THEGLOBE COM INC
Form 10-K
March 30, 2017

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-K

(Mark One)

x **Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the fiscal year ended December 31, 2016

or

¨ **Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the transition period from ____________ to ___________

COMMISSION FILE NO. 0-25053

THEGLOBE.COM, INC.

(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

STATE OF DELAWARE	14-1782422
(STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION)	(I.R.S. EMPLOYER IDENTIFICATION NO.)

1500 CORDOVA ROAD, SUITE 302, FORT LAUDERDALE, FL. 33316

(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES)

Registrant's telephone number, including area code (954) 769 - 5900

Securities registered pursuant to Section 12(b) of the Act: None

Securities registered pursuant to Section 12(g) of the Act:

Common Stock, par value $.001 per share

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

¨ Yes x No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

¨ Yes x No

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days: x Yes ¨ No

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

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (Sec.229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. x

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act. (check one)

Large accelerated filer ¨	Accelerated filer ¨
Non-accelerated filer (do not check if a smaller reporting company) ¨	Smaller reporting company x

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).

x Yes ¨ No

Aggregate market value of the voting Common Stock held by non-affiliates of the registrant as of the close of business as of the last business day of the registrant’s most recently completed second fiscal quarter, June 30, 2016: $117,243.*

*Includes voting stock held by third parties, which may be deemed to be beneficially owned by affiliates, but for which such affiliates have disclaimed beneficial ownership.

The number of shares outstanding of the Registrant's Common Stock, $.001 par value (the "Common Stock"), as of March 1, 2017 was 441,484,838.

theglobe.com, inc.

FORM 10-K

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FORWARD LOOKING STATEMENTS

This Form 10-K contains forward-looking statements within the meaning of the federal securities laws that relate to future events or our future financial performance. In some cases, you can identify forward-looking statements by terminology, such as "may," "will," "should," "could," "expect," "plan," "anticipate," "believe," "estimate," "project," "predict," "intend," "potential" or "continue" or the negative of such terms or other comparable terminology, although not all forward-looking statements contain such terms. In addition, these forward-looking statements include, but are not limited to, statements regarding:

- our ability to successfully resolve disputed liabilities;
- our ability to raise additional and sufficient capital;
- our ability to continue as a going concern; and
- the continued forbearance of certain related parties from making demand for payment under certain contractual obligations of, and loans to the Company.

These statements are only predictions. Although we believe that the expectations reflected in these forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. We are not required to and do not intend to update any of the forward-looking statements after the date of this Form 10-K or to conform these statements to actual results. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this Form 10-K might not occur. Actual results, levels of activity, performance, achievements and events may vary significantly from those implied by the forward-looking statements. A description of risks that could cause our results to vary appears under "Risk Factors" and elsewhere in this Form 10-K.

PART I

ITEM 1. BUSINESS

DESCRIPTION OF BUSINESS

theglobe.com, inc. (the “Company” or “theglobe”) was incorporated on May 1, 1995 (inception) and commenced operations on that date. Originally, theglobe was an online community with registered members and users in the United States and abroad. As more fully discussed in the section below entitled “Sale of Tralliance and Share Issuance,” on September 29, 2008, theglobe consummated the sale of the business and substantially all of the assets of its Tralliance Corporation subsidiary ("Tralliance") to Tralliance Registry Management Company, LLC ("Tralliance Registry Management"), an entity controlled by Michael S. Egan, the Company's Chairman and Chief Executive Officer. As a result of and on the effective date of the sale of its Tralliance business, which was theglobe's last remaining operating business, theglobe became a "shell company," as that term is defined in Rule 12b-2 of the Exchange Act, with no material operations or assets. At the present time, theglobe has no plans to acquire or start-up any new businesses.

As part of the consideration for the sale of its Tralliance business, theglobe received earn-out rights from Tralliance Registry Management (as described below, the "Earn-Out"), which rights constituted the only source of income for theglobe as a shell company and which rights expired on May 5, 2015. As a shell company, theglobe's operating expenses have consisted primarily of, and are expected to continue to consist primarily of, customary public company expenses, including personnel, accounting, financial reporting, legal, audit and other related public company costs.

