

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

**FORM S-3**

## REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

**WPCS INTERNATIONAL INCORPORATED**  
(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of  
incorporation or organization)

98-0204758  
(I.R.S. Employer  
Identification Number)

521 Railroad Avenue  
Suisun City, California 94585  
(707) 421-1300  
(Address, including zip code, and telephone number, including area code,  
of registrant's principal executive offices)

The Corporation Trust Company  
Corporation Trust Center  
1209 Orange Street  
Wilmington, DE 19801  
(302) 658-7581  
(Name, address, including zip code, and  
telephone number, including area code, of agent for service)

Copy to:  
Robert S. Matlin, Esq.  
Jonathan M. Barron, Esq.  
K&L Gates LLP  
599 Lexington Avenue  
New York, NY 10022  
212-536-3900

Approximate date of commencement of proposed sale to the public: from time to time after the registration statement becomes effective.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act of 1933, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box.

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box.

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 definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer  (Do not check if a smaller reporting company)

Smaller reporting company

**CALCULATION OF REGISTRATION FEE**

TITLE OF EACH CLASS OF SECURITIES TO BE REGISTERED	AMOUNT TO BE REGISTERED (1)	PROPOSED MAXIMUM OFFERING PRICE PER SHARE (2)	PROPOSED MAXIMUM AGGREGATE OFFERING PRICE	AMOUNT OF REGISTRATION FEE (3)
Common Stock, par value \$0.0001 per share	1,803,451	\$ 1.33	\$ 2,398,589.83	\$ 278.00

(1) 1,803,451 shares of Common Stock, par value \$0.0001 per share (the "Common Stock"), of WPCS International Incorporated, a Delaware corporation (the "Company"), are being registered hereunder. These shares consist of (i) 701,700 shares of Common Stock issued or issuable upon conversion of the Series H-3 Convertible Preferred Stock of the Company (the "Series H-3 Preferred Stock") and (ii) 1,101,751 shares of Common Stock issued or issuable upon exercise of warrants of the Company (the "Warrants"). In accordance with Rule 416(a) under the Securities Act of 1933, as amended (the "Securities Act"), the Registrant is also registering hereunder an indeterminate number of shares that may be issued and resold resulting from stock splits, stock dividends or similar transactions.

(2) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(c) of the Securities Act based upon the price of \$1.33, which was the average of the high and low bid prices for the Company's Common Stock on NASDAQ Capital Market on May 2, 2017.

(3) Computed in accordance with Section 6(b) of the Securities Act. Paid herewith.

**THE REGISTRANT HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANT SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(a) OF THE SECURITIES ACT OF 1933, AS AMENDED, OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE COMMISSION, ACTING PURSUANT TO SECTION 8(a), MAY DETERMINE.**

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The information in this preliminary prospectus is not complete and may be changed. We may not sell securities under this registration statement until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell any securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

**PROSPECTUS**  
**SUBJECT TO COMPLETION, DATED MAY 8, 2017**

**1,803,451 Shares of Common Stock**

**WPCS INTERNATIONAL INCORPORATED**

We are registering 1,803,451 shares of our common stock, par value \$0.0001 per share (the “Common Stock”) for sale by the selling stockholders set forth herein. Such aggregate number of shares represents the sum of (i) 701,700 shares of Common Stock issued or issuable upon conversion of the Series H-3 Preferred Stock and (ii) 1,101,751 shares of Common Stock issued or issuable upon exercise of the Warrants.

The selling stockholders identified in this prospectus, or their pledgees, donees, transferees or other successors-in-interest, may offer the shares from time to time through public or private transactions at prevailing market prices, at prices related to prevailing market prices or at privately negotiated prices. We will not receive any proceeds from the sale of the shares of Common Stock. However, we may receive proceeds in connection with the exercise of the Warrants, if they are exercised for cash. The selling stockholders will sell the shares of Common Stock and Warrants in accordance with the “Plan of Distribution” set forth in this prospectus. The selling stockholders will bear all commissions and discounts, if any, attributable to the sales of shares of Common Stock and Warrants. We will bear all costs, expenses and fees in connection with the registration of the shares of Common Stock and Warrants.

**Investing in our securities involves risks. See “Risk Factors” beginning on page 4.**

Our Common Stock is traded on The NASDAQ Capital Market under the symbol “WPCS.” The last reported price of our Common Stock on May 5, 2017, was \$1.26 per share.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of the prospectus. Any representation to the contrary is a criminal offense.**

The date of this prospectus is \_\_\_\_\_, 2017

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You should rely only on the information contained in this prospectus. We have not authorized anyone to provide you with information that is different from that contained in this prospectus. This prospectus is not an offer to sell these securities and is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted. The information in this prospectus is complete and accurate only as of the date of the front cover regardless of the time of delivery of this prospectus or of any sale of shares. Except where the context requires otherwise, in this prospectus, the words “Company,” “WPCS,” “we,” “us” and “our” refer to WPCS International Incorporated, a Delaware corporation.

## PROSPECTUS SUMMARY

*This summary highlights selected information from this prospectus. It does not contain all of the information that is important to you. We encourage you to carefully read this entire prospectus and the documents to which we refer you. The following summary is qualified in its entirety by reference to the detailed information appearing elsewhere in this prospectus.*

### **Our Company**

WPCS International Incorporated (“WPCS” or “we”) specializes in providing contracting services for communications, security and audio-visual infrastructure primarily to markets such as public service, healthcare, energy and education markets, through our wholly-owned domestic subsidiary, WPCS International - Suisun City, Inc. (“Suisun City Operations”).

#### Public Services

We provide communications infrastructure for public services, which includes utilities, education, military and transportation infrastructure. We believe there is an active market for communications infrastructure in the public service sector due to the need to create cost efficiencies through the implementation of new communications technology.

#### Healthcare

We provide communications infrastructure for hospitals and medical centers. In the healthcare market, the aging population is resulting in demands for upgraded and additional hospital infrastructure. New construction and renovations are occurring for hospitals domestically and internationally. In addition, there is a need to reduce the cost of delivering healthcare by implementing new communications technology. Our services include electrical power, structured cabling, security systems, life safety systems, environmental controls and communication systems.

#### Energy

We provide communications infrastructure for petrochemical, natural gas and electric utility companies. The need to deliver basic energy more efficiently is driving the growth in energy construction. This creates opportunities to upgrade and deploy new communications technology.

#### Education

We provide communication infrastructure for the education market. Many schools are upgrading technology backbone and wireless communications.

### **Principal Executive Offices**

Our principal executive office is located at 521 Railroad Avenue, Suisun City, California, 94585, and our telephone number is (707) 421-1300.

## The Offering

Shares of Common Stock being registered hereunder	1,803,451 shares of Common Stock <sup>1</sup>
Common stock outstanding as of May 5, 2017	3,352,159 shares of Common Stock
Use of Proceeds	We will not receive any of the proceeds from the sale of the shares of Common Stock. We may receive proceeds in connection with the exercise of the Warrants, if exercised for cash. We intend to use any proceeds from the exercise of any of the Warrants for working capital and other general corporate purposes. There is no assurance that any of the Warrants will ever be exercised for cash, if at all.
Risk Factors	An investment in our securities involves a high degree of risk and could result in a loss of your entire investment. Prior to making an investment decision, you should carefully consider all of the information in this prospectus and, in particular, you should evaluate the risk factors set forth under the caption "Risk Factors" beginning on page 4.
The NASDAQ Capital Market Symbol	WPCS

### SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements contained in this prospectus other than statements of historical fact, including statements regarding our future results of operations and financial position, our business strategy and plans, and our objectives for future operations, are forward-looking statements. The words "believe," "may," "will," "estimate," "continue," "anticipate," "intend," "expect," and similar expressions are intended to identify forward-looking statements. We have based these forward-looking statements largely on our current expectations and projections about future events and trends that we believe may affect our financial condition, results of operations, business strategy, short-term and long-term business operations and objectives, and financial needs. These forward-looking statements are subject to a number of risks, uncertainties, and assumptions, including those described under the heading "Risk Factors" in this prospectus. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties and assumptions, the future events and trends discussed in this prospectus may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements.

