927
Stock based compensation/options	345,726	(103,488)	449,214
Legal and professional fees	218,561	133,889	84,672
Travel	153,377	119,703	33,674
Consulting fees	127,675	209,178	(81,503)
Marketing and selling	115,525	65,145	50,380
Rent	93,734	62,209	31,525
Investor and public relations	83,567	75,094	8,473
Director fees	61,341		61,341
Research and development	53,526	40,305	13,221
Other expenses	86,193	93,619	(7,426)
	$2,058,929	$1,365,431	$693,498

Personnel costs represents the cost of employees including salaries, employee benefits and employment taxes and continues to be our largest cost. Personnel cost increased $49,927 (7.5%) from $669,777 to $719,704. We currently have seven full time employees. We anticipate personnel cost to increase in the future as we add more staff.

Stock based compensation is used as an incentive to attract new employees and to compensate existing employees. Stock based compensation, which includes stock issued and options granted to employees and non-employees. The amount in 2014 represents stock grants made to an officer/director, a director, two employees and an international consultant. The fair value of the stock was based on the trading value of the shares on the date of grant. The fair value of the stock option was calculated using the Black-Sholes model using the following assumptions: expected life in years, 3-5; volatility, 83.6 % - 91.82%; risk free rate of return, .94% - 1.45% and no annual dividends and are being amortized over the vesting period. We anticipate making additional grants in the future. No grants were made in 2013 and the negative amount represents adjustment to previous grants.

Legal and professional fees increased $84,672 (63.2%) from $133,889 in 2013 to $218,561 in 2014, as a result of increased activity. During 2014 we issued 105,000 shares of our common stock as partial payment for services rendered. The shares were valued at the trading price at the date of grant, $80,850 ($0.77 per share). We anticipate legal fees related to ongoing Securities and Exchange Commission reporting to remain the same and additional legal fees to be related to the number of contract we are negotiating.

Travel and entertainment expenses increased $33,674 (28.1%) from $119,703 in 2013 to $153,377 in 2014. The increase is due to increased travel related to selling and marketing activities. We anticipate that travel and entertainment cost will increase as we increase the number of customers that we are selling to.

Consulting fees decreased by $81,503 (39%) from $209,178 in 2013 to $127,675 in 2014. Our consulting fees vary based on needs. We engage consultants in the area of sales, operations and accounting. Future consulting fees will be variable depending on our needs.

Marketing and selling expenses increased $50,380 (77.3%) from $65,145 in 2013 to $115,525 in 2014. The increase relates primarily to overall sales and marketing activities. We anticipate a continued increase in these costs.

Rent expense is primarily for our location in Beverly Hills, California. Our rent expense is approximately $7,000 per month. The lease on the office commenced in October 2012 and expired in October 2014. We have negotiated an extension to the lease which now expires in November 2016. Our rent has increased to approximately $7,600 per month. Rent expense also includes monthly parking fees as well as an offsite storage facilities.

We had no director fees in 2013. We will continue to incur director fees in the future. In 2014 we approved a fee of $12,500 per quarter for all non-employee directors. We currently have two non-employee directors who will receive payments in the future.

Research and development expenses increased $13,221 (32.8%) from $40,305 in 2013 to $53,526 in 2014. Research and development represents the cost of developing flavor profiles of our products and the development of future equipment. We anticipate cost continuing in future periods, the amounts of which cannot be estimated at this point in time. Our research and development cost will be dependent on new formulations and new flavor profiles as our customer base increases.

Other expenses consist of ordinary operating expenses such as office, telephone, insurance, and stock related costs. We anticipate increases in these expenses.

We had operating losses of $2,093,374 and $1,407,494 for 2014 and 2013, respectively.

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Interest expense increased $183,966 (94.2%) from $195,313 in 2013 to $379,279 in 2014. Interest primarily relates to convertible debt that was issued in August 2012 and renewed in September 2013 and short term notes that were issued in December 2013. The stated interest rate on the convertible debt is 12%. After giving effect to the debt discount the effective rate of interest on the short term debt is estimated to be approximate 53% and approximately 74% on the convertible notes. Interest expense includes direct interest of $49,884 and $48,741 for 2014 and 2013, respectively, calculated based on the interest rates stated in our various debt instruments. In addition, interest expense includes non-cash amortization of the debt discount of $329,395 and $146,839 for 2014 and 2013, respectively.