As of December 31, 2016, as reflected in our accompanying Consolidated Balance Sheet, our current liabilities significantly exceed our total assets. Additionally, we received a report from our independent registered public accountants, relating to our December 31, 2016 audited financial statements, containing an explanatory paragraph regarding our ability to continue as a going concern. It is the Company's preference to avoid filing for protection under the U.S. Bankruptcy Code. However, unless the Company is successful in restructuring or settling its current liabilities and/or raising additional debt or equity securities, it may not be able to continue to operate as a going concern for any significant length of time in the future. Notwithstanding the above, theglobe currently intends to continue as a public company and make all the requisite filings under the Securities and Exchange Act of 1934.

SALE OF TRALLIANCE AND SHARE ISSUANCE

On September 29, 2008, the Company (i) sold the business and substantially all of the assets of its Tralliance Corporation subsidiary to Tralliance Registry Management and (ii) issued 229 million shares of its Common Stock (the "Shares") to The Registry Management Company, LLC ("Registry Management"), (the "Purchase Transaction"). Tralliance Registry Management and Registry Management are entities directly or indirectly controlled by Michael S. Egan, our Chairman and Chief Executive Officer and principal stockholder, and each of our two remaining executive officers and Board members, Edward A. Cespedes, our President, and Robin Segaul Lebowitz, our Vice President of Finance, own a minority interest in Registry Management. After giving effect to the closing of the Purchase Transaction, and the issuance of the Shares thereunder, Mr. Egan beneficially owned approximately 76% of the Company's Common Stock and continues to beneficially own such amount at December 31, 2016.

In connection with the Purchase Transaction, the Company received (i) forgiveness of debt consideration totaling approximately $6.4 million, and (ii) an earn-out equal to 10% (subject to certain minimums) of Tralliance Registry Management's "net revenue" (as defined) derived from ".travel" names registered by Tralliance Registry Management from September 29, 2008 through May 5, 2015 (the "Earn-out"). The minimum Earn-out payable by Tralliance Registry Management to theglobe was $300 thousand in the first year of the Earn-out Agreement, increasing by $25 thousand in each subsequent year (pro-rated for the final year of the Earn-out). The final pro-rated Earn-out payment of $37 thousand was received by the Company in May 2015 and the Earn-out Agreement has now expired.

Commensurate with the closing of the Purchase Transaction on September 29, 2008, the Company also entered into Termination Agreements with each of its executive officers (each a "Termination Agreement"). Pursuant to the Termination Agreements, the Company's employment agreements with each of Michael S. Egan, Edward A. Cespedes and Robin Segaul Lebowitz, the Chief Executive Officer, President and Vice President of Finance, all dated August 1, 2003, respectively, were terminated. Notwithstanding the termination of these employment agreements, each of Messrs. Egan, Cespedes and Ms. Lebowitz remains as an officer and director of the Company.

In connection with the closing of the Purchase Transaction, the Company entered into a Master Services Agreement ("Services Agreement") with Dancing Bear Investments, Inc. ("Dancing Bear"), an entity which is controlled by Mr. Egan. Under the terms of the Services Agreement, for a fee of $20 thousand per month ($240 thousand per annum), Dancing Bear provides personnel and services to the Company so as to enable it to continue its existence as a public company without the necessity of any full-time employees of its own. The Services Agreement had an initial term of one year. The Services Agreement now automatically renews for additional one year terms unless notice is given by either party of intent not to renew, and has currently been renewed through September 2017. Services under the Services Agreement include, without limitation, accounting, assistance with financial reporting, accounts payable, treasury/financial planning, record retention and secretarial and investor relations functions.

EMPLOYEES

As of March 1, 2017, we had no employees other than our executive officers. Each of our executive officers are officers or directors of other companies, certain of which have ongoing business relationships with the Company. Our executive officers currently devote very limited time to our business and receive no compensation from us. As discussed earlier, the business of the Company is currently managed by Dancing Bear Investments, Inc., an entity which is controlled by our Chairman and Chief Executive Officer, under a Master Services Agreement entered into on September 29, 2008.

ITEM 1A. RISK FACTORS

In addition to the other information in this report, the following factors should be carefully considered in evaluating our business and prospects. All Note references relate to accompanying Notes to Consolidated Financial Statements.

RISKS RELATING TO OUR BUSINESS GENERALLY

WE MAY NOT BE ABLE TO CONTINUE AS A GOING CONCERN.

