

DPW Holdings, Inc.
Form SC 13D/A
December 04, 2018

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 13D/A

Under the Securities Exchange Act of 1934

(Amendment No. 3)

DPW HOLDINGS, INC.
(Name of Issuer)

Common Stock, \$0.001
(Title of Class of Securities)

26140E 105
(CUSIP Number)

Copy to:

Sichenzia Ross Ference LLP

Attn: Marc Ross, Esq.

1185 Avenue of the Americas, 37th Floor

New York, NY 10036

(212) 930-9700
(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

December 3, 2018

Edgar Filing: DPW Holdings, Inc. - Form SC 13D/A

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§ 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box.

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See § 240.13d-7 for other parties to whom copies are to be sent.

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

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

CUSIP No. 26140E 105

NAMES OF REPORTING PERSONS

1 I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Philou Ventures, LLC
CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See Instructions)

2 (a) x

3 (b) o
SEC USE ONLY

4 SOURCE OF FUNDS (See Instructions)
WC

5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(D) OR 2(E)

6 o
CITIZENSHIP OR PLACE OF ORGANIZATION
Wyoming

NUMBER OF **7** SOLE VOTING POWER:
6,297,288 ⁽¹⁾⁽²⁾

SHARES **8** SHARED VOTING POWER:
0

BENEFICIALLY **9** SOLE DISPOSITIVE POWER:
6,297,288 ⁽¹⁾⁽²⁾

OWNED BY SHARED DISPOSITIVE POWER:

EACH

REPORTING **10**₀

PERSON

WITH

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

6,297,288 ⁽¹⁾⁽²⁾

- 12** CHECK BOX IF THE AGGREGATE
AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES (See Instructions)
- 13** 0
PERCENT OF CLASS REPRESENTED
BY AMOUNT IN ROW (11)
- 14** TYPE OF REPORTING PERSON (See
Instructions)
CO

Represents 6,297,288 shares of common stock beneficially owned by Philou Ventures, LLC (“**Philou**”), consisting of (i) 2,725,860 shares of common stock, (ii) 1,785,714 shares of common stock underlying 125,000 shares of (1) Series B Convertible Preferred Stock of the Issuer (the “**Series B Preferred Stock**”) and (iii) 1,785,714 shares of common stock underlying a five-year warrant which may be exercised, in whole or in part, at any time or from time to time.

See Items 4 and 5 of this Schedule 13D. Each share of Series B Preferred Stock carries the voting power of 14.29 (2) shares of common stock. Ault & Company, Inc., a Delaware corporation (“**Ault & Company**”), is the Manager of Philou and in such capacity holds voting and dispositive power over the securities held by Philou.

The above calculations are based on 74,958,172 shares of common stock outstanding as of November 29, 2018. (3) This calculation does not include the exercise or conversion of other outstanding securities of the Issuer by owned by other security holders.

CUSIP No. 26140E 105

NAMES OF REPORTING PERSONS

1 I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Ault & Company, Inc.
CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See Instructions)

2 (a) x

3 (b) o
SEC USE ONLY

4 SOURCE OF FUNDS (See Instructions)
WC

5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(D) OR 2(E)

6 o
CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF **7** SOLE VOTING POWER:
232,900

SHARES **8** SHARED VOTING POWER:
6,297,288 ⁽¹⁾⁽²⁾

BENEFICIALLY **9** SOLE DISPOSITIVE POWER:
232,900

OWNED BY SHARED DISPOSITIVE POWER:

EACH

REPORTING **10** 6,297,288 ⁽¹⁾⁽²⁾

PERSON

WITH

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

11 6,530,188 ⁽¹⁾⁽²⁾

- 12** CHECK BOX IF THE AGGREGATE
AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES (See Instructions)
- 13** 0
PERCENT OF CLASS REPRESENTED
BY AMOUNT IN ROW (11)
- 14** TYPE OF REPORTING PERSON (See
Instructions)
CO

(1) Represents (i) 157,900 shares of common stock beneficially owned by Ault & Company, (ii) 75,000 shares of common stock underlying a warrant exercisable at \$0.60 per share, which warrant was issued to Ault & Company on May 8, 2018, and (iii) 6,297,288 shares of common stock beneficially owned by Philou, consisting of (a) 2,725,860 shares of common stock, (b) 1,785,714 shares of common stock underlying 125,000 shares of Series B Preferred Stock and (c) 1,785,714 shares of common stock underlying a five-year warrant which may be exercised, in whole or in part, at any time or from time to time.