We assume no obligation to revise or publicly release the results of any revision to these forward-looking statements, except as required by law. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements.

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<sup>1</sup> The 1,803,451 shares are comprised of the sum of (i) 701,700 shares of Common Stock issued or issuable upon conversion of the Series H-3 Preferred Stock and (ii) 1,101,751 shares of Common Stock issued or issuable upon exercise of the Warrants.

## RISK FACTORS

You should carefully consider the risks described below together with all of the other information included in this report before making an investment decision with regard to our securities. The statements contained herein that are not historical facts are forward-looking statements that are subject to risks and uncertainties that could cause actual results to differ materially from those set forth in or implied by forward-looking statements. If any of the following risks actually occur, our business, financial condition or results of operations could be harmed. In that case, the trading price of our Common Stock could decline, and you may lose all or part of your investment.

### RISKS RELATED TO OUR COMPANY

**Our Suisun City Operations line of credit contains various covenants which, if not complied with, could accelerate our repayment obligations, thereby materially and adversely affecting our liquidity, financial conditions and results of operations.**

The agreement governing our Suisun City Operations' line of credit requires our Suisun City Operations to comply with certain financial and operational covenants. These covenants require our Suisun City Operations to, among other things, maintain a certain quick ratio and a minimum net worth. As of the filing date of this report, our Suisun City Operations were in compliance with these covenants. However, our Suisun City Operations' continued compliance with these covenants depends on many factors, and could be impacted by current or future economic conditions, and thus there are no assurances that our Suisun City Operations will continue to comply with these covenants. Failure to comply with these covenants would result in a default that, if we were unable to obtain a waiver from the lender, could accelerate our repayment obligations under the line of credit and thereby have a material adverse impact on our liquidity, financial condition and results of operations.

**We may be unable to successfully implement Organic Growth Initiatives, including into new geographic markets and market segments, and manage our growth.**

We define "Organic Growth Initiatives" as our efforts to increase revenues by: (i) expanding in existing markets, such as Suisun, by offering, amongst other things, new products and services, building a direct sales force, and forming strategic alliances; (ii) opening new markets without any existing operations, otherwise known as "greenfielding"; and (iii) entering into new markets via acquisition and then subsequently growing such businesses through various methods other than further acquisition.

As such, our long-term growth strategy depends, in part, in addition to possible strategic acquisitions, on the Organic Growth Initiatives, including the expansion of our operations into new geographic markets and market segments. Our ability to effectively implement Organic Growth Initiatives depends, among other things, on our ability to identify and successfully enter and market our services in new geographic markets and market segments, our ability to recruit and retain qualified personnel, our ability to coordinate our efforts across various geographic markets and market segments, our ability to maintain and grow relationships with our existing customers and expand our customer base, our ability to offer new products and services, our ability to form strategic alliances and partnerships, our ability to secure key vendor and/or distributor relationships, and the availability of sufficient capital. In connection with expanding our operations into new geographic markets, we may be unable to replicate the Suisun City Operations, in other markets, based solely upon greenfielding.

While continuing to weigh all strategic options available to us, the Company decided, based upon the prior experience of key members of its operational management team in the Texas market, to launch a greenfielding effort in Texas. As such, the Company began operations in San Antonio, Texas in January 2016 and then commenced operations in Dallas, Texas in April 2016. During the period from May 1, 2016 through January 31, 2017, the Texas Operations generated approximately \$881,000 in revenue, while incurring approximately \$1,799,000 in cost of revenue and selling, general and administrative expenses in starting these two offices. During November 2016, we instituted some changes and cost reductions in the Texas Operations staffing and related expenses to better align our operational costs with short-term projected revenue expectations. The Company initially anticipated expending approximately \$750,000 to develop these markets and the Texas Operations were taking longer than anticipated to begin generating the expected level of revenue to warrant continued operation. Therefore, in late December 2016, we decided to close the Texas Operations and at the end of February 2017 the San Antonio and Dallas offices were closed. The revenue from our Texas Operations included sales of high margin security products; our plan is to continue to sell those products and recognize the revenue in our Suisun City Operations.

**Acquisitions involve risks that could result in a reduction of our operating results, cash flows and liquidity.**

We have made, and in the future may continue to make strategic acquisitions. However, we may not be able to identify suitable acquisition opportunities, or may be unable to obtain the consent of our shareholders and therefore, may not be able to complete such acquisitions. We may pay for acquisitions with our common stock or with convertible securities, which may dilute your investment in our common stock, or we may decide to pursue acquisitions that investors may not agree with. In connection with most of the Company's acquisitions in the past, we had also agreed to substantial earn-out arrangements, although none exist currently. To the extent we may enter into such transactions in the future, which may result in the deferral of payment of the purchase price for any acquisition through a cash earn-out arrangement, it could potentially reduce our cash flows in subsequent periods. In addition, acquisitions may expose us to operational challenges and risks, including:

- the ability to profitably manage acquired businesses or successfully integrate the acquired business' operations and financial reporting and accounting control systems into our business;
- increased indebtedness and contingent purchase price obligations associated with an acquisition;
- the ability to fund cash flow shortages that may occur if anticipated revenue is not realized or is delayed, whether by general economic or market conditions, or unforeseen internal difficulties;
- the availability of funding sufficient to meet increased capital needs;
- diversion of management's attention; and
- the ability to retain or hire qualified personnel required for expanded operations.

Completing acquisitions may require significant management time and financial resources because we may need to assimilate widely dispersed operations with distinct corporate cultures. In addition, acquired companies may have liabilities that we failed, or were unable, to discover in the course of performing due diligence investigations. We cannot assure you that the indemnification granted to us by sellers of acquired companies will be sufficient in amount, scope or duration to fully offset the possible liabilities associated with businesses or properties we assume upon consummation of an acquisition. We may learn additional information about our acquired businesses that materially adversely affect us, such as unknown or contingent liabilities and liabilities related to compliance with applicable laws. Any such liabilities, individually or in the aggregate, could have a material adverse effect on our business.

Failure to successfully manage the operational challenges and risks associated with, or resulting from, acquisitions could adversely affect our results of operations, cash flows and liquidity. Borrowings or issuances of convertible securities associated with these acquisitions may also result in higher levels of indebtedness, which could impact our ability to service our debt within the scheduled repayment terms.

**RISKS RELATED TO OUR COMMUNICATIONS INFRASTRUCTURE CONTRACTING SERVICES BUSINESS**

**If we fail to accurately estimate costs associated with our fixed-price contracts using percentage-of-completion, our actual results could vary from our assumptions, which may reduce our profitability or impair our financial performance.**

A substantial portion of our revenue is derived from fixed price contracts. Under these contracts, we set the price of our services on an aggregate basis and assume the risk that the costs associated with our performance may be greater than we anticipated. We recognize revenue and profit on these contracts as the work on these projects progresses on a percentage-of-completion basis. Under the percentage-of-completion method, contracts in process are valued at cost plus accrued profits less earned revenues and progress payments on uncompleted contracts.