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. Accordingly, the consolidated financial statements do not include any adjustments relating to the recoverability of assets and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. However, for the reasons described below, Company management does not believe that cash on hand and cash flow generated internally by the Company will be adequate to fund its limited overhead and other cash requirements beyond a short period of time. These reasons raise significant doubt about the Company's ability to continue as a going concern.

Since 2008, the Company was able to continue operating as a going concern due principally to funding of $500 thousand received during 2008 under a Revolving Loan Agreement with an entity controlled by Michael S. Egan, its Chairman and Chief Executive Officer and total proceeds of approximately $2.437 million received during 2009 through the second quarter of 2015 under an Earn-out Agreement with an entity also controlled by Mr. Egan (as more fully discussed below), as well as the forbearance of its creditors. More recently, the Company received fundings of $50,000 each in both March 2016 and November 2016 under Promissory Notes entered into with the same entity that provided funding under the Revolving Loan Agreement (the "2016 Promissory Notes"). See Note 5, "Debt" in our consolidated financial statements for further details.

At December 31, 2016, the Company had a net working capital deficit of approximately $1.923 million. Such working capital deficit included (i) a total of approximately $1.028 million in principal and accrued interest owed under the aforementioned Revolving Loan Agreement and Promissory Notes; (ii) a total of approximately $770 thousand in management service fees owed under a Master Services Agreement to an entity controlled by Mr. Egan; (iii) a total of approximately $131 thousand of accrued officer compensation due primarily to Mr. Egan and (iv) an aggregate of approximately $31 thousand in other unsecured accounts payable and accrued expenses owed to non-related parties.

During the second quarter of 2015, a former VoIP telephony service business vendor agreed to forgive its remaining accounts payable balance of approximately $41 thousand. Accordingly, such amount was written off the balance sheet with corresponding gain on forgiveness of debt included within Discontinued Operations for the year ended December 31, 2015.

During the fourth quarter of 2014 the Company derecognized approximately $84 thousand of old accrued expenses related to its former Tralliance business (including approximately $33 thousand of disputed liabilities) based upon the belief that the statute of limitations applicable to enforcement of such liabilities had lapsed. During the fourth quarter of 2013, the Company derecognized approximately $296 thousand of old liabilities of its former Tralliance business, including approximately $170 thousand of disputed accounts payables owed to 2 (two) former vendors and accrued expenses totaling approximately $126 thousand, based also upon the belief that the statute of limitations applicable to enforcement of such liabilities has lapsed. As more fully described in Note 3, “Discontinued Operations,” the Company derecognized approximately $1.354 million of old liabilities of its former VoIP telephony service business, including approximately $1.0 million of disputed liabilities, during the fourth quarter of 2012 based also upon our belief that the statute of limitations applicable to enforcement of such liabilities has lapsed. There can be no assurance that the holders of derecognized liabilities will agree with our application of statutes of limitation to time bar claims related to such liabilities nor seek to assert a basis to toll or suspend the running of the otherwise applicable statutes of limitation.

As discussed previously, on September 29, 2008, the Company (i) sold the business and substantially all of the assets of its Tralliance Corporation subsidiary to Tralliance Registry Management, and (ii) issued 229 million shares of its Common Stock (the “Shares”) to Registry Management (the “Purchase Transaction”). Tralliance Registry Management and Registry Management are entities controlled by Michael S. Egan. The closing of the Purchase Transaction resulted in the cancellation of all of the Company’s remaining Convertible Debt, related accrued interest and rent and accounts payable owed to entities controlled by Mr. Egan as of the date of closing (totaling approximately $6.4 million). However, the Company continues to be obligated to repay its principal borrowings and accrued interest due to an entity controlled by Mr. Egan under the aforementioned Revolving Loan Agreement and 2016 Promissory Notes. The Company currently has no ability to repay these loans should a demand for payment be made by the noteholder. Immediately after giving effect to the closing of the Purchase Transaction and the issuance of the Shares thereunder, Mr. Egan beneficially owned approximately 76% of the Company’s Common Stock and continues to beneficially own such amount at December 31, 2016.