We had net losses of $2,472,653 and $1,602,807 for 2014 and 2013, respectively.

Liquidity and Capital Resources

As of December 31, 2014 we had negative working capital of $99,329.

During the nine months ended December 31, 2014 we used cash of $1,839,495 in operations, $235,023 for the purchase of equipment and $11,838 for patents and trademarks. We generated cash flow from the sale of equipment of $28,053

We generated $247,000 in financing activity from the sale of common stock during the nine months ended December 31, 2014.

Our operations to date have been financed by the sale of securities, the issuance of convertible debt and the issuance of short-term debt, including related party advances. If we are unable to generate sufficient cash flow from operations with the capital raised we will be required to raise additional funds either in the form of capital or debt. There are no assurances that we will be able to generate the necessary capital or debt to carry out our current plan of operations.

We lease office space under a non-cancelable operating lease, which expired October 31, 2014. We renewed the lease and it Will now expire on November 7, 2016.

The aggregate minimum requirements under non-cancelable leases as of December 31, 2014 is as follows:

Fiscal Years ending March 31,	
2015	19,011
2016	91,252
2017	53,231
	$163,494

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to stockholders.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Not required because we are a smaller reporting company.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our Chief Executive Officer and our Chief Financial Officer, we conducted an evaluation of our disclosure controls and procedures, as such term is defined under Securities and Exchange Act of 1934 Rules 13a-15(f). Based on this evaluation, our Chief Executive Officer and our Chief Financial Officer concluded that the Company’s disclosure controls and procedures were effective as of December 31, 2014.

However, management has identified the following material weaknesses in our internal control over financial reporting:

We do not have an audit committee: While we are not currently obligated to have an audit committee, including a member who is an “audit committee financial expert,” as defined in Item 407 of Regulation S-K, under applicable regulations or listing standards; however, it is management’s view that such a committee is an important internal control over financial reporting, the lack of which may result in ineffective oversight in the establishment and monitoring of internal control.

We do not have a majority of independent directors on our board of directors, which may result in ineffective oversight in the establishment and monitoring of our internal control.

Inadequate Segregation of Duties: We have an inadequate number of personnel to properly implement internal control.

Since the assessment of the effectiveness of our internal control over financial reporting did identify material weaknesses, management considers its internal control over financial reporting to be ineffective.

Management believes that the material weakness set forth above did not have an effect on our financial results.

Changes in Internal Control over Financial Reporting

There has been no change in the Company’s internal control over financial reporting during the three months ended December 31, 2014 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

No disclosure required hereunder.

Item 1A. Risk Factors.

Not required because we are a smaller reporting company.

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

During November 2014 we sold 494,000 units at a price of $0.50 per unit for an aggregate of $247,000. Each unit consist of one share of common stock and a warrant to purchase ½ share of our common stock at an exercise price of $0.60 per share, exercisable for a period of 3 years.

The foregoing issuances of securities were made in reliance on Section 4 (2) of the Securities Act of 1933, as amended (the “Act”), for transactions of an issuer not involving a public offering.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

None.

Item 6. Exhibits.

Exhibit No.	Description
31.1	Certification of Principal Executive Officer, pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith)
31.2	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith)
32.1	Certification of Principal Executive Officer of the Company, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification of Principal Financial Officer of the Company, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS*	XBRL Instance Document
101.SCH*	XBRL Taxonomy Extension Schema Document
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document

XBRL (Extensible Business Reporting Language) information is furnished and not filed or a part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, as amended, is deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and otherwise is not subject to liability under these sections.

In accordance with SEC Release 33-8238, Exhibits 32.1 and 32.2 are furnished and not filed.

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.

BARFRESH FOOD GROUP INC.

Date: February 19, 2015 By:*/s/ Riccardo Delle Coste*
Riccardo Delle Coste
Chief Executive Officer
(Duly Authorized Officer and Principal Executive Officer)

Date: February 19, 2015 By:*/s/ Arnold Tinter*
Arnold Tinter
Chief Financial Officer
(Duly Authorized Officer and Principal Financial Officer)

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Explanation of Responses: