



The Significance of an Uplisting

A review of the different exchanges and how they affect stocks

An uplisting occurs when a stock moves to a higher quality stock exchange after meeting the necessary requirements. This is rarely seen among smaller stocks but happens fairly often for Bowser recommendations. Uplistings attract more investors and usually are indicative of a financially sound company on an upward path.

THE STOCK EXCHANGES

Over-the-Counter stocks, or OTC stocks, are usually less actively traded and not considered long-term investments. However, there are different “tiers” for OTC stocks and *The Bowser Report* only recommends those that are listed on the higher tiers of OTCQB and OTCQX. These tiers require a market maker sponsor to provide liquidity and registration with the Securities and Exchange Commission (SEC). Ten Bowser stocks trade on the OTCQB or OTCQX. These are some of the smaller companies in the newsletter.

Of the larger exchanges typical of Bowser recommendations, the NYSE MKT is seen as having less quality than the NasdaqCM. Seven Bowser stocks trade on the NYSE MKT, which is more commonly referred to as “AMEX.” Twenty Bowser stocks trade on the NasdaqCM, on which it is harder to gain a listing, but seems to be more popular for Bowser uplistings.

The chart above provides a visual representation of basic fundamental metrics to show the difference in size and value of the Bowser stocks among the three different exchanges.

The bars show that OTC Bowser stocks have much less liquidity than the other exchanges. There is also a clear trend among these metrics showing the size, value and earnings of NYSE MKT and NasdaqCM stocks in comparison to OTC stocks.

The only major imbalance is the difference

in average Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) between the three exchanges. NYSE MKT stocks have higher earnings, but that doesn’t necessarily indicate that the companies have higher value.

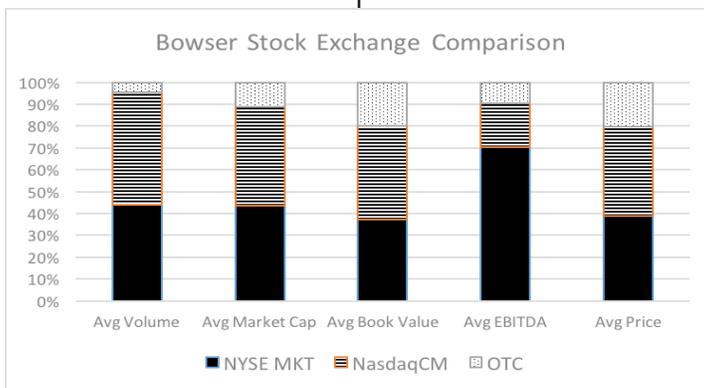
REQUIREMENTS OF EACH EXCHANGE

Because requirements are minimal for OTC stocks, focus needs on the key differences between the requirements for NYSE MKT and NasdaqCM stocks.

The requirements are similar, but the stock exchanges are still very different. Many active

portfolio managers prefer NasdaqCM stocks, but don’t realize that the requirements are much different than those of Nasdaq Select stocks.

Since an uplisting increases the potential upside of a stock, you can gauge the probability of a Bowser recommendation uplisting to one of these



exchanges.

The table below shows the main requirements to list on these exchanges.

| Requirement | NYSE MKT | NasdaqCM |
|-------------------------------------|-------------|-------------|
| Market Value of Publicly Held Stock | \$3,000,000 | \$5,000,000 |
| No. of Publicly Held Shares | 500,000 | 1,000,000 |
| No. of Public Shareholders | 800 | 300 |
| Bid Price | \$2-\$3 | \$4-\$5 |
| Net Income | \$750,000 | \$750,000 |
| Shareholders' Equity | \$4,000,000 | \$4,000,000 |

BENEFITS OF UPLISTING

There are numerous benefits to a stock uplisting to a new stock exchange. It is typical for a penny stock to uplist from the OTCQX/OTCQB (Over-the-Counter), an exchange with minimal requirements, to either the NasdaqCM stock exchange or the NYSE MKT stock exchange.

The most important benefit is that liquidity, an important factor for most retail investors, doubles for the average uplisted stock, minimizing risk and increasing activity.

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With more liquidity, it is harder for a stock to be manipulated, which can happen more easily on OTC exchanges, depending on the share structure and average volume.

In addition, analysts start to initiate coverage of stocks that are newly listed on the NasdaqCM and NYSE MKT almost immediately. Although analyst opinions always need to be taken with a grain of salt, the coverage will catch the eye of larger investors.

Institutions don't usually start gaining an interest until a stock surpasses \$5, but many fund managers also like to invest in recently uplisted stocks with promising potential. This could trigger a chain reaction if a top tier analyst initiates bullish coverage, leading to institutions buying large amounts of the stock and driving retail investors to accumulate even more.

EXAMPLE

The December Company of the Month is an OTC stock with an abundance of potential. So, there could be a chance that **Franklin Wireless (FKWL)** could uplist to a larger exchange.

Franklin Wireless has about 10,480,000 shares outstanding, but the number of public shareholders is not listed information. With a bid price of \$2.60 per share it is already above the NYSE MKT required minimum. Its net income is over double the \$750,000 requirement, and its shareholders' equity is over four times the minimum of \$4,000,000.

The market value of publicly held stock can be calculated by taking the shares outstanding (10,414,755 shares) and multiplying it by the current bid price of the stock (\$2.60 per share). This gives FKWL's publicly held stock a market value of \$27,078,363, surpassing the requirements of

A note from the the publisher

Without commandeering too much space from the usual content, I want to take an opportunity to thank all of our wonderful subscribers and wish each and every one of you a truly Happy Holiday Season.

This 40th year of *The Bowser Report* has been one of change, but for the better. We've brought on Faris Sleem as Editor, and he's provided some great content and

Market Overview

| | | | | |
|--------------------|--------------------|----------------|-------------------|------------------|
| BWSR AVG ↑ 2.4% | RUS 2000 ↑ 2.4% | DJIA ↑ 1.7% | S&P 500 ↑ 1.3% | NASDAQ ↑ 0.4% |
|--------------------|--------------------|----------------|-------------------|------------------|

Markets rallied from the election pullback and continued to hit all-time highs. Bowser stocks exaggerated the bullish price action and continued to gain. **The Goldfield Corporation (GV)** soared over 50% following speculation of Trump's plans to minimize delays for the industry as a whole. All eyes are now on the Federal Reserve for the anticipated rate hike.

\$3,000,000 and \$5,000,000 for the NYSE MKT and NasdaqCM respectively.

Not all companies wish to uplist or would prefer listing on the NasdaqCM or NYSE MKT. It's a big decision for companies, and one that involves quite a bit of money. So, although the outcome is possible, it's not guaranteed.

CONCLUSION

While an uplisting is rare among smaller stocks, our recommendations have minimal risk due to our rating system and in-depth analysis, making uplistings probable.

By analyzing the requirements for a listing on the NasdaqCM and NYSE MKT, you can gauge how likely a new Bowser recommendation is to uplist and receive positive catalysts down the road.

It's important to not let a stock exchange change your perspective on a company. What matters is the underlying company, not any single metric that would disallow it from uplisting. If one of your holdings uplists in the future, be aware that liquidity may increase, analysts may initiate coverage, and institutions or money managers could take a large stake in the company. And, for the most part, these are all good things.

made some promising picks. I know that as he continues in this role, it will only benefit subscribers more and more.

The month of December is the time to reflect on the past year, to spend time with family and to (hopefully) take a moment to relax. I wish you all the best for the end of 2016 and a bright beginning to 2017.

Happy investing,

Thomas Rice

The Bowser Game Plan

1. DO NOT PAY more than \$3/share for a stock.
2. CREATE A PORTFOLIO of 12 to 18 stocks. **Diversification is important.**
3. DO NOT SELL when a stock goes above \$3/share and is moved to Page 5.
4. DO NOT SELL when a stock moves to a lower category.
5. SELLING PLAN: Sell half of your holdings when the stock doubles from your purchase price. Sell the remainder after the stock drops 25% from its most recent high. If the stock drops 50% without doubling, sell all shares.
6. RECORD proceeds from sales.
7. PORTFOLIO EVALUATION = current value of portfolio + proceeds from sales

COMPANY OF THE MONTH

Franklin Wireless (FKWL) is a global leader in intelligent wireless solutions, including mobile hotspots, routers and modems as well as innovative hardware and software products supporting machine-to-machine (M2M) applications and the Internet of Things (IoT).

The company was initially a supplier of computer components but has recently introduced the first broadband USB modem to the North American market. It also was the first company to develop and commercially deploy a dual-mode USB modem anywhere in the world. FKWL's customer base consists of wireless carriers, OEMs, distributors and consumers.

A NOTEWORTHY EDGE

Franklin Wireless is known for introducing six new products that the world has never seen before and selling them to big companies like one of its current customers, Sprint. These products are primarily based around its broadband USB modem, which was invented in 2004 and launched in the U.S. in 2005.

Since FKWL has already penetrated the broadband USB modem market, it has moved towards developing new products such as its 4G connected Smart Boombox, a speaker that can connect via Wi-Fi, Bluetooth, and LTE. The product was showcased at the Qualcomm 4G/5G Summit back in mid-October in Hong Kong.

Franklin Wireless's consistent innovation and penetration of different markets shows the upside that FKWL provides for investors. Each of its recent products including its bus management gateway and solution, small LTE simple mobile hotspot and the highly advanced USB modem have all brought in huge customers and high sales.

HIGH QUALITY CUSTOMER BASE

The company's largest customers consist of Verizon Communications (VZ), Sprint (S) and Smile Communications. These companies each represent at least 10% of FKWL's net sales. After analyzing the company's timeline, it's observable that FKWL has adapted to increasing competition and consistently made its products more reliable and cost-effective.

With these established relationships, the chances of some of these larger companies purchasing FKWL's new products is fairly good. On top of that, the experience from the management board allows for more well-established customers to come into the picture down the road, potentially increasing sales

dramatically.

EXPERIENCED LEADERSHIP

President and director, OC Kim, has held a position since 2003 and was the founder and president of Accetio prior to the merger. Before Accetio, Kim was the Chief Operating Officer of Axesstel, a pioneering developer of CDMA Wireless Local Loop products.

Some even more noteworthy experience stems from his twenty-three years of sales and marketing overseas, which started at Lucky Goldstar (LG) Electronics. He also held a sales position at Kolon Data Communications, one of Korea's most prominent technology conglomerates.

FINANCIALS

A strong financial foundation is vital for a company like Franklin Wireless. With major customers, product variety and strong management, consistent growth is key.

Total assets are currently double that of total liabilities, and FKWL has cash of \$10,936,994. This equates to cash per share of over \$1.00, which attracts many long-term investors and qualifies as high liquidity.

Aside from the liquidity, revenue has almost

doubled in the past two years and net income is now \$1,610,971, up from a net loss of just under \$1,000,000 in 2014.

FKWL does not have any outstanding long-term debt and recently paid off some of its short-term debt, which should improve its balance

sheet in the coming quarter. It has a history of seeing year-over-year increases in EPS and revenue and saw higher earnings in the most recent quarter.

MOVING FORWARD

With a strong financial situation and promising channels of revenue, it's unlikely that Franklin Wireless will struggle long-term. Its most recent quarterly report suggests that the only large risk is losing a major customer, which is unlikely due to its innovative product line and constant adaptation.

The company has proprietary products and an experienced management team that will continue to bring products to the table in order to penetrate new markets. By doing this, there's a good chance that FKWL could become a powerhouse among its competitors and reward its shareholders.

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OTC QB: FKWL
BOWSER RATING: 12
Last 12 Months: \$2.20-2.70

| | 2015 | 2016 | 2017 (A) |
|---------------------------------|--------------|--------------|--------------|
| REVENUES | \$46,344,233 | \$59,804,694 | \$12,704,474 |
| INCOME(LOSS) | \$760,008 | \$1,610,971 | \$262,541 |
| WORKING CAPITAL | \$12,654,897 | \$14,643,677 | \$14,967,485 |
| BOOK VALUE | \$1.55 | \$1.75 | \$1.77 |
| TOTAL SHARES | 10,533,869 | 10,414,755 | 10,471,818 |
| FLOAT | N/A | N/A | 4,330,000 |
| (A) THREE MONTHS ENDED 09/30/16 | | | |

MINIPRICED STOCKS IN BUYING RANGE

SYMBOLS: (A) NYSE MKT; (CM) NASDAQ CAPITAL MARKET, WAS THE SMALL CAP MARKET; (GM) NASDAQ GLOBAL MARKET, WAS NATIONAL MARKET; (N) NEW YORK STOCK EXCHANGE; (NR) NOT RATED; (QB) OTC QB MARKET; (QX) OTC QX MARKET; # PREVIOUSLY APPEARED ON LIST, BUT WAS REMOVED BECAUSE IT HAD RISEN ABOVE \$3.00/SHARE; FIGURES IN PARENTHESIS ARE LOSSES.

| Date of Recommend & Market | Issue/Trading Symbol | Principal Business | Price 12/02/16 | Long-term Debt (Millions) | Sales Updated Quarterly (Millions) | Income/Loss Updated Quarterly (Millions) | Shares Outstanding (Millions) | Bowser Rating |
|--|-----------------------------|--|----------------|---------------------------|------------------------------------|--|-------------------------------|---------------|
| CATEGORY ONE: BEST COMPANIES (RATED 10+) | | | | | | | | |
| 12/16(QB) | FRANKLIN WIRELESS (FKWL) | WIRELESS SOLUTIONS | 2.70 | \$0.000 | \$60.6 | \$1.856 | 10.5 | 12 |
| 03/15(A) | NETWORK-1 TECH. (NTIP) | NOW ABOVE \$3 A SHARE; SEE PAGE 5 | | | | | | |
| 02/15(GM) | NOVA LIFESTYLE INC. (NVFY) | FURNITURE MANUFACTURING/SALES | 2.32 | \$0.000 | \$114.8 | \$0.449 | 26.6 | 11 |
| 11/15(QX) | OURPET'S COMPANY (OPCO) | PET SUPPLIES | 1.01 | \$0.703 | \$25.5 | \$1.369 | 17.7 | 10 |
| 04/15(QB) | SCOTT'S LIQUID GOLD (SLGD) | HOUSEHOLD AND BEAUTY PRODUCTS | 1.31 | \$0.000 | \$29.2 | \$4.780 | 11.7 | 10 |
| # 10/12(QB) | WHERE FD CMS FROM (WFCF) | FOOD VERIFICATION SERVICES | 2.04 | \$0.178 | \$11.4 | \$0.635 | 23.9 | 10 |
| CATEGORY TWO: GOOD COMPANIES (RATED 8-9) | | | | | | | | |
| 11/16(N) | CHINA NEW BORUN (BORN) | CORN PRODUCTS IN CHINA | 1.29 | \$0.000 | \$350.4 | \$16.960 | 25.7 | 9 |
| 07/14(QB) | FITLIFE BRANDS (FTLF) | NUTRITIONAL SUPPLEMENTS | 1.05 | \$0.507 | \$24.4 | (\$0.218) | 10.5 | 8 |
| # 06/12(A) | GOLDFIELD (GV) | NOW ABOVE \$3 A SHARE; SEE PAGE 5 | | | | | | |
| 12/14(QB) | INT'L BALER CORP. (IBAL) | BALING EQUIPMENT | 2.15 | \$0.000 | \$18.5 | \$0.901 | 5.2 | 9 |
| 10/16(CM) | KOSS CORPORATION (KOSS) | STEREO ACCESSORIES | 2.63 | \$0.000 | \$26.0 | \$1.390 | 7.4 | 9 |
| 07/13(CM) | LIGHTPATH TECH (LPTH) | OPTICAL COMPONENTS | 1.42 | \$0.144 | \$18.1 | \$0.712 | 15.7 | 9 |
| 07/16(CM) | LRAD CORP (LRAD) | ACOUSTIC SYSTEMS | 1.75 | \$0.000 | \$14.3 | \$7.847 | 31.8 | 8 |
| 01/15(N) | NEVADA GOLD & CASINOS (UWN) | GAMING OPERATIONS | 1.75 | \$16.231 | \$72.7 | \$0.744 | 17.8 | 8 |
| # 10/14(GM) | ROYAL BANCSHARES (RBPA) | BANK HOLDING COMPANY | 2.81 | \$0.000 | \$29.2 | \$11.591 | 30.1 | 8 |
| 07/10(QB) | REPRO MED SYSTEMS (REPR) | DESIGN/PRODUCE MED PRODUCTS | 0.43 | \$0.000 | \$12.6 | \$0.614 | 38.0 | 8 |
| CATEGORY THREE: SPECULATIVE COMPANIES (RATED 7 AND BELOW AND/OR NON-PROFITABLE) | | | | | | | | |
| # 03/13(GM) | ADDVANTAGE TECH (AEY) | CABLE TV EQUIPMENT | 1.74 | \$3.691 | \$38.5 | \$0.696 | 10.1 | 7 |
| 03/16(CM) | BROADWAY FINANCIAL (BYFC) | BANK HOLDING COMPANY | 1.60 | \$0.000 | \$16.6 | \$7.755 | 21.4 | 7 |
| # 03/14(A) | COMMAND SECURITY (MOC) | SECURITY PERSONNEL/SERVICES | 2.69 | \$0.000 | \$143.7 | (\$1.429) | 9.8 | 9 |
| # 05/14(CM) | CPS TECHNOLOGIES (CPSH) | ADVANCED MATERIAL SOLUTIONS | 1.30 | \$0.000 | \$19.6 | \$0.427 | 13.2 | 7 |
| 06/14(A) | DYNASIL CORP. (DYSL) | OPTICAL COMPONENTS | 1.26 | \$0.988 | \$43.7 | \$0.340 | 16.8 | 7 |
| # 06/08(A) | FLEXIBLE SOLUTIONS (FSI) | SPECIALTY CHEMICALS | 1.40 | \$0.402 | \$15.9 | \$1.834 | 11.5 | 7 |
| 08/16(CM) | FULL HOUSE RESORTS (FLL) | CASINO OPERATIONS | 1.88 | \$65.149 | \$136.2 | (\$2.062) | 19.0 | 7 |
| 04/16(A) | GIGPEAK, INC. (GIG) | SEMICONDUCTORS AND SOFTWARE | 2.47 | \$10.555 | \$53.6 | \$1.474 | 67.6 | 7 |
| # 09/14(CM) | INFOSONICS CORP. (IFON) | SELL RECOMMENDATION; SEE BELOW | | | | | | |
| # 12/15(A) | INFUSYSTEM HOLDINGS (INFU) | MEDICAL INFUSION PUMPS | 1.85 | \$33.482 | \$70.6 | \$4.594 | 22.6 | NR |
| 11/14(QB) | NOBLE ROMAN'S (NROM) | PIZZA FRANCHISES AND LICENSES | 0.42 | \$0.576 | \$7.6 | (\$0.535) | 20.8 | 9 |
| 08/13(QB) | PAYBOX CORP. (PBOX) | E-INVOICING SOLUTIONS | 0.43 | \$0.000 | \$7.3 | \$0.515 | 13.0 | 7 |
| 08/14(QB) | SONO-TEK CORP. (SOTK) | ULTRASONIC NOZZLES | 1.01 | \$1.147 | \$10.5 | \$0.217 | 15.0 | 7 |
| 04/13(CM) | SPAR GROUP (SGRP) | MERCHANDISING AND MARKETING | 1.05 | \$4.027 | \$116.6 | \$0.827 | 20.6 | 7 |
| # 06/16(A) | SUNWORKS, INC. (SUNW) | SOLAR ENERGY SYSTEMS | 2.17 | \$1.062 | \$85.3 | (\$4.541) | 20.9 | NR |

We recommend only purchasing companies rated 8 or higher. If a company's rating drops, do not sell. For when to sell, refer to the Game Plan on page 2.

SELL RECOMMENDATION

Sell **InfoSonics (IFON)**. IFON has been unable to report consistent fundamentals in some time. Those familiar know the volatility common with both share price and earnings. It's time to let this one go.

CATEGORY/RATING CHANGES

- Moving up: **NVfy** from 2 to 1.
- Moving down: **FSI** from 2 to 3. **LPTH** from 1 to 2. **NROM** from 1 to 3. **SUNW** from 2 to 3.

Direct Insite changes ticker symbol

Direct Insite (DIRI) announced a name and ticker symbol change that became effective with the Financial Industry Regulatory Authority. The company's common stock began trading on the OTCQB under Paybox Corp. with new trading symbol, "PBOX." Management stated that the combination

of its brand name and network name under a single banner was a sensible next step in the evolution and growth of the company.

Command Security lands new contract

Command Security (MOC) announced that Aviation Safeguards, the company's aviation services division, received a three-year contract to continue services with a major domestic airline in the New York City metropolitan area. This award secures the continuation of current services through December 31, 2019.

Total revenues associated with this award are estimated at \$17 million annually, or approximately \$50 million over the three-year term. Under the contract, the company will continue to provide security, baggage handling and wheelchair services.

FOLLOW-THROUGH AND STOCKS TO SELL

WE ENCOURAGE SUBSCRIBERS TO BUY OUR STOCKS WHEN THEY ARE \$3 OR LESS. HOWEVER, WHEN THEY GO ABOVE \$3, WE FOLLOW THEM IN THE FIRST GROUP BELOW. IN BOTH OF THE FOLLOWING LISTS, COLUMN 1 GIVES THE SHARE PRICE AS OF 12/02/16 PLUS THE CURRENT BOWSER RATING. COLUMN 2 IN THE FIRST LIST BELOW INCLUDES THE MONTH/YEAR WE ORIGINALLY RECOMMENDED THE ISSUE, THE PRICE PER SHARE THEN AND THE BOWSER RATING. (NR=not rated)

| ISSUE/EXCHANGE SYMBOL | 1 | 2 | ISSUE/EXCHANGE SYMBOL | 1 | 2 |
|------------------------------------|------------|------------------|---------------------------------|------------|------------------|
| ATLANTIC AMERICAN (GM:AAME) | \$3.95(7) | 02/12 \$2.05(8) | NETWORK-1 TECHNOLOGIES (A:NTIP) | \$3.10(9) | 03/15 \$2.29(10) |
| CEMTREX, INC. (CM:CETX) | \$4.24(NR) | 05/16 \$1.96(8) | PLANET PAYMENT (CM:PLPM) | \$3.92(8) | 07/15 \$2.42(10) |
| DLH HOLDINGS (CM:DLHC) | \$6.65(10) | 01/14 \$1.53(9) | RIVERVIEW BANCORP (GS:RVSB) | \$6.27(10) | 06/13 \$2.30(9) |
| ELECTROMED (A:ELMD) | \$3.85(8) | 09/15 \$1.64(10) | SIMULATIONS PLUS (CM:SLP) | \$9.00(10) | 05/10 \$2.46(9) |
| GOLDFIELD CORP. (A:GV) | \$4.45(9) | 06/12 \$1.58(8) | SMITH-MIDLAND (QX:SMID) | \$5.00(10) | 02/16 \$2.38(10) |
| ITERIS (A:ITI) | \$3.27(9) | 12/06 \$2.21(8) | SOCKET MOBILE (CM:SCKT) | \$3.39(10) | 09/16 \$2.59(10) |
| MANHATTAN BRIDGE CAPITAL (CM:LOAN) | \$6.95(9) | 02/10 \$1.10(9) | VIRCO MANUFACTURING (GM:VIRC) | \$4.10(8) | 06/15 \$2.51(11) |
| MEETME INC. (CM:MEET) | \$4.58(10) | 10/15 \$1.62(10) | | | |

THE FOLLOWING WE SAID SHOULD BE SOLD

(COLUMN 2 SHOWS THE DATE, PRICE AND BOWSER RATING WHEN WE RECOMMENDED THE STOCK BE SOLD)

| | | | | | |
|----------------------------------|--------|------------------|--------------------------------|--------|------------------|
| AMERICAN SHARED HOSPITAL (A:AMS) | \$3.35 | 12/15 \$1.62(NR) | WIRELESS TELECOM GROUP (A:WTT) | \$1.60 | 12/15 \$1.53(NR) |
| FEMALE HEALTH COMPANY (CM:FHCO) | \$1.08 | 04/16 \$1.27(11) | | | |

BRIEFS

CPS Technologies (CPSH) announced that Thomas E. Breen has joined the company as Senior Vice President Sales and Marketing. . . . **Dynasil (DYSL)** made a commitment for a further \$1.2 million investment in subsidiary Xcede Technologies. DYSL also announced that its contract research subsidiary, RMD Inc., received three Phase I and one Phase II grants totaling \$1.9 million under the National Institute of Health's SBIR funding program. . . . **InfuSystem Holdings (INFU)** received a notification from the NYSE MKT that the company is not in compliance with the continued listing standards. In order to maintain its listing, the company must submit a plan of compliance by December 22, 2016. . . . **LRAD Corporation's (LRAD)** LRAD 360X and LRAD 100X were honored by American Security Today with Platinum Awards as "Best Mass Notification System" and "Best Long Range Acoustic Hailing System," respectively. LRAD also announced the release of the

LRAD 360XL-MID and the LRAD 950RXL, the latest additions to its award winning AHD product line. . . . **Nova LifeStyle (NVFY)** made a strategic entry into a high margin, service-oriented e-commerce business through its partnership with Inno International Trading. NVFY also has continued to expand its e-commerce presence by partnering with Future World LifeStyle. . . . **Planet Payment (PLPM)** and Mashreq announced the extension of their contract through 2021. PLPM and Mashreq have been partners since 2012. . . . **Royal Bancshares of Pennsylvania (RBPA)** completed the repurchase of the remaining outstanding shares of its Fixed Rate Cumulative Perpetual Preferred Stock, Series A. The company initially issued 30,407 shares of Series A preferred stock to the United States Treasury in February 2009 as part of Treasury's TARP program. RBPA repurchased 11,551 shares in July 2014 as part of Treasury's auction of its holdings of preferred stock. . . . **Smith-Midland (SMID)** announced a new