As additional consideration under the Purchase Transaction, Tralliance Registry Management was obligated to pay an earn-out to theglobe equal to 10% (subject to certain minimums) of Tralliance Registry Management's net revenue (as defined) derived from ".travel" names registered by Tralliance Registry Management from September 29, 2008 through May 5, 2015 (the "Earn-out"). The minimum Earn-out payable by Tralliance Registry Management to theglobe was $300 thousand in the first year of the Earn-Out, increasing by $25 thousand in each subsequent year (pro-rated for the final year of the Earn-out). The final Earn-out payment of $37 thousand was made in May 2015 and the Earn-out Agreement has now expired.

In connection with the closing of the Purchase Transaction, the Company also entered into a Master Services Agreement with an entity controlled by Mr. Egan whereby for a fee of $20 thousand per month ($240 thousand per annum) such entity will provide personnel and services to the Company so as to enable it to continue its existence as a public company without the necessity of any full-time employees of its own. Additionally, commensurate with the closing of the Purchase Transaction, Termination Agreements with each of its current executive officers, which terminated their previous and then existing employment agreements, were executed. Notwithstanding the termination of these employment agreements, each of our current executive officers and directors remain as executive officers and directors of the Company.

Immediately following the closing of the Purchase Transaction, theglobe became a shell company with no material operations or assets, and no source of income other than under the Earn-out. As a shell company, theglobe's operating expenses have consisted primarily of and are expected to continue to consist primarily of expenses incurred under the aforementioned Master Services Agreement and other customary public company expenses, including legal, audit and other miscellaneous public company costs.

On a short term liquidity basis, the Company must receive the continued indulgence of its primary creditor, Mr. Egan, including the continued forebearance of Mr. Egan and related entities in making demand for payment for amounts outstanding under the Revolving Loan Agreement, the 2016 Promissory Notes and the Master Services Agreement, in order to continue as a going concern.

It is the Company's preference to avoid filing for protection under the U.S. Bankruptcy Code. However, based upon the Company's current financial condition as discussed above, management believes that additional debt or equity capital will need to be raised in order for theglobe to continue to operate as a going concern on a long-term basis. Any such capital would likely come from Mr. Egan, as the Company currently has no access to credit facilities and has traditionally relied on borrowings from related parties to meet short-term liquidity needs. Any such equity capital would likely result in very substantial dilution in the number of outstanding shares of the Company's Common Stock. Given theglobe's current financial condition, it currently has no intent to seek to acquire or start any new businesses. The Company intends to use the proceeds from the 2016 Promissory Notes and seek other loans from Mr. Egan and related entities, if necessary, to fund its public company operating costs while it explores its options related to the future of theglobe.

On March 29, 2017, the Company borrowed an additional $50,000 under a promissory note from an entity controlled by Mr. Egan (see Note 9, “Subequent Events”) for further details).

WE MAY NOT BE SUCCESSFUL IN SETTLING DISPUTED VENDOR CHARGES.

During 2014, we derecognized approximately $84 thousand of liabilities (including $33 thousand of disputed liabilities) related to our former Tralliance business. Additionally, during 2013 we derecognized approximately $296 thousand of old liabilities related to our former Tralliance business (including $170 thousand of disputed liabilities), and during 2012, we derecognized approximately $1.354 million of old liabilities related to our former VoIP telephony services business (including approximately $1.0 million of disputed liabilities). These liabilities were derecognized based on our belief that the applicable statute of limitations periods to bring claims to collect such liabilities have expired. There can be no assurance that vendors will not file claims and attempt to collect certain of these deecognized liabilities for which we believe the statute of limitations has lapsed. Should vendors file claims, there can be no assurance that the Company will be successful in settling the claims without significant costs, including attorney’s fees. Any adverse outcome in any of these matters could materially and adversely affect our financial position, utilize a significant portion of our limited cash resources and/or require additional capital to be infused into the Company, and adversely affect our ability to continue as a going concern.

OUR NET OPERATING LOSS CARRYFORWARDS MAY BE SUBSTANTIALLY LIMITED.

As of December 31, 2016, we had net operating loss carryforwards which may be potentially available for U.S. tax purposes of approximately $136 million. These carryforwards expire through 2036. The Tax Reform Act of 1986 imposes substantial restrictions on the utilization of net operating losses and tax credits in the event of an "ownership change" of a corporation. Due to various significant changes in our ownership interests, as defined in the Internal Revenue Code of 1986, as amended, that occurred prior to December 31, 2008, we have substantially limited the availability of our net operating loss carryforwards.

OUR OFFICERS, INCLUDING OUR CHAIRMAN AND CHIEF EXECUTIVE OFFICER AND PRESIDENT HAVE OTHER INTERESTS; WE HAVE CONFLICTS OF INTEREST WITH OUR DIRECTORS; ALL OF OUR DIRECTORS ARE EMPLOYEES OR STOCKHOLDERS OF THE COMPANY OR AFFILIATES OF OUR LARGEST STOCKHOLDER.

Our Chairman and Chief Executive Officer, Mr. Michael Egan, is an officer or director of other companies. Mr. Egan became our Chief Executive Officer effective June 1, 2002. Mr. Egan is also the controlling investor of The Registry Management Company, LLC, Dancing Bear Investments, Inc., E&C Capital Partners LLLP, and E&C Capital

Partners II, LLC, which are our largest stockholders. Mr. Egan is also the controlling investor of License Holdings, LLC and Labigroup Holdings, LLC, entities which have had various ongoing business relationships with the Company. Additionally, Mr. Egan is the controlling investor of Tralliance Registry Management Company, LLC, the entity that acquired our Tralliance business.

Our President, Treasurer and Chief Financial Officer and Director, Mr. Edward A. Cespedes, is also an officer, director or shareholder of other companies, including E&C Capital Partners LLLP, E&C Capital Partners II, LLC and The Registry Management Company, LLC. Additionally, Mr. Cespedes currently serves as the President and a director of Paymeon, Inc., a location-based marketing company.

Our Vice President of Finance and Director, Ms. Robin Lebowitz is also an officer of Dancing Bear Investments, Inc. She is also an officer, director or shareholder of other companies or entities controlled by Mr. Egan and Mr. Cespedes, including The Registry Management Company, LLC.

Due to the relationships with his related entities, Mr. Egan will have an inherent conflict of interest in making any decision related to transactions between the related entities and us. Furthermore, the Company's Board of Directors presently is comprised entirely of individuals who are executive officers of theglobe, and therefore are not "independent." We intend to review related party transactions in the future on a case-by-case basis.

WE CURRENTLY HAVE NO BUSINESS OPERATIONS AND ARE A SHELL COMPANY.

Immediately following the closing of the Purchase Transaction, theglobe became a shell company with no material operations or assets, and no source of revenue other than under the “net revenue” earn-out arrangement with Tralliance Registry Management. It is expected that theglobe’s future operating expenses as a public shell company will consist primarily of expenses incurred under the aforementioned Master Services Agreement and other customary public company expenses, including legal, audit and other miscellaneous public company costs. Given theglobe’s current financial condition and the state of the current United States capital markets and economy, the Company has no current intent to seek to acquire, or start, any other business.

WE MAY SUFFER ADVERSE CONSEQUENCES IF WE ARE DEEMED AN INVESTMENT COMPANY (DEFINED BELOW) AND WE MAY INCUR SIGNIFICANT COSTS TO AVOID INVESTMENT COMPANY STATUS.

We believe that we are not an investment company as defined by the Investment Company Act of 1940. If the Commission or a court were to disagree with us, we could be required to register as an investment company. This would negatively affect our ability to consummate a potential acquisition of an operating company, subjecting us to disclosure and accounting guidance geared toward investment, rather than operating companies; limiting our ability to borrow money, issue options, issue multiple classes of stock and debt, and engage in transactions with affiliates; and requiring us to undertake significant costs and expenses to meet disclosure and regulatory requirements to which we would be subject as a registered investment company.

RISKS RELATING TO OUR COMMON STOCK

WE ARE CONTROLLED BY OUR CHAIRMAN.

On September 29, 2008, in connection with the sale of Tralliance, the Company issued 229 million shares of its Common Stock to Registry Management, an entity controlled by Michael S. Egan, its Chairman and Chief Executive Officer. Previously on June 10, 2008, Dancing Bear Investments, Inc., also an entity controlled by Mr. Egan, converted an aggregate of $400 thousand of outstanding convertible secured promissory notes due to them by the Company into 40 million shares of our Common Stock. As a result of the issuance of the 269 million shares under the transactions described above, Mr. Egan's beneficial ownership increased to approximately 76% of the Company's Common Stock and he continues to beneficially own such amount as of December 31, 2016. Accordingly, Mr. Egan continues to be in a position to control the vote on all corporate actions in the future.

DELISTING OF OUR COMMON STOCK MAKES IT MORE DIFFICULT FOR INVESTORS TO SELL SHARES.

The shares of our Common Stock were delisted from the NASDAQ national market in April 2001 and are now traded in the over-the-counter market on what is commonly referred to as the electronic bulletin board or "OTCBB." As a result, an investor may find it more difficult to dispose of or obtain accurate quotations as to the market value of the securities. The delisting has made trading our shares more difficult for investors. It has also made it more difficult for us to raise additional capital. We may also incur additional costs under state blue-sky laws if we sell equity due to our delisting.

OUR COMMON STOCK IS SUBJECT TO CERTAIN "PENNY STOCK" RULES WHICH MAY MAKE IT A LESS ATTRACTIVE INVESTMENT.

Since the trading price of our Common Stock is less than $5.00 per share and our net tangible assets are less than $2.0 million, trading in our Common Stock is subject to the requirements of Rule 15g-9 of the Exchange Act. Under Rule 15g-9, brokers who recommend penny stocks to persons who are not established customers and accredited investors, as defined in the Exchange Act, must satisfy special sales practice requirements, including requirements that they make an individualized written suitability determination for the purchaser; and receive the purchaser's written consent prior to the transaction. The Securities Enforcement Remedies and Penny Stock Reform Act of 1990 also requires additional disclosures in connection with any trades involving a penny stock, including the delivery, prior to any penny stock transaction, of a disclosure schedule explaining the penny stock market and the risks associated with that market. Such requirements may severely limit the market liquidity of our Common Stock and the ability of purchasers of our equity securities to sell their securities in the secondary market. For all of these reasons, an investment in our equity securities may not be attractive to our potential investors.

AS A RESULT OF THE CLOSING OF THE PURCHASE AGREEMENT, WE ARE A SHELL COMPANY AND ARE SUBJECT TO MORE STRINGENT REPORTING REQUIREMENTS AND RULE 144 IS NOT GENERALLY AVAILABLE AS A BASIS OF RESALE.

As a result of the consummation of the Purchase Transaction, we have no or nominal operations and assets, and pursuant to Rule 405 and Exchange Act Rule 12b-2, we are a shell company. Applicable securities rules prohibit shell companies from using a Form S-8 to register securities pursuant to employee compensation plans. However, the rules do not prevent us from registering securities pursuant to certain other registration statements. Additionally, Form 8-K requires shell companies to provide more detailed disclosure upon completion of a transaction that causes it to cease being a shell company. To the extent we acquire a business in the future, we must file a current report on Form 8-K containing the information required in a registration statement on Form 10, within four business days following completion of the transaction together with financial information of the private operating company. In order to assist the SEC in the identification of shell companies, we are also required to check a box on Form 10-Q and Form 10-K indicating that we are a shell company. To the extent that we are required to comply with additional disclosure because we are a shell company, we may be delayed in executing any mergers or acquiring other assets that would cause us to cease being a shell company. In addition, the SEC adopted amendments to Rule 144 effective February 15, 2008, which (with limited exceptions related to restrictive securities acquired before we became a “shell company”) do not allow a holder of restricted securities of a “shell company” to resell their securities pursuant to Rule 144. Preclusion from the use of the resale exemption from registration afforded by Rule 144 may make it more difficult for us to sell equity securities in the future.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

The Company does not own or lease any property. We currently use the offices of Dancing Bear Investments, Inc., an entity controlled by our Chairman, at no cost to us except for amounts included within the management services fees charged to us by Dancing Bear Investments, Inc. under the Master Services Agreement entered into on September 29, 2008, as renewed.

ITEM 3. LEGAL PROCEEDINGS

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

MARKET INFORMATION

The shares of our Common Stock trade in the over-the-counter market on what is commonly referred to as the electronic bulletin board, under the symbol "TGLO.OB". The following table sets forth the range of high and low bid prices of our Common Stock for the periods indicated as reported by the over-the-counter market (the electronic bulletin board). The quotations below reflect inter-dealer prices, without retail mark-up, mark-down or commission and may not represent actual transactions (prices are rounded to the nearest cent):

	2016		2015	
	High	Low	High	Low
Fourth Quarter	$0.00	$0.00	$0.00	$0.00
Third Quarter	$0.00	$0.00	$0.00	$0.00
Second Quarter	$0.00	$0.00	$0.00	$0.00
First Quarter	$0.00	$0.00	$0.00	$0.00

HOLDERS OF COMMON STOCK

We had approximately 564 holders of record of Common Stock as of March 6, 2017. This does not reflect persons or entities that hold Common Stock in nominee or "street" name through various brokerage firms.