The percentage-of-completion method therefore relies on estimates of total expected contract costs. These costs may be affected by a variety of factors, such as lower than anticipated productivity, conditions at work sites differing materially from what was anticipated at the time we bid on the contract and higher costs of materials and labor. Contract revenue and total cost estimates are reviewed and revised monthly as the work progresses, such that adjustments to profit resulting from revisions are made cumulative to the date of the revision. Adjustments are reflected in contract revenue for the fiscal period affected by these revised estimates. If estimates of costs to complete long-term contracts indicate a loss, we immediately recognize the full amount of the estimated loss. Such adjustments and accrued losses could result in reduced profitability and liquidity.

**Failure to properly manage projects could result in unanticipated costs or claims.**

Our project engagements may involve large scale, highly complex projects. The quality of our performance on such projects depends in large part upon our ability to manage the relationship with our customers, and to effectively manage the project and deploy appropriate resources, including third-party contractors and our own personnel, in a timely manner. Any defects or errors or failure to meet customers' expectations could result in claims for substantial damages against us. Our contracts generally limit our liability for damages that arise from negligent acts, errors, mistakes or omissions in rendering services to our customers. However, we cannot be sure that these contractual provisions will protect us from liability for damages in the event we are sued. In addition, in certain instances, we guarantee customers that we will complete a project by a scheduled date or that the network will achieve certain performance standards. If the project or network experiences a performance problem, we may not be able to recover the additional costs we would incur, which could exceed revenues realized from a project.

**We may be unable to obtain sufficient bonding capacity to undertake certain projects.**

Some of our contracts require performance and payment bonds. If we are not able to renew or obtain a sufficient level of bonding capacity in the future, we may be precluded from being able to bid for certain contracts or successfully contract with certain customers. In addition, even if we are able to successfully renew or obtain performance or payment bonds, we may be required to post letters of credit in connection with the bonds, which could negatively affect our cash flow.

Furthermore, under standard terms in the surety market, sureties issue or continue bonds on a project-by-project basis and can decline to issue bonds at any time or require the posting of additional collateral as a condition to issuing or renewing any bonds. If we were to experience an interruption or reduction in the availability of bonding capacity as a result of these or any other reasons, we may be unable to compete for or work on certain projects that would require bonding.

The ability of our Suisun City Operations to obtain performance and payment bonds from traditional surety markets within the insurance industry has been adversely impacted by our operating losses and negative working capital at the consolidated Company level.

**An economic downturn in any of the industries we serve could lead to less demand for our services.**

Because the vast majority of our revenue is derived from a few industries, a downturn in any of those industries would adversely affect our results of operations. Specifically, an economic downturn in any industry we serve could result in the delay, reduction or cancellation of projects by our customers as well as cause our customers to outsource less work, resulting in decreased demand for our services and potentially impacting our operations and our ability to grow at historical levels. A number of other factors, including financing conditions and potential bankruptcies in the industries we serve or a prolonged economic downturn or recession, could adversely affect our customers and their ability or willingness to fund capital expenditures in the future. Consolidation, competition, capital constraints or negative economic conditions in the private sector, public services, healthcare or energy industries and the K-12 education market may also result in reduced spending by, or the loss of, one or more of our customers.

**We have a significant amount of accounts receivable and costs and estimated earnings in excess of billings assets.**

We extend credit to our customers as a result of performing work under contracts prior to billing our customers for that work. At April 26, 2017, we had net accounts receivable of approximately \$3,483,097 and costs and estimated earnings in excess of billings of approximately \$585,088. We periodically assess the credit risk of our customers and continuously monitor the timeliness of payments. Slowdowns in the industries we serve may impair the financial condition of one or more of our customers and hinder their ability to pay us on a timely basis or at all. Further, bankruptcies or financial difficulties within the markets we serve could hinder the ability of our customers to pay us on a timely basis or at all, reducing our cash flows and adversely impacting our liquidity and profitability. Additionally, we could incur losses in excess of current bad debt allowances.

**The industry in which we operate has relatively low barriers to entry and increased competition could result in margin erosion, which could make profitability even more difficult to sustain.**

Other than the technical skills required in our business, the barriers to entry in our business are relatively low. We do not have any intellectual property rights to protect our business methods and business start-up costs do not pose a significant barrier to entry. The success of our business is dependent on our employees, customer relations and the successful performance of our services. If we face increased competition as a result of new entrants in our markets, we could experience reduced operating margins and loss of market share and brand recognition.

**Our business depends upon our ability to keep pace with the latest technological changes, and our failure to do so could make us less competitive in our industry.**

The market for our services is characterized by rapid change and technological improvements. Failure to respond in a timely and cost-effective way to these technological developments may result in serious harm to our business and operating results. We have derived, and we expect to continue to derive, a substantial portion of our revenues from design-build services that are based upon today's leading technologies and that are capable of adapting to future technologies. As a result, our success will depend, in part, on our ability to develop and market service offerings that respond in a timely manner to the technological advances of our customers, evolving industry standards and changing preferences.

**Amounts included in our backlog may not result in actual revenue or translate into profits.**

As of March 31, 2017, we had a backlog of unfilled orders of approximately \$15,588,530. This backlog amount is based on contract values and purchase orders and may not result in actual receipt of revenue in the originally anticipated period or at all. In addition, contracts included in our backlog may not be profitable. We have experienced variances in the realization of our backlog because of project delays or cancellations resulting from external market factors and economic factors beyond our control and we may experience delays or cancellations in the future. If our backlog fails to materialize, we could experience a further reduction in revenue, profitability and liquidity.

**Employee strikes and other labor-related disruptions could adversely affect our operations.**

Our business is labor intensive. As of April 26, 2017, approximately 85% of our workforce was unionized, including 5% of our project managers. Strikes or labor disputes with our unionized employees may adversely affect our ability to conduct our business. If we are unable to reach agreement with any of our unionized work groups on future negotiations regarding the terms of their collective bargaining agreements, or if additional segments of our workforce become unionized, we may be subject to work interruptions or stoppages. Any of these events could be disruptive to our operations and could result in negative publicity, loss of contracts and a decrease in revenues. Our current union contract expires in October 2017.

**Our quarterly results fluctuate and could cause our stock price to decline.**

Our quarterly operating results have fluctuated in the past and will likely fluctuate in the future. As a result, we believe that period-to-period comparisons of our results of operations are not a good indication of our future performance. A number of factors, many of which are beyond our control, are likely to cause these fluctuations. Some of these factors include:

- the timing and size of design-build projects and technology upgrades by our customers;
- fluctuations in demand for outsourced contracting services;
- the ability of certain customers to sustain capital resources to pay their trade account balances and required changes to our allowance for doubtful accounts based on periodic assessments of the collectability of our accounts receivable balances;
- reductions in the prices of services offered by our competitors;
- our success in bidding on and winning new business; and
- our sales, marketing and administrative cost structure.

Because our operating results may vary significantly from quarter to quarter, our operating results may not meet the expectations of securities analysts and investors, and our common stock could decline significantly which may expose us to risks of securities litigation, impair our ability to attract and retain qualified individuals using equity incentives and make it more difficult to complete acquisitions using equity as consideration.

**Our future plans and growth are dependent on maintaining sufficient working capital.**

Our future plans and growth are dependent on our ability to increase revenues and continue our business development efforts surrounding our contract award backlog. If we continue to incur losses and revenues do not generate from the backlog as expected, we may need to raise additional capital to expand our business and continue as a going concern. We recently raised funds via the sale of Series H-3 Preferred Stock and Warrants, as disclosed in our Current Report on Form 8-K filed with the Securities and Exchange Commission (the "SEC") on April 4, 2017 to support our cash position. In the future, however, if our plans or assumptions regarding the sufficiency of our working capital change or prove to be inaccurate, we may need to raise additional funds through public or private debt or equity offerings, financings, corporate collaborations, or other means. We may also be required to reduce operating expenditures or investments in our infrastructure.