INSIDER TRANSACTIONS IN NOVEMBER

| COMPANY | SHARES TRADED | # OF TRADES | PRICE RANGE |
|--------------------|-----------------|-------------|---------------|
| Atlantic American | B - 15,000 | 1 | \$0.00 |
| CPS Technologies | A - 2,000 | 1 | \$1.39 |
| DLH Holdings | A - 93,750 | 6 | \$0.00 |
| Electromed | B - 20,000x | 1 | \$3.61 |
| Full House Resorts | OE - 1,279,268x | 7 | \$1.30 |
| | OE - 50,445 | 2 | \$1.30 |
| GigPeak | OE - 262,615 | 4 | \$0.00 |
| | D - 102,222 | 9 | \$2.39 |
| Manhattan Bridge | D - 17,858 | 1 | \$7.01 |
| | B - 5,000 | 1 | \$5.88 |
| LRAD Corp. | S - 202,953x | 1 | \$1.80 |
| MeetMe | S - 4,000 | 1 | \$4.88 |
| Repro Med Systems | B - 39,700x | 4 | \$0.40-\$0.42 |
| Riverview Bancorp | OE - 3,000 | 1 | \$3.48 |
| | B - 2,000 | 1 | \$5.40 |
| Socket Mobile | D - 5,000 | 3 | \$3.22-\$3.28 |
| | A - 5,000 | 3 | \$1.04 |
| Simulations Plus | D - 115,000 | 1 | \$10.55 |
| | A - 12,000 | 1 | \$10.01 |
| | OE - 4,000 | 1 | \$4.78 |

A-Acquisition (Non Open Market), B-Bought, D-Disposition (Non Open Market), OE-Option Exercise, S-Sold, x-indirect holdings. Information obtained from Nasdaq.com.

project in Tysons Corner, Virginia. It will manufacture and install 57,666 sq. ft. (452 panels) of SlenderWall architectural precast and 23,502 sq. ft. (299 panels) of traditional architectural precast for the newest and tallest building in the area. Its subsidiary, Easi-Set Worldwide, announced a successful MASH TL3 FREESTANDING crash test of their enhanced J-J Hooks temporary precast concrete barrier design at the Texas Transportation Institute, College Station, TX. . . . **Sunworks (SUNW)** announced its strategic teaming arrangement with Keystone Aerial Surveys, Inc., a Philadelphia, Pennsylvania-based company at the forefront of airborne imagery services and products. . . . **Where Food Comes From (WFCF)** announced that Certified Piedmontese® is the latest brand to carry the Where Food Comes From Source Verified® process and label.

BUCKAROOS SPEAK

RIGHTS OFFERINGS FOR BOWSER STOCKS

Can you explain and/or advise on the Full House Resorts (FLL) rights offering?

--Roger Fisher, Foster City, CA

In rights offerings, shareholders are given the opportunity to purchase shares in proportion to their current holdings at a given price within a certain period of time.

In August, FLL announced a rights offering, giving shareholders the opportunity to purchase 0.2022 shares for each share held at \$1.30 per right.

Because rights offerings fall outside of the typical buy-and-hold strategy that we suggest, we recommend staying away from them and sticking to the Game Plan.

CALLING ALL BUCKAROOS

I would like to see more profiles of individual investors that have successfully implemented the bowser plan. Specifically the size of their investments and size of their portfolio both in number of issues and dollar amount?

--Jimmie Sorrells, Powder Springs, GA

We used to feature more subscriber success stories, but have unfortunately gotten away from profiling subscribers. We are sure that Jimmie is not the only one curious about how others are doing.

For those who are daring enough, please feel free to share your success (or challenging) stories with us so that we can report on them with the rest of the Bowser community.

the Bowser Report's

November 2016, Vol. 23, No. 12

WARRANT REGISTER

THIS MONTH'S
BIGGEST GAINER
BANK OF AMER.
UP 772%

John comments on warrants

Bank of America (BAC-WTB) warrants have risen \$0.10 to nearly \$0.40 since election day. Citibank warrants have been on the move, too, but not nearly as much as they have a 10-to-1 exchange ratio, versus BAC warrants which are 1-to-1.

The BAC-WTB warrants expire at the end of Oct 2018, with about a \$32 strike price. Share prices have closed above \$20 the past several days. Once the price drives past \$32, it's all gravy.

I'm thinking that once interest rates rise, these warrants will start to go through the roof. The Fed next

meets December 14 to decide on an interest rate rise. There are only 125 million warrants, compared to 10 billion shares of BAC stock. The leverage will be tremendous.

--John Vrab, Allen, TX

If you associate one word with warrants, it ought to be LEVERAGE. John hits the nail on the head by describing Bank of America's movement.

In the past month, we've seen a decent rally from the markets, but look at the unreal gains posted by most of the warrants below: BAC-WTB up 772%, C-WTA up 500%, DYN-WT up 125%, BLBDW up 80%, TCB-WT up 76%, ASB-WS up 72%, and NXTDW up 32%.