DIVIDENDS

We have not paid any cash dividends on our Common Stock since our inception and do not intend to pay dividends in the foreseeable future. Our board of directors will determine if we pay any future dividends.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS AS OF DECEMBER 31, 2016

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans
Equity Compensation plans approved by security holders		$	
Equity Compensation plans not approved by security holders		$	
Total		$	

* As of December 31, 2016, there were no shares available for grant under the Company's stock option plans and remaining stock options outstanding and exercisable expired in August 2016. See Note 6, "Stock Option Plans" in the accompanying Notes to Consolidated Financial Statements.

STOCK PERFORMANCE GRAPH

As a "smaller reporting company," as defined by Rule 12b-2 of the Exchange Act, we have elected scaled disclosure reporting and therefore are not required to provide the stock performance graph.

RECENT SALES OF UNREGISTERED SECURITIES

(a) Unregistered Sales of Equity Securities.

There were no unregistered sales of equity securities during the year ended December 31, 2016.

(b) Use of Proceeeds from Sales of Registered Securities.

Not applicable.

ITEM 6. SELECTED FINANCIAL DATA

As a “smaller reporting company,” as defined by Rule 12b-2 of the Exchange Act, we have elected scaled disclosure reporting and therefore are not required to provide the information required by this Item.

ITEM 7. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

OVERVIEW

On September 29, 2008, theglobe.com, inc. consummated the sale of the business and substantially all of the assets of its Tralliance Corporation subsidiary to Tralliance Registry Management Company, LLC, an entity controlled by Michael S. Egan, the Company’s Chairman and Chief Executive Officer. As a result of and on the effective date of the sale of its Tralliance business, which was theglobe’s remaining operating business, theglobe became a “shell company,” as that term is defined in Rule 12b-2 of the Exchange Act, with no material operations or assets.

As part of the consideration for the sale of its Tralliance business, theglobe received earn-out rights from Tralliance Registry Management (“Earn-Out”), which constitutes the only source of income for theglobe as a shell company. theglobe’s operating expenses as a shell company consist primarily of customary public company expenses, including personnel, accounting, financial reporting, legal, audit and other related public company costs.

In March 2007, management and the Board of Directors of the Company made the decision to cease all activities related to its VoIP telephony services business. Results of operations for the VoIP telephony services business have been reported separately as “Discontinued Operations” in the accompanying consolidated statements of operations for all periods presented. There are no discontinued operations assets or liabilities included in the accompanying consolidated balance sheets.

BASIS OF PRESENTATION OF CONSOLIDATED FINANCIAL STATEMENTS; GOING CONCERN

We received a report from our independent registered public accountants, relating to our December 31, 2016 audited consolidated financial statements, containing an explanatory paragraph regarding our ability to continue as a going concern. As a shell company, management believes that theglobe will not be able to generate operating cash flows sufficient to fund its operations and pay its existing current liabilities in the foreseeable future. Based upon our current limited cash resources and without the infusion of additional capital and/or the continued indulgence of its creditors, management does not believe the Company can operate as a going concern beyond a short period of time. See “Future and Critical Need for Capital” section of this Management’s Discussion and Analysis of Financial Condition and Results of Operations for further details.

Our consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. Accordingly, our condensed consolidated financial statements do not include any adjustments relating to the recoverability of assets and classification of liabilities that might be necessary should we be unable to continue as a going concern.

All Note references relate to accompanying Notes to Consolidated Financial Statements.

YEAR ENDED DECEMBER 31, 2016 COMPARED TO YEAR ENDED DECEMBER 31, 2015

CONTINUING OPERATIONS

NET REVENUE. Commensurate with the sale of our Tralliance business on September 29, 2008, we became a shell company. As a result, net revenue for the years ended December 31, 2016 and 2015 was $0.

GENERAL AND ADMINISTRATIVE. General and administrative expenses include only those customary public company expenses, including outside legal and audit fees, insurance and other related public company costs. General and administrative expenses totaled approximately $93 thousand for both the years ended December 31, 2016 and December 31, 2015.