**RISKS RELATED TO OUR COMMON STOCK**

**If our common stock were delisted from The NASDAQ Stock Market, the Company would be subject to the risks relating to penny stocks.**

If our common stock were to be delisted from trading on The NASDAQ Stock Market and the trading price of the common stock were below \$5.00 per share on the date the common stock were delisted, trading in our common stock would also be subject to the requirements of certain rules promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). These rules require additional disclosure by broker-dealers in connection with any trades involving a stock defined as a "penny stock" and impose various sales practice requirements on broker-dealers who sell penny stocks to persons other than established customers and accredited investors, generally institutions. These additional requirements may discourage broker-dealers from effecting transactions in securities that are classified as penny stocks, which could severely limit the market price and liquidity of such securities and the ability of purchasers to sell such securities in the secondary market. A penny stock is defined generally as any non-exchange listed equity security that has a market price of less than \$5.00 per share, subject to certain exceptions.

**Our stock price may be volatile, which could result in lawsuits against us and our officers and directors.**

The stock market in general and the stock prices of technology and telecommunications companies in particular, have experienced volatility that has often been unrelated to or disproportionate to the operating performance of those companies. The market price of our common stock has fluctuated in the past and is likely to fluctuate in the future. Between May 1, 2016 and May 5, 2017, our common stock has traded as low as \$1.13 and as high as \$1.96 per share, based upon information provided by the NASDAQ Capital Market. Factors that could have a significant impact on the market price of our common stock include, but are not limited to, the following:

- quarterly variations in operating results;
- announcements of new services by us or our competitors;
- the gain or loss of significant customers;
- changes in analysts' earnings estimates;
- rumors or dissemination of false information;
- pricing pressures;
- short selling of our common stock;
- impact of litigation;
- general conditions in the market;
- changing the exchange or quotation system on which we list our common stock for trading;
- announcements regarding acquisitions by or of our company;
- political and/or military events associated with current worldwide conflicts; and
- events affecting other companies that investors deem comparable to us.

Companies that have experienced volatility in the market price of their stock have frequently been the objects of securities class action litigation. Class action and derivative lawsuits could result in substantial costs to us and cause a diversion of our management's attention and resources, which could materially harm our financial condition and results of operations.

**We can issue shares of preferred stock without shareholder approval, which could adversely affect the rights of common shareholders.**

Our certificate of incorporation permits us to establish the rights, privileges, preferences and restrictions, including voting rights, of future series of our preferred stock and to issue such stock without approval from our stockholders. The rights of holders of our common stock may suffer as a result of the rights granted to holders of preferred stock that we may issue in the future. In addition, we could issue preferred stock to prevent a change in control of our company, depriving common shareholders of an opportunity to sell their stock at a price in excess of the prevailing market price.

**Certain provisions of our corporate governing documents could make an acquisition of our Company more difficult.**

The following provisions of our certificate of incorporation and bylaws, as currently in effect, as well as Delaware law, could discourage potential proposals to acquire us, delay or prevent a change in control of us or limit the price that investors may be willing to pay in the future for shares of our common stock:

- our certificate of incorporation permits our Board of Directors to issue "blank check" preferred stock and to adopt amendments to our bylaws;

- our bylaws contain restrictions regarding the right of stockholders to nominate directors and to submit proposals to be considered at stockholder meetings; and
- we are subject to provisions of Delaware law which prohibit us from engaging in any of a broad range of business transactions with an “interested stockholder” for a period of three years following the date such stockholder became classified as an interested stockholder.

#### **USE OF PROCEEDS**

We will not receive any proceeds from the sale of the Common Stock by the selling stockholders. We may receive proceeds from the issuance of shares of our Common Stock upon the exercise of the Warrants, if exercised for cash. We intend to use any proceeds from exercise of the Warrants for working capital and other general corporate purposes.

#### **SELLING STOCKHOLDERS**

The shares of Common Stock being offered by the selling stockholders are those issued upon conversion of the Series H-3 Preferred Stock and exercise of Warrants that were issued to the selling stockholders pursuant to the Securities Purchase Agreement dated as of March 30, 2017, by and among the Company and the investors named therein (the “Securities Purchase Agreement”), and the Placement Agent Agreement dated as of March 21, 2017, by and between the Company and Palladium Capital Advisors, LLC (the “Placement Agent Agreement”). We are registering the shares of Common Stock in order to permit the selling stockholders to offer the shares for resale from time to time.

In addition to the selling stockholders’ ownership of the shares of Series H-3 Preferred Stock and/or Warrants issued pursuant to the Securities Purchase Agreement and Placement Agent Agreement, as disclosed in the Company’s Exchange Act reports, the selling stockholders, other than Palladium Capital Advisors, LLC, had or have certain board election rights, including the right to elect up to two members of the Company’s Board of Directors, subject to certain step downs, by virtue of their ownership of Series H-3 Preferred Stock.

Alpha Capital Anstalt has been, within the past 3 years and as disclosed in the Company’s Exchange Act reports, the beneficial owner of 9.99% of the Company’s outstanding common stock. Alpha Capital Anstalt’s ownership has been subject to a 9.99% ownership limitation in prior series of the Company’s preferred stock and warrants, and would otherwise have represented a larger ownership percentage in the Company’s outstanding common stock.

Brio Capital Master Fund Ltd. has been, within the past 3 years and as disclosed in the Company’s Exchange Act reports, an investor in a prior series of the Company’s preferred stock and warrants. Brio Capital Master Fund Ltd.’s ownership has been subject to a 9.99% ownership limitation in a prior series of the Company’s preferred stock and warrants.

GRQ Consultants, Inc. ROTH 401K FBO Barry Honig (“GRQ”) has been, within the past 3 years, a member of a “group” for purposes of Section 13(d)(3) of the Exchange with Barry Honig, where such group has been the beneficial owner of 9.99% of the Company’s outstanding common stock. GRQ’s ownership has been subject to a 9.99% ownership limitation in a prior series of the Company’s preferred stock. GRQ was a member of BTX Trader LLC, and sold its membership interest therein to the Company in exchange for a prior series of the Company’s preferred stock and warrants.

Iroquois Capital Investment Group (“ICIG”) and Iroquois Master Fund Ltd. (“IMF”) have been, within the past 3 years, members of a “group” for purposes of Section 13(d)(3) of the Exchange Act with certain other persons and entities (the “Iroquois Group”), where the Iroquois Group has been the beneficial owner of 9.99% of the Company’s outstanding common stock. The Iroquois Group’s ownership has been subject to a 9.99% ownership limitation in prior series of the Company’s preferred stock and warrants, and would otherwise have represented a larger ownership percentage in the Company’s outstanding common stock.

As disclosed in the Company's Exchange Act reports, ICIG and IMF, amongst others, were parties to that certain Nomination, Standstill and Voting Agreement whereby the Company agreed to appoint Joshua Silverman as a member of the Board to fill a newly created vacancy and include him in its slate of nominees for election at the 2016 annual meeting of stockholders and the other parties therein, including ICIG and IMF, agreed to refrain from certain activities at the 2016 annual meeting of stockholders and until such time as Mr. Silverman is no longer serving as a member of the Board and to vote for the Company's slate of directors and according to the Company's recommendation for other items of business at the 2016 annual meeting of stockholders, subject to certain exceptions.

As disclosed in the Company's Exchange Act reports, the Company entered into certain Amendment, Waiver and Exchange Agreements with Iroquois Master Fund Ltd. and Alpha Capital Anstalt pursuant to which Iroquois Master Fund Ltd. and Alpha Capital Anstalt exchanged then-existing indebtedness in return for prior series of the Company's preferred stock and/or promissory notes.

Pursuant to the Placement Agent Agreement, Palladium Capital Advisors, LLC acted as the Company's placement agent in the transaction resulting in the issuance of the Series H-3 Preferred Stock and relevant Warrants pursuant to the Securities Purchase Agreement, and has acted as the Company's placement agent in a transaction involving a prior series of the Company's preferred stock and warrants and has otherwise provided similar services to the Company.

The table below lists the selling stockholders and other information regarding the beneficial ownership of the shares of Common Stock by each of the selling stockholders. The second column lists the number of shares of Common Stock beneficially owned by each selling stockholder, including its ownership of the Series H-3 Preferred Stock and the Warrants, as of May 5, 2017, assuming conversion, exchange, or exercise of all convertible, exchangeable, or exercisable securities held by the selling stockholder on that date, without regard to any limitations on conversion, exchange, or exercise.

The third column lists the shares of Common Stock being offered by this prospectus by the selling stockholders and does not take in account any limitations on (i) conversion of the Series H-3 Preferred Stock or issuance of Common Stock or (ii) exercise of the Warrants.

In accordance with the terms of a registration rights agreement with certain of the selling stockholders (the "Registration Rights Agreement"), this prospectus generally covers the resale of at least the sum of (i) the number of shares of Common Stock issued upon conversion of the Series H-3 Preferred Stock issued pursuant to the Securities Purchase Agreement as of the trading day immediately preceding the date the registration statement is initially filed with the SEC, and (ii) the maximum number of shares of common stock issued and issuable upon exercise of the related Warrants as of the trading day immediately preceding the date the registration statement is initially filed with the SEC. The fourth column assumes the sale of all of the shares offered by the selling stockholders pursuant to this prospectus.

Under the terms of the Series H-3 Preferred Stock, a selling stockholder may not convert the Series H-3 Preferred Stock to the extent such exercise would cause such selling stockholder, together with its affiliates, to beneficially own a number of shares of Common Stock which would exceed 9.99% of our then outstanding shares of Common Stock following such exercise. Under the terms of the Warrants, a selling stockholder may not exercise the Warrants to the extent such exercise would cause such selling stockholder, together with its affiliates, to beneficially own a number of shares of common stock which would exceed 9.99% of our then outstanding shares of common stock following such exercise, excluding for purposes of such determination shares of common stock issuable upon exercise of the Warrants which have not been exercised. The number of shares in the second column does not reflect these limitations. The selling stockholders may sell all, some or none of their shares in this offering. See "Plan of Distribution."

Name of Selling Stockholder	Number of Shares of Common Stock Owned Prior to Offering (1)(2)	Maximum Number of Shares of Common Stock to be Sold Pursuant to this Prospectus(3)	Number of Shares of Common Stock Owned After Offering		%
			Number	Percent	
Alpha Capital Anstalt(4)	1,074,963	558,463	516,500	9.99	(6)
Brio Capital Master Fund Ltd.(7)	548,560	238,810	309,750	6.01	
GRQ Consultants, Inc. Roth 401K FBO Barry Honig(9)	824,843	478,503	346,340	6.72	
Iroquois Capital Investment Group(10)	292,056	79,764	212,292	4.12	
Iroquois Master Fund Ltd.(12)	2,015,267	398,792	1,616,475	9.99	(14)
Palladium Capital Advisors, LLC(15)	49,119	49,119	0		*

(1) Beneficial ownership is determined in accordance with the rules of the SEC. Shares of Common Stock subject to options or warrants currently exercisable or exercisable within 60 days of the date of this prospectus, are deemed outstanding for computing the percentage ownership of the stockholder holding the options or warrants and securities that are currently convertible or convertible within 60 days of the date of this prospectus, but are not deemed outstanding for computing the percentage ownership of any other stockholder. Unless otherwise indicated in the footnotes to this table, we believe stockholders named in the table have sole voting and sole investment power with respect to the shares set forth opposite such stockholder's name.

(2) Under the terms of the Series H-3 Preferred Stock, a selling stockholder may not convert the Series H-3 Preferred Stock to the extent such exercise would cause such selling stockholder, together with its affiliates, to beneficially own a number of shares of Common Stock which would exceed 9.99% of our then outstanding shares of Common Stock following such exercise. Under the terms of the Warrants, a selling stockholder may not exercise the Warrants to the extent such exercise would cause such selling stockholder, together with its affiliates, to beneficially own a number of shares of common stock which would exceed 9.99% of our then outstanding shares of common stock following such exercise, excluding for purposes of such determination shares of common stock issuable upon exercise of the Warrants which have not been exercised. The number of shares in the second column does not reflect these limitations. The selling stockholders may sell all, some or none of their shares in this offering. See "Plan of Distribution."

(3) Includes the maximum number of shares of Common Stock that each selling stockholder may sell, regardless of the 9.99% beneficial ownership limitation explained in footnote 2 above.

(4) Konrad Ackermann shares voting and investment control over these shares.

(5) Comprised of (i) 206,600 shares of Common Stock issuable upon conversion of the Company's Series H-2 Convertible Preferred Stock and (ii) 309,900 shares of Common Stock issuable upon exercise of warrants issued by the Company ("H-2 Warrants"). Under the terms of the Series H-2 Preferred Stock, a selling stockholder may not convert the Series H-2 Preferred Stock to the extent such exercise would cause such selling stockholder, together with its affiliates, to beneficially own a number of shares of Common Stock which would exceed 9.99% of our then outstanding shares of Common Stock following such exercise. Under the terms of the H-2 Warrants, a selling stockholder may not exercise the H-2 Warrants to the extent such exercise would cause such selling stockholder, together with its affiliates, to beneficially own a number of shares of common stock which would exceed 9.99% of our then outstanding shares of common stock following such exercise, excluding for purposes of such determination shares of common stock issuable upon exercise of the H-2 Warrants which have not been exercised. The number of shares presented does not reflect these limitations.

(6) Taking into account the beneficial ownership limitations described in footnote 5, *supra*, applicable to Alpha Capital Anstalt's Series H-2 Convertible Preferred Stock and H-2 Warrants.

(7) Brio Capital Management LLC and Shaye Hirsch share voting and investment control over these shares.

(8) Comprised of (i) 123,900 shares of Common Stock issuable upon conversion of the Company's Series H-2 Convertible Preferred Stock and (ii) 185,850 shares of Common Stock issuable upon exercise of H-2 Warrants issued by the Company. Under the terms of the Series H-2 Preferred Stock, a selling stockholder may not convert the Series H-2 Preferred Stock to the extent such exercise would cause such selling stockholder, together with its affiliates, to beneficially own a number of shares of Common Stock which would exceed 9.99% of our then outstanding shares of Common Stock following such exercise. Under the terms of the H-2 Warrants, a selling stockholder may not exercise the H-2 Warrants to the extent such exercise would cause such selling stockholder, together with its affiliates, to beneficially own a number of shares of common stock which would exceed 9.99% of our then outstanding shares of common stock following such exercise, excluding for purposes of such determination shares of common stock issuable upon exercise of the H-2 Warrants which have not been exercised. The number of shares presented does not reflect these limitations.

(9) Barry Honig shares voting and investment control over these shares.

(10) Richard Abbe shares voting and investment control over these shares.

(11) Comprised of (i) 36,600 shares of Common Stock issuable upon conversion of the Company's Series H-1 Convertible Preferred Stock; (ii) 14,752 shares of Common Stock issuable upon exercise of warrants issued by the Company ("H-1 Warrants"); and (iii) 14,752 shares of Common Stock. Under the terms of the Series H-1 Preferred Stock, a selling stockholder may not convert the Series H-1 Preferred Stock to the extent such exercise would cause such selling stockholder, together with its affiliates, to beneficially own a number of shares of Common Stock which would exceed 9.99% of our then outstanding shares of Common Stock following such exercise. Under the terms of the H-1 Warrants, a selling stockholder may not exercise the H-1 Warrants to the extent such exercise would cause such selling stockholder, together with its affiliates, to beneficially own a number of shares of common stock which would exceed 9.99% of our then outstanding shares of common stock following such exercise, excluding for purposes of such determination shares of common stock issuable upon exercise of the H-1 Warrants which have not been exercised. The number of shares presented does not reflect these limitations.

(12) Iroquois Capital Management, LLC and Richard Abbe share voting and investment control over these shares.

(13) Comprised of (i) 366,200 shares of Common Stock issuable upon conversion of the Company's Series H-1 Convertible Preferred Stock; (ii) 1,055,481 shares of Common Stock issuable upon exercise of H-1 Warrants issued by the Company; and (iii) 194,143 shares of Common Stock. Under the terms of the Series H-1 Preferred Stock, a selling stockholder may not convert the Series H-1 Preferred Stock to the extent such exercise would cause such selling stockholder, together with its affiliates, to beneficially own a number of shares of Common Stock which would exceed 9.99% of our then outstanding shares of Common Stock following such exercise. Under the terms of the H-1 Warrants, a selling stockholder may not exercise the H-1 Warrants to the extent such exercise would cause such selling stockholder, together with its affiliates, to beneficially own a number of shares of common stock which would exceed 9.99% of our then outstanding shares of common stock following such exercise, excluding for purposes of such determination shares of common stock issuable upon exercise of the H-1 Warrants which have not been exercised. The number of shares presented does not reflect these limitations.

(14) Taking into account the beneficial ownership limitations described in footnote 13, *supra*, applicable to Iroquois Master Fund Ltd.'s ownership of Series H-1 Convertible Preferred Stock and H-1 Warrants.

(15) Joel Padowitz shares voting and investment control over these shares.

\* Less than 1%.

#### PLAN OF DISTRIBUTION

We are registering the shares of Common Stock that may be issued upon conversion of the Series H-3 Preferred Stock issued pursuant to the Securities Purchase Agreement and upon exercise of the Warrants issued pursuant to the terms of the Securities Purchase Agreement and Placement Agent Agreement to permit the resale of these shares of Common Stock by the holders of such shares and Warrants from time to time after the date of this prospectus. We will not receive any of the proceeds from the sale by the selling stockholders of the shares of Common Stock. We will bear all fees and expenses incident to our obligation to register the shares of Common Stock.



The selling stockholders may sell all or a portion of the shares of Common Stock beneficially owned by them and offered hereby from time to time directly or through one or more underwriters, broker-dealers or agents. If the shares of Common Stock are sold through underwriters or broker-dealers, the selling stockholders will be responsible for underwriting discounts or commissions or agent's commissions. The shares of Common Stock may be sold in one or more transactions at fixed prices, at prevailing market prices at the time of the sale, at varying prices determined at the time of sale, or at negotiated prices. These sales may be effected in transactions, which may involve crosses or block transactions, pursuant to one or more of the following methods:

- on any national securities exchange or quotation service on which the securities may be listed or quoted at the time of sale;
- in the over-the-counter market;
- in transactions otherwise than on these exchanges or systems or in the over-the-counter market;
- through the writing of options, whether such options are listed on an options exchange or otherwise;
- ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;
- block trades in which the broker-dealer will attempt to sell the shares as agent but may position and resell a portion of the block as principal to facilitate the transaction;
- purchases by a broker-dealer as principal and resale by the broker-dealer for its account;
- an exchange distribution in accordance with the rules of the applicable exchange;
- privately negotiated transactions;
- short sales;
- sales pursuant to Rule 144;
- broker-dealers may agree with the selling securityholders to sell a specified number of such shares at a stipulated price per share;
- a combination of any such methods of sale; and
- any other method permitted pursuant to applicable law.

If the selling stockholders effect such transactions by selling shares of Common Stock to or through underwriters, broker-dealers or agents, such underwriters, broker-dealers or agents may receive commissions in the form of discounts, concessions or commissions from the selling stockholders or commissions from purchasers of the shares of Common Stock for whom they may act as agent or to whom they may sell as principal (which discounts, concessions or commissions as to particular underwriters, broker-dealers or agents may be in excess of those customary in the types of transactions involved). In connection with sales of the shares of Common Stock or otherwise, the selling stockholders may enter into hedging transactions with broker-dealers, which may in turn engage in short sales of the shares of Common Stock in the course of hedging in positions they assume. The selling stockholders may also sell shares of Common Stock short and deliver shares of Common Stock covered by this prospectus to close out short positions and to return borrowed shares in connection with such short sales. The selling stockholders may also loan or pledge shares of Common Stock to broker-dealers that in turn may sell such shares.

The selling stockholders may pledge or grant a security interest in some or all of the shares of Common Stock, Series H-3 Preferred Stock or Warrants owned by them and, if they default in the performance of their secured obligations, the pledgees or secured parties may offer and sell the shares of Common Stock from time to time pursuant to this prospectus or any amendment to this prospectus under Rule 424(b)(3) or other applicable provision of the Securities Act of 1933, as amended, amending, if necessary, the list of selling stockholders to include the pledgee, transferee or other successors in interest as selling stockholders under this prospectus. The selling stockholders also may transfer and donate the shares of Common Stock in other circumstances in which case the transferees, donees, pledgees or other successors in interest will be the selling beneficial owners for purposes of this prospectus.

The selling stockholders and any broker-dealer participating in the distribution of the shares of Common Stock may be deemed to be "underwriters" within the meaning of the Securities Act, and any commission paid, or any discounts or concessions allowed to, any such broker-dealer may be deemed to be underwriting commissions or discounts under the Securities Act. At the time a particular offering of the shares of Common Stock is made, a prospectus supplement, if required, will be distributed which will set forth the aggregate amount of shares of Common Stock being offered and the terms of the offering, including the name or names of any broker-dealers or agents, any discounts, commissions and other terms constituting compensation from the selling stockholders and any discounts, commissions or concessions allowed or re-allowed or paid to broker-dealers.

Under the securities laws of some states, the shares of Common Stock may be sold in such states only through registered or licensed brokers or dealers. In addition, in some states the shares of Common Stock may not be sold unless such shares have been registered or qualified for sale in such state or an exemption from registration or qualification is available and is complied with.

There can be no assurance that any selling stockholder will sell any or all of the shares of Common Stock registered pursuant to the registration statement, of which this prospectus forms a part.

The selling stockholders and any other person participating in such distribution will be subject to applicable provisions of the Exchange Act and the rules and regulations thereunder, including, without limitation, Regulation M of the Exchange Act, which may limit the timing of purchases and sales of any of the shares of Common Stock by the selling stockholders and any other participating person. Regulation M may also restrict the ability of any person engaged in the distribution of the shares of Common Stock to engage in market-making activities with respect to the shares of Common Stock. All of the foregoing may affect the marketability of the shares of Common Stock and the ability of any person or entity to engage in market-making activities with respect to the shares of Common Stock.

We will pay all expenses of the registration of the shares of Common Stock pursuant to the Registration Rights Agreement, estimated to be \$108,278 in total, including, without limitation, SEC filing fees and expenses of compliance with state securities or "blue sky" laws; provided, however, that a selling stockholder will pay all underwriting discounts and selling commissions, if any. We will indemnify certain of the selling stockholders against liabilities, including some liabilities under the Securities Act, in accordance with the Registration Rights Agreement, or the selling stockholders will be entitled to contribution. We may be indemnified by certain of the selling stockholders against civil liabilities, including liabilities under the Securities Act, that may arise from any written information furnished to us by the selling stockholder specifically for use in this prospectus, in accordance with the Registration Rights Agreement, or we may be entitled to contribution.

Once sold under the registration statement, of which this prospectus forms a part, the shares of Common Stock will be freely tradable in the hands of persons other than our affiliates.

#### **LEGAL MATTERS**

K&L Gates LLP will pass upon the validity of the securities being offered hereby.

#### **EXPERTS**

The consolidated financial statements of the Company as of April 30, 2016 and 2015 and for the years then ended have been audited by Marcum LLP, independent registered public accounting firm, as set forth in their report thereon and incorporated herein by reference. Such consolidated financial statements are incorporated herein by reference in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

#### **INCORPORATION OF CERTAIN INFORMATION BY REFERENCE**

The SEC allows us to incorporate by reference the information we file with them, which means:

- Incorporated documents are considered part of the prospectus;

- We can disclose important information to you by referring you to those documents; and
- Information that we file with the SEC after the date of this prospectus will automatically update and supersede the information contained in this prospectus and incorporated filings.

We incorporate by reference the documents listed below that we filed with the SEC under the Exchange Act:

- Our Annual Report on Form 10-K for the year ended April 30, 2016, as filed on July 28, 2016;
- Our Quarterly Reports on Form 10-Q for the quarters ended July 31, 2016, as filed on September 12, 2016; October 31, 2016, as filed on December 15, 2016; and January 31, 2017, as filed on March 15, 2017;
- Our Current Reports on Form 8-K filed on July 28, 2016; August 5, 2016; August 17, 2016; September 29, 2016; October 20, 2016; December 2, 2016; December 12, 2016; December 19, 2016; December 22, 2016; January 19, 2017; January 25, 2017; March 30, 2017; and April 4, 2017;
- Our Proxy Statement on Schedule 14A filed on August 16, 2016;
- The description of our Common Stock contained in the registration statement on Form S-3/A (Registration No. 333-165927) filed with the SEC on April 15, 2010, and all amendments and reports filed for the purpose of updating that description.

We also incorporate by reference each of the documents that we file with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act (1) after the date of the initial filing of this registration statement, of which this prospectus forms a part, prior to the effectiveness of this registration statement and (2) after the date of this prospectus until the offering of the securities terminates. We will not, however, incorporate by reference in this prospectus any documents or portions thereof that are not deemed "filed" with the SEC, including any information furnished pursuant to Item 2.02 or Item 7.01 of our current reports on Form 8-K after the date of this prospectus unless, and except to the extent, specified in such current reports.

We will provide you with a copy of any of these filings (other than an exhibit to these filings, unless the exhibit is specifically incorporated by reference into the filing requested) at no cost, if you submit a request to us by writing or telephoning us at the following address and telephone number:

WPCS International Incorporated  
521 Railroad Avenue  
Suisun City, California 94585  
(707) 421-1300

Any statement contained or incorporated by reference in this prospectus shall be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained herein, or in any subsequently filed document which also is incorporated herein by reference, modifies or supersedes such earlier statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this prospectus. Any statement made in this prospectus concerning the contents of any contract, agreement or other document is only a summary of the actual contract, agreement or other document. If we have filed or incorporated by reference any contract, agreement or other document as an exhibit to the registration statement, you should read the exhibit for a more complete understanding of the document or matter involved. Each statement regarding a contract, agreement or other document is qualified by reference to the actual document.

#### **WHERE YOU CAN FIND ADDITIONAL INFORMATION**

We have filed with the SEC a registration statement on Form S-3 under the Securities Act with respect to the shares of Common Stock offered hereby. This prospectus, which constitutes a part of the registration statement, does not contain all of the information set forth in the registration statement or the exhibits and schedules filed therewith. For further information about us and the Common Stock offered hereby, reference is made to the registration statement and the exhibits and schedules filed therewith.

A copy of the registration statement and the exhibits and schedules filed therewith may be inspected without charge at the public reference room maintained by the SEC, located at 100 F Street, N.E., Washington, D.C. 20549, and copies of all or any part of the registration statement may be obtained from such offices upon the payment of the fees prescribed by the SEC. Please call the SEC at 1-800-SEC-0330 for further information about the public reference room. We also file annual, quarterly and current reports, proxy statements and other information with the SEC. The SEC also maintains an Internet web site that contains reports, proxy and information statements and other information regarding registrants that file electronically with the SEC. The address of the site is <http://www.sec.gov>.

**You should rely only on the information contained in this document. We have not authorized anyone to give any information that is different. This prospectus is not an offer to sell these securities and is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted. The information in this prospectus is complete and accurate as of the date on the cover, but the information may change in the future.**

**1,803,451 Shares of Common Stock**

**WPCS INTERNATIONAL INCORPORATED**

**PROSPECTUS**

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**PART II**  
**INFORMATION NOT REQUIRED IN PROSPECTUS**

**Item 14. Other Expenses of Issuance and Distribution**

The following table sets forth the expenses payable by the Registrant in connection with the sale and distribution of the securities being registered hereby. All amounts are estimated except the SEC registration fee.

Securities and Exchange Commission registration fee	\$ 278
Accounting fees and expenses	\$ 10,000
Printing and engraving	\$ 3,000
Legal fees and expenses	\$ 95,000
Total	\$ <u>108,278</u>

**Item 15. Indemnification of Directors and Officers**

Our Certificate of Incorporation limits, to the maximum extent permitted by Delaware law, the personal liability of directors for monetary damages for breach of their fiduciary duties as a director. Our Bylaws provide that we shall indemnify our officers and directors and may indemnify our employees and other agents to the fullest extent permitted by Delaware law.

Section 145 of the Delaware General Corporation Law (“DGCL”) provides that a corporation may indemnify a director, officer, employee or agent made a party to an action by reason of the fact that he or she was a director, officer, employee or agent of the corporation or was serving at the request of the corporation against expenses actually and reasonably incurred by him or her in connection with such action if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the corporation and with respect to any criminal action, had no reasonable cause to believe his or her conduct was unlawful.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling us pursuant to the foregoing provisions, we have been advised that in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable.

Section 102(b)(7) of the DGCL provides that a certificate of incorporation may contain a provision eliminating or limiting the personal liability of a director to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, provided that such provision may not eliminate or limit the liability of a director (i) for any breach of the director’s duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 (relating to liability for unauthorized acquisitions or redemptions of, or dividends on, capital stock) of the DGCL, or (iv) for any transaction from which the director derived an improper personal benefit. Our certificate of incorporation contains such a provision.

The indemnification provisions contained in our certificate of incorporation are in addition to any other right that a person may have or acquire under any statute, bylaw, resolution of shareholders or directors or otherwise.

We have obtained liability insurance for the benefit of our directors and officers which provides coverage for losses of directors and officers for liabilities arising out of claims against such persons acting as our directors or officers due to any breach of duty, neglect, error, misstatement, misleading statement, omission or act done by such directors and officers, except as prohibited by law.

The Company has entered into indemnification agreements with each of the Company's directors and certain of the Company's officers pursuant to which the Company will indemnify the indemnitee to the fullest extent permitted by Delaware law in the event that the indemnitee becomes subject to or a participant in certain claims or proceedings as a result of the indemnitee's service to the Company as an officer or director and advance to the indemnitee specified indemnifiable expenses incurred in connection with certain claims and proceedings, subject to certain exceptions and repayment conditions.

#### Item 16. Exhibits and Financial Statement Schedules

The following documents are exhibits to the registration statement:

<u>Exhibit Number</u>	<u>Description</u>
5.1*	Opinion of K&L Gates LLP
23.1*	Consent of Marcum LLP, Independent Registered Public Accounting Firm
23.2*	Consent of K&L Gates LLP (contained in Exhibit 5.1)
24.1	Power of Attorney (included in the signature page to the Registration Statement)

\* Filed herewith.

#### Item 17. Undertakings

The undersigned registrant hereby undertakes:

1. To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; and

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

*provided, however*, that the undertakings set forth in paragraphs (1)(i), (1)(ii) and (1)(iii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the Commission by the registrant pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in this registration statement, or is contained in a form of prospectus filed pursuant to Rule 424(b) that is part of this registration statement.

2. That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

3. To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

4. That, for the purpose of determining liability under the Securities Act of 1933 to any purchaser:
- (i) Each prospectus filed by the registrant pursuant to Rule 424(b)(3) shall be deemed to be part of the registration statement as of the date the filed prospectus was deemed part of and included in the registration statement; and
  - (ii) Each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5), or (b)(7) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (vii), or (x) for the purpose of providing the information required by section 10(a) of the Securities Act of 1933 shall be deemed to be a part of and included in the registration statement as of the earlier date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in the prospectus. As provided in Rule 430B, for liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the registration statement relating to the securities in the registration statement to which that prospectus relates, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof. *Provided, however*, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is a part of the registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such effective date.
5. That, for the purpose of determining liability of the registrant under the Securities Act of 1933 to any purchaser in the initial distribution of the securities the undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:
- (i) Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;
  - (ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;
  - (iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and
  - (iv) Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to section 13(a) or section 15(d) of the Securities Exchange Act of 1934 that is incorporated by reference in this registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

The undersigned registrant hereby undertakes to supplement the prospectus, after the expiration of the subscription period, to set forth the results of the subscription offer, the transactions by the underwriters during the subscription period, the amount of unsubscribed securities to be purchased by the underwriters, and the terms of any subsequent reoffering thereof. If any public offering by the underwriters is to be made on terms differing from those set forth on the cover page of the prospectus, a post-effective amendment will be filed to set forth the terms of such offering.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in New York, New York, on the 8th day of May, 2017.

**WPCS INTERNATIONAL INCORPORATED**

By: /s/ Sebastian Giordano  
Sebastian Giordano  
Chief Executive Officer

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Sebastian Giordano and David Allen, and each of them acting individually, his true and lawful attorneys-in-fact and agent, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement, and to sign any registration statement for the same offering covered by this Registration Statement that is to be effective upon filing pursuant to Rule 462(b) promulgated under the Securities Act of 1933, as amended, and all post-effective amendments thereto, and to file the same, with all exhibits thereto and all documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that such attorneys-in-fact and agents or any of them, or his or their substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

<u>/s/ Sebastian Giordano</u> Sebastian Giordano	Chief Executive Officer and Director (Principal Executive Officer)	May 8, 2017
<u>/s/ David Allen</u> David Allen	Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	May 8, 2017
<u>/s/ Charles Benton</u> Charles Benton	Director	May 8, 2017
<u>/s/ Norm Dumbroff</u> Norm Dumbroff	Director	May 8, 2017
<u>/s/ Edward Gildea</u> Edward Gildea	Director	May 8, 2017
<u>/s/ Jonathan Schechter</u> Jonathan Schechter	Director	May 8, 2017



**EXHIBIT INDEX**

<b>Exhibit Number</b>	<b>Description</b>
5.1*	Opinion of K&L Gates LLP
23.1*	Consent of Marcum LLP, Independent Registered Public Accounting Firm
23.2*	Consent of K&L Gates LLP (contained in Exhibit 5.1)
24.1	Power of Attorney (included in the signature page to the Registration Statement)

\* Filed herewith.



K&L Gates LLP  
599 Lexington Avenue  
New York, NY 10022-6030  
T 212.536.3900 www.klgates.com

May 8, 2017

WPCS International Incorporated  
521 Railroad Avenue  
Suisun City, California 94585

Ladies and Gentlemen:

We have acted as your counsel in connection with the Registration Statement on Form S-3 (the "Registration Statement") filed with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "1933 Act"), on May 8, 2017, relating to the offer and sale of 1,803,451 shares (the "Shares") of common stock, par value \$0.0001 per share (the "Common Stock"), of WPCS International Incorporated, a Delaware corporation (the "Company"). The Shares include (1) shares of Common Stock initially issuable upon conversion of the Series H-3 Convertible Preferred Stock of the Company (the "Series H-3 Preferred Stock") and (2) shares of Common Stock initially issuable upon exercise of certain warrants of the Company (the "Warrants").

You have requested our opinion as to the matters set forth below in connection with the Registration Statement. For purposes of rendering that opinion, we have examined (i) the Registration Statement, (ii) the Company's Certificate of Incorporation, as amended, including the Certificate of Designations, Preferences and Rights of the Series H-3 Preferred Stock (the "Certificate of Incorporation"), (iii) the Company's Amended and Restated Bylaws, and (iv) resolutions adopted by the Board of Directors of the Company (the "Board of Directors") which authorize and provide for the filing of the Registration Statement, the issuance of the Shares and the inclusion of the issued Shares in the Registration Statement for resale, and we have made such investigation of law as we have deemed appropriate. We have examined and relied upon certificates of public officials and, as to certain matters of fact that are material to our opinion, we have also relied on a certificate of an officer of the Company. For the purposes of this opinion letter, we have assumed that (i) each document submitted to us is accurate and complete; (ii) each such document that is an original is authentic; (iii) each such document that is a copy conforms to an authentic original; and (iv) all signatures (other than signatures on behalf of the Company) on each such document are genuine. We also have assumed that (i) the Company will have sufficient authorized and unissued shares of Common Stock at the time of issuance of any of the Shares, (ii) all Shares will be evidenced by an appropriate certificate, duly executed and delivered or the Board of Directors will adopt a resolution, providing that all shares of Common Stock shall be uncertificated in accordance with Section 158 of the Delaware General Corporation Law (the "DGCL"), prior to their issuance; (iii) the issuance of any Shares will be duly noted in the Company's stock ledger upon issuance; and (iv) each of the documents reviewed by us (including the Warrants) constitute a valid and binding agreement of each of the parties thereto (other than the Company) enforceable against the parties thereto in accordance with its terms.

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We have further assumed the legal capacity of natural persons. We have not verified any of those assumptions.

Our opinion set forth below is limited to the DGCL. We are not opining on, and we assume no responsibility for, the applicability to or effect on any of the matters covered herein of (i) any other law or (ii) the laws of any other jurisdiction.

Based upon and subject to the foregoing, it is our opinion that (1) the Shares referred to above initially issuable upon conversion of the Series H-3 Preferred Stock are duly authorized for issuance by the Company and, upon issuance in accordance with the Certificate of Incorporation, will be validly issued, fully paid and nonassessable and (2) the Shares referred to above initially issuable upon exercise of the Warrants are duly authorized for issuance by the Company and, upon the exercise of the Warrants in accordance with the terms therein, will be validly issued, fully paid, and nonassessable.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the reference to this firm in the related Prospectus under the caption "Legal Matters." In giving our consent we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the 1933 Act or the rules and regulations thereunder.

Yours truly,

/s/ K&L Gates LLP

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INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM'S CONSENT

We consent to the incorporation by reference in this Registration Statement of WPCS International Incorporated on Form S-3 of our report dated July 28, 2016, with respect to our audits of the consolidated financial statements of WPCS International Incorporated and Subsidiaries as of April 30, 2016 and 2015 and for the years then ended appearing in the Annual Report on Form 10-K of WPCS International Incorporated for the year ended April 30, 2016. We also consent to the reference to our firm under the heading "Experts" in the Prospectus, which is part of this Registration Statement.

/s/ Marcum llp

Marcum LLP  
New York, NY  
May 8, 2017

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