| Company | Market/Symbol | Principle Business | Stock Price 12/02/16 | Warrant Price 12/02/16 | Conv. Ratio | Exer. Price | Expire Date | No. Wts | Bowser Rating |
|--|---------------|--------------------------------------|-------------------------|------------------------------|----------------|----------------|-------------|---------|------------------|
| Associated Banc-Corp 1200 Hansen Road., Green Bay, WI 54304, Tel: (920) 491-700, www.associatedbank.com | N:ASB-WS | Bank holding company | 22.90 | 4.10 | 1.00 | 19.77 | 11/21/18 | 4.0M | 8 |
| CALL TERMS: Not callable | | | | | | | | | |
| Bank of America Bank of Amer. Corp. Center, 100 N Tryon St., Charlotte, NC 28255, Tel: 704/386-5681, www.bankofamerica.com | N:BAC-WTB | Banking and financial services | 21.23 | 0.79 | 1.00 | 30.79 | 10/28/18 | 121.8M | 10 |
| CALL TERMS: Not callable | | | | | | | | | |
| BioAmber Inc. 1250 Rene Levesque West, Ste. 4110, Montreal, QC H3B 4W8, Canada, Tel: 514/844-8000, www.bio-amber.com | N:BIOA-WT | Produces and sells bio-succinic acid | 5.35 | 0.36 | 1.00 | 11.00 | 05/09/17 | 8.0M | 7 |
| CALL TERMS: Not callable | | | | | | | | | |
| Blue Bird Corporation 10 South Wacker Dr., Ste. 3175, Chicago, IL 60606, Tel: 713/300-8242, No website | CM:BLBDW | Manufacture and sale of buses | 16.45 | 2.55 | 0.50 | 5.75 | 01/23/19 | 11.5M | NR |
| CALL TERMS: Not callable | | | | | | | | | |
| Cellectar Biosciences 3301 Agriculture Dr., Madison, WI 53716, Tel: 608/441-8120, www.cellectar.com | CM:CLRBW | Biopharmaceuticals | 1.35 | 0.20 | 0.10 | 4.68 | 08/20/19 | 0.4M | 6 |
| CALL TERMS: Not callable | | | | | | | | | |
| Citigroup 399 Park Ave., New York, NY 10043, Tel: 212/559-1000, www.citigroup.com | N:C-WTA | Investment banking | 56.02 | 0.02 | 0.10 | 106.10 | 01/04/19 | 2.6M | 8 |
| CALL TERMS: Not callable; exercise price adj. for dividends above \$.01 | | | | | | | | | |
| Dynegy, Inc. 601 Travis St., Ste. 1400, Houston, TX 77002, Tel: 713/507-6400, www.dynegy.com | N:DYN-WT | Electric energy/related services | 7.74 | 0.09 | 1.00 | 40.00 | 10/02/17 | 15.6M | 9 |
| CALL TERMS: Not callable | | | | | | | | | |
| FairPoint Comm. 521 E. Morehead St., Ste. 250, Charlotte, NC 28202, Tel: 704/344-8180, www.fairpoint.com | OTC:FRPZW | Communications in New England | 17.00 | 0.01 | 1.00 | 48.81 | 01/24/18 | 3.6M | 8 |
| CALL TERMS: Not callable | | | | | | | | | |
| FieldPoint Petroleum 1703 Edelweiss Dr., Cedar Park, TX 78613, Tel: 512/250-8692, www.fppcorp.com | N:FPP-WT | Oil/gas operations in the US | 0.54 | 0.01 | 1.00 | 4.00 | 03/26/18 | 8.0M | 7 |
| CALL TERMS: 150% of strike price | | | | | | | | | |
| NXT-ID, Inc. One Reservoir Corporate Centre, Ste. 402, Shelton, CT 06484, Tel: 203/242-3076, www.nxt-id.com | CM:NXTDW | Biometric solutions | 3.21 | 0.22 | 0.10 | 3.00 | 01/13/19 | 1.4M | 6 |
| CALL TERMS: Not callable | | | | | | | | | |
| TCF Financial 200 Lake Street East, Wayzata, MN 55391, Tel: 952/745-2760, www.tcfbank.com | N:TCB-WT | Bank holding company | 17.82 | 2.47 | 1.00 | 16.93 | 11/14/18 | 3.2M | 8 |
| CALL TERMS: Not callable | | | | | | | | | |
| xG Technology 240 South Pineapple Ave., Cte. 701, Sarasota, FL 34236, Tel: 941/953-9035, www.xgtechnology.com | CM:XGTIW | Wireless network communications | 0.34 | 0.31 | 1.00 | 82.44 | 07/22/18 | 0.1M | 8 |
| CALL TERMS: \$13.75 for 20 consecutive days | | | | | | | | | |

Beginner's Portfolio Up 232%

BOUGHT: None this month.

SOLD: None this month.

| | <u>Cost</u> | <u>12/02/16</u> | <u>Cost</u> | <u>12/02/16</u> | <u>Cost</u> | <u>12/02/16</u> | <u>Proceeds</u> | |
|------|-------------|-----------------|-------------|-----------------|-------------|-----------------|-----------------|-------|
| AAME | 280/Mar '12 | 395 | RBPA | 188/Nov '14 | 281 | INFU† | 608/Jan '16 | 370 |
| ITI* | 162/Aug '12 | 164 | DIRI | 75/Dec '14 | 43 | PLPM† | 590/Jan '16 | 784 |
| SGRP | 178/Apr '13 | 105 | NTIP | 235/Apr '15 | 310 | SMID† | 540/Mar '16 | 1,000 |
| AEY | 248/May '13 | 174 | UWN | 180/Jul '15 | 175 | BYFC† | 398/Apr '16 | 320 |
| MOC | 209/May '14 | 269 | SLGD | 122/ Jul '15 | 131 | SUNW† | 482/Jul '16 | 434 |
| DYSL | 185/Aug '14 | 126 | OPCO† | 196/Dec '15 | 202 | FLL† | 384/Sep '16 | 376 |

Current Holdings Value: 5,659

Original cost for all stocks: \$4,766

*Half of original holdings

Proceeds from Sales: 10,147

†Bought 200 Shares

Total Value of Portfolio: 15,806

Gain: 15,806 minus 4,766 = 11,040

Percentage of gain: 11,040 divided by 4,766 x 100 = 231.6

Compound Annual Growth Rate: 8.18%

Comments: This is a simulated portfolio for those who would like to actively participate in the stock market...**They want an approach that will serve as a learning situation...**An investment of up to \$300 a month is required...**With each new Company of the Month, 100 shares were purchased until we had 18...**We use an internet broker...**We follow the Bowser Game Plan. Portfolio started Sep. '01.**

BEGINNER'S PORTFOLIO EXPLANATION

No changes were made to this month's holdings. Following the election, stock saw tremendous gains, and the Beginner's Portfolio Current Holdings demonstrate that, up 5.3%.