(2) See Items 4 and 5 of this Schedule 13D. Each share of Series B Preferred Stock carries the voting power of 14.29 shares of common stock. Ault & Company is the Manager of Philou and in such capacity holds voting and dispositive power over the securities held by Philou.

(3) The above calculations are based on 74,958,172 shares of common stock outstanding as of November 29, 2018. This calculation does not include the exercise or conversion of other outstanding securities of the Issuer by owned by other security holders.

CUSIP No. 26140E 105

NAMES OF REPORTING PERSONS

1 I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Milton C. Ault, III
CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP (See Instructions)

2 (a) x

3 (b) o
SEC USE ONLY

4 SOURCE OF FUNDS (See Instructions)
PF

5 CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(D) OR 2(E)

6 o
CITIZENSHIP OR PLACE OF ORGANIZATION

United States

NUMBER OF **7** SOLE VOTING POWER:
34,600

SHARES **8** SHARED VOTING POWER:
6,530,188 ⁽¹⁾⁽²⁾

BENEFICIALLY **9** SOLE DISPOSITIVE POWER:
34,600

OWNED BY SHARED DISPOSITIVE POWER:

EACH

REPORTING **10** 6,530,188 ⁽¹⁾⁽²⁾

PERSON

WITH

AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

11 6,564,788 ⁽¹⁾⁽²⁾

12

CHECK BOX IF THE AGGREGATE
AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES (See Instructions)

PERCENT OF CLASS REPRESENTED BY
AMOUNT IN ROW (11)

13

8.35% ⁽³⁾

TYPE OF REPORTING PERSON (See
Instructions)
IN

14

Represents (i) 34,600 shares of common stock beneficially owned by Mr. Ault, (ii) 232,900 shares of common stock beneficially owned by Ault & Company, consisting of (a) 157,900 shares of common stock and (b) 75,000 shares of common stock underlying a warrant exercisable at \$0.60 per share, which warrant was issued to Ault & Company on May 8, 2018, and (iii) 6,297,288 shares of common stock beneficially owned by Philou, consisting of (x) 2,725,860 shares of common stock, (y) 1,785,714 shares of common stock underlying 125,000 shares of Series B Preferred Stock and (z) 1,785,714 shares of common stock underlying a five-year warrant which may be exercised, in whole or in part, at any time or from time to time.

See Items 4 and 5 of this Schedule 13D. Each share of Series B Preferred Stock carries the voting power of 14.29 shares of common stock. Ault & Company is the Manager of Philou and in such capacity holds voting and dispositive power over the securities held by Philou. Mr. Ault is the Chief Executive Officer of Ault & Company and in such capacity holds voting and dispositive power over the securities held by Ault & Company.

The above calculations are based on 74,958,172 shares of common stock outstanding as of November 29, 2018.
(3) This calculation does not include the exercise or conversion of other outstanding securities of the Issuer by owned by other security holders.

Item 1.

Security and Issuer

The title and class of equity securities to which this Schedule 13D/A relates is common stock, \$0.001 par value, of DPW Holdings, Inc., a Delaware corporation (the “**Issuer**”). The address of the principal executive offices of the Issuer is 201 Shipyard Way, Suite E, Newport Beach, CA 92663. On December 3, 2018, Ault & Company purchased 10,000 shares of common stock of the Issuer (the “**Shares**”) in the open market.

Item 2.

Identity and Background

(a) This statement is filed on behalf of Philou, Ault & Company and Mr. Ault (the “**Reporting Persons**”).

(b) Philou’s business address is P.O. Box 3587, Tustin, CA 92781. Ault & Company’s business address is 200 Sandpointe Drive, Suite 500, Santa Ana, CA 92707. Mr. Ault’s business address is 201 Shipyard Way, Suite E, Newport Beach, CA 92663.

(c) Not applicable.

(d) During the last five years, the Reporting Persons have not been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors).

(e) During the last five years, the Reporting Persons have not been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result thereof was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

(f) Philou is a limited liability company organized under the laws of the State of Wyoming and Ault & Company is a corporation formed under the laws of the State of Delaware. Mr. Ault is a citizen of the United States.

Item 3.

Source and Amount of Funds or Other Considerations

All Shares and Series B Preferred Stock were purchased with the Reporting Persons' working capital or personal funds.

Item 4. Purpose of Transaction

Ault & Company has acquired the Shares described in Item 5 for investment purposes. The Reporting Persons intend to review and evaluate their investments in the Issuer's shares of common stock, Series B Preferred Stock and warrants on an ongoing basis and may, depending upon their evaluation of the business and prospects of the Issuer, or such other considerations as they may deem relevant, determine to increase, decrease, or dispose of their holdings of the shares of common stock of the Issuer, Series B Preferred Stock, warrants and underlying common stock, engage in hedging transactions, evaluate a potential acquisition of the Issuer or of assets of the Issuer.

Consistent therewith, the Reporting Persons may, subject to applicable law and the terms of any confidentiality agreement with the Issuer, continue to engage in communications regarding such matters with members of management and the Board of Directors of the Issuer, and initiate such communications with other current or prospective shareholders, industry analysts, existing or potential strategic partners or competitors, investment and financing professionals, sources of credit and other investors. Such factors and discussions may materially affect, and result in, the Reporting Persons, subject to applicable law, modifying their ownership of securities of the Issuer, exchanging information with the Issuer, proposing changes in the Issuer's operations, governance or capitalization, or in proposing one or more of the other actions described in subsections (a) through (j) of Item 4 of Schedule 13D.

In addition, the Reporting Persons reserve the right to formulate other plans and/or make other proposals, and take such actions with respect to their investment in the Issuer, including any or all of the actions set forth in paragraphs (a) through (j) of Item 4 of Schedule 13D, or acquire additional securities of the Issuer or dispose of all the securities of the Issuer beneficially owned by them, in public market or privately negotiated transactions. The Reporting Persons may at any time reconsider and change their plans or proposals relating to the foregoing.

Notwithstanding the foregoing, the Reporting Persons shall have the right to designate a number of directors to the Issuer's Board of Directors equal to a percentage determined by the number of shares of the Series B Preferred Stock (determined on an "as converted" basis) (the "**Preferred Shares**") divided by the sum of the number of shares of common stock outstanding plus the number of Preferred Shares outstanding as determined on an as converted basis. By way of example only, if the number of Preferred Shares owned by the Reporting Persons represents 20% of the outstanding shares of common stock and Preferred Stock of the Issuer (as determined on an as converted basis), the Reporting Persons shall, through their ownership of Preferred Shares, have the right to designate one director of a five member board. The Reporting Persons' percentage to designate a number of directors shall be determined each time the Reporting Persons make a purchase of the Preferred Shares and cannot be decreased unless the Reporting Persons convert or sell all or part of their Preferred Shares, in which case the number of directors that the Reporting Persons may designate will be re-calculated.

Item 5. Interest in Securities of the Issuer

The Reporting Persons may be deemed to beneficially own, in the aggregate, 6,564,788 shares, or 8.35%, of the (a) Issuer's common stock as of December 3, 2018 (based upon the 74,958,172 shares of common stock outstanding as of November 29, 2018).

Philou has sole voting power and sole dispositive power with respect to 6,297,288 shares of common stock. Pursuant to Rule 13d-3(a) under the Exchange Act, each of Ault & Company and Mr. Ault (by virtue of their (b) relationships to Philou) may be deemed to indirectly beneficially own the shares of common stock that Philou owns. Each of Ault & Company and Mr. Ault disclaims beneficial ownership of the shares of common stock for all other purposes.

Ault & Company has sole voting power and sole dispositive power with respect to 6,530,188 shares of common stock. Pursuant to Rule 13d-3(a) under the Exchange Act, Mr. Ault (by virtue of his relationship to Ault & Company) may be deemed to indirectly beneficially own the shares of common stock that Ault & Company owns. Mr. Ault disclaims beneficial ownership of the shares of common stock for all other purposes.

Accordingly, Mr. Ault, as the Chief Executive Officer of Ault & Company which in turn is the Manager of Philou, may in such capacity be deemed to hold sole voting and dispositive power over 6,564,788 shares of the Issuer's common stock beneficially owned by the Reporting Persons.

The following table sets forth all transactions with respect to the shares of common stock effected during the past (c) sixty (60) days by any of the Reporting Persons and not previously reported on Schedule 13D. All such transactions were purchases of shares of common stock in the open market.

Name of Reporting Person	Date of Transaction	Amount of Securities
Ault & Company, Inc.	10/05/2018	5,000
Ault & Company, Inc.	10/10/2018	10,000
Ault & Company, Inc.	11/20/2018	15,000
Ault & Company, Inc.	11/27/2018	7,500
Ault & Company, Inc.	11/29/2018	10,000
Ault & Company, Inc.	12/03/2018	10,000

(d) To the best knowledge of the Reporting Persons, except as set forth in this Schedule 13D, no person other than the Reporting Persons have the right to receive, or the power to direct the receipt of, dividends from, or the proceeds from the sale of the 6,564,788 shares of common stock reported in Item 5(a).

(e) Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer

On March 9, 2017, the Issuer entered into a Preferred Stock Purchase Agreement (the “**Agreement**”) with Philou, pursuant to which Philou was granted the right to invest up to \$5,000 in the Issuer through the purchase of Series B Preferred Stock over a term of 36 months. On March 24, 2017, Philou purchased 25,000 shares of Series B Preferred Stock pursuant to the Agreement. Between May 5, 2017 and June 2, 2017, Philou purchased an additional 75,000 shares of Series B Preferred Stock pursuant to the Agreement in consideration of the cancellation of the Issuer debt due to Philou from the \$250 short term loan and cash of \$500. In addition, Philou received warrants to purchase 1,071,429 shares of common stock at an exercise price of \$0.70 per share of common stock.

On April 24, 2018, Philou purchased 25,000 of the Issuer’s Preferred Shares in consideration for \$250 pursuant to the Agreement. The 25,000 Preferred Shares are convertible into 357,143 shares of the Issuer’s common stock in the aggregate based on a \$.70 per share conversion price. In addition, pursuant to the Agreement and in conjunction with the purchase of the Preferred Shares, Philou was granted a warrant to purchase 357,143 shares of the Issuer’s common stock at \$0.70 per share.

On April 25, 2018, Ault & Company was appointed as the manager of Philou. Subsequently, Ault & Company purchased shares of common stock of the Issuer from time to time. From June 27, 2018, to December 3, 2018, Ault & Company purchased an aggregate of 82,900 shares of common stock in the open market. Mr. Ault has also purchased shares of common stock from time to time in the open market and owns 34,600 shares of the Issuer’s common stock.

Item 7.

Material to be Filed as Exhibits

None.

SIGNATURES

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

Dated: December 4, 2018 PHILOU VENTURES, LLC

By:
AULT & COMPANY, INC., its Manager

By: /s/ Milton C. Ault, III
Milton C. Ault, III

Chief Executive Officer

AULT & COMPANY, INC.

By: /s/ Milton C. Ault, III
Milton C. Ault, III

Chief Executive Officer

/s/ Milton C. Ault, III

Milton C. Ault, III

JOINT FILING AGREEMENT

Philou Ventures, LLC, Ault & Company, Inc., and Milton C. Ault, III, hereby agree to jointly file the Schedule 13D, and all amendments thereto, with the Securities and Exchange Commission with respect to the beneficial ownership by them of shares of common stock, par value \$.001 per share, of DPW Holdings, Inc.

Dated: December 4, 2018 PHILOU VENTURES, LLC

By:
AULT & COMPANY, INC., its Manager

By: /s/ Milton C. Ault, III
Milton C. Ault, III

Chief Executive Officer

AULT & COMPANY, INC.

By: /s/ Milton C. Ault, III
Milton C. Ault, III

Chief Executive Officer

/s/ Milton C. Ault, III

Milton C. Ault, III