EARNINGS

| | <u>Quarter Ended</u> | <u>Current Sales</u> | <u>Same Period Last Year</u> | <u>Current Earnings</u> | <u>Same Period Last Year</u> | <u>Comments</u> |
|-------------------------------|----------------------|----------------------|------------------------------|-------------------------|------------------------------|-----------------|
| Atlantic American (AAME) | 09/30/16 | \$42,447,000 | \$40,359,000 | \$149,000 | \$238,000 | |
| Command Security (MOC) | 09/30/16 | \$42,406,405 | \$34,449,804 | \$436,973 | (\$957,062) | |
| Electromed (ELMD) | 09/30/16 | \$5,545,363 | \$5,001,188 | \$191,172 | \$340,962 | |
| FitLife Brands (FTLF) | 09/30/16 | \$5,340,616 | \$6,270,524 | (\$360,718) | \$383,259 | |
| Flexible Solutions (FSI) | 09/30/16 | \$3,117,034 | \$3,303,216 | \$85,964 | \$237,202 | |
| InfoSonics (IFON) | 09/30/16 | \$8,989,000 | \$12,179,000 | (\$945,000) | (\$138,000) | |
| Iteris (ITI) | 09/30/16 | \$24,060,000 | \$20,573,000 | (\$40,000) | (\$395,000) | |
| Network-1 Technologies (NTIP) | 09/30/16 | \$34,326,000 | \$3,008,000 | \$10,832,000 | \$407,000 | (A) |
| Nova LifeStyle (NVFY) | 09/30/16 | \$30,538,918 | \$24,064,319 | \$301,337 | \$30,405 | |
| LightPath Technologies (LPTH) | 09/30/16 | \$5,000,229 | \$4,190,330 | \$140,496 | \$842,973 | |
| MeetMe (MEET) | 09/30/16 | \$17,191,261 | \$14,308,080 | \$4,392,409 | (\$2,035,621) | |
| Noble Romans (NROM) | 09/30/16 | \$2,021,993 | \$1,918,440 | (\$992,519) | \$225,760 | (B) |
| Simulations Plus (SLP) | 08/31/16 | \$3,957,540 | \$3,711,784 | \$788,975 | \$491,403 | |
| Smith-Midland (SMID) | 09/30/16 | \$12,396,001 | \$10,403,417 | \$1,691,307 | \$1,152,056 | |
| Sunworks (SUNW) | 09/30/16 | \$17,563,000 | \$19,730,000 | (\$6,085,000) | \$1,402,000 | (C) |
| Where Food Comes From (WFCF) | 09/30/16 | \$3,344,246 | \$3,052,908 | \$224,953 | \$212,159 | |

(A) NTIP reported record results, but these results should be put into context a little bit. \$31 million of Network-1's \$34.3 million resulted from licensing agreements with Apple and Dell. Loyalty revenue actually decreased in the quarter.

(B) NROM's results were negatively affected by a loss from discontinued operations of \$1.4 million in the most recent quarter.

The discontinued operations expense was related to the company's decision to discontinue its expansion of the take-and-bake concept.

(C) SUNW's drop in sales was coupled with a sharp rise in selling, general and administrative costs along with stock based compensation. This resulted in the drastic drop in earnings seen above.

NOTES BY THE EDITOR

Due to feedback from subscribers and the difficulty of finding new, quality warrants, we will be extending the Company of the Month analysis and removing the Warrant Register in March 2017. Certain aspects of our Company of the Month analysis are eliminated in order to make the text fit, and we will be removing the warrants section to add space for increased analysis.

This was a difficult decision to make because of how long warrants have been a part of



the newsletter and Max Bowser's fondness of them. However, as they have fallen out of favor with the general market, the sustainability of the Warrants Register has remained a constant challenge for years.

We understand you may be disappointed, but please know that this change is being made with the quality and value of the information that we provide in mind. Change is never easy, but hopefully you'll see the reasoning and value in the change, and we can continue to provide you with the best microcap stock analysis that there is.

This newsletter is great because of its subscribers. Your feedback fuels the changes and adaptations that are constantly being made to better the content. Feel free to email me at faris@thebowserreport.com with any feedback with any comments/suggestions.

FIVE BOWSER STOCKS UP AND DOWN

| | | | | | |
|---------------------|----|-----|-------------------|------|-----|
| GOLDFIELD CORP. | UP | 53% | NOVA LIFESTYLE | DOWN | 24% |
| DLH HOLDINGS | UP | 27% | FLEXIBLE SOLUTION | DOWN | 17% |
| SCOTT'S LIQUID GOLD | UP | 25% | LIGHTPATH TECH. | DOWN | 15% |
| SMITH-MIDLAND | UP | 23% | FITLIFE BRANDS | DOWN | 13% |
| OURPET'S | UP | 22% | VIRCO MFG. | DOWN | 11% |