RELATED PARTY TRANSACTIONS. Related party transaction expense totaled $240 thousand for both the years ended December 31, 2016 and 2015 and consisted of management services fees payable to Dancing Bear for accounting, finance, administrative and managerial support.

RELATED PARTY INTEREST EXPENSE. Related party interest expense for the years ended December 31, 2016 and 2015 was approximately $55 thousand and $50 thousand, respectively, and consisted of interest due and payable to Dancing Bear under the Revolving Loan Agreement.

RELATED PARTY OTHER INCOME. Related party other income consists of the minimum Earn-Out payable quarterly by Tralliance Registry Management to the Company. Related party other income for the year ended December 31, 2016 was $0 due to the expiration of the Earn-Out Agreement on May 5, 2015 as compared to approximately $150 thousand for the year ended December 31, 2015.

DISCONTINUED OPERATIONS

Income from Discontinued Operations for the year ended December 31, 2015, includes a gain on forgiveness of debt totaling $41 thousand related to forgiveness of remaining accounts payable balances by a former VoIP telephony services business vendor.

LIQUIDITY AND CAPITAL RESOURCES

FUTURE AND CRITICAL NEED FOR CAPITAL

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. Accordingly, the consolidated financial statements do not include any adjustments relating to the recoverability of assets and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. However, for the reasons described below, Company management does not believe that cash on hand and cash flow generated internally by the Company will be adequate to fund its limited overhead and other cash requirements beyond a short period of time. These reasons raise significant doubt about the Company’s ability to continue as a going concern.

Since 2008, the Company was able to continue operating as a going concern due principally to funding of $500 thousand received during 2008 under a Revolving Loan Agreement with an entity controlled by Michael S. Egan, its Chairman and Chief Executive Officer and total proceeds of approximately $2.437 million received during 2009 through the second quarter of 2015 under an Earn-out Agreement with an entity also controlled by Mr. Egan (as more fully discussed below), as well as the forbearance of its creditors. More recently, the Company received fundings of $50,000 each in both March 2016 and November 2016 under Promissory Notes entered into with the same entity that provided funding under the Revolving Loan Agreement (the “2016 Promissory Notes”). See Note 5, “Debt” in our consolidated financial statements for further details.

At December 31, 2016, the Company had a net working capital deficit of approximately $1.923 million. Such working capital deficit included (i) a total of approximately $1.028 million in principal and accrued interest owed under the aforementioned Revolving Loan Agreement and Promissory Notes; (ii) a total of approximately $770 thousand in management service fees owed under a Master Services Agreement to an entity controlled by Mr. Egan; (iii) a total of approximately $131 thousand of accrued officer compensation due primarily to Mr. Egan and (iv) an aggregate of approximately $31 thousand in other unsecured accounts payable and accrued expenses owed to non-related parties.

During the second quarter of 2015, a former VoIP telephony service business vendor agreed to forgive its remaining accounts payable balance of approximately $41 thousand. Accordingly, such amount was written off the balance sheet with corresponding gain on forgiveness of debt included within Discontinued Operations for the year ended December 31, 2015.

During the fourth quarter of 2014 the Company derecognized approximately $84 thousand of old accrued expenses related to its former Tralliance business (including approximately $33 thousand of disputed liabilities) based upon the belief that the statute of limitations applicable to enforcement of such liabilities had lapsed. During the fourth quarter of 2013, the Company derecognized approximately $296 thousand of old liabilities of its former Tralliance business, including approximately $170 thousand of disputed accounts payables owed to 2 (two) former vendors and accrued expenses totaling approximately $126 thousand, based also upon the belief that the statute of limitations applicable to enforcement of such liabilities has lapsed. As more fully described in Note 3, "Discontinued Operations," the Company derecognized approximately $1.354 million of old liabilities of its former VoIP telephony service business, including approximately $1.0 million of disputed liabilities, during the fourth quarter of 2012 based also upon our belief that the statute of limitations applicable to enforcement of such liabilities has lapsed. There can be no assurance that the holders of derecognized liabilities will agree with our application of statutes of limitation to time bar claims related to such liabilities nor seek to assert a basis to toll or suspend the running of the otherwise applicable statutes of limitation.

As discussed previously, on September 29, 2008, the Company (i) sold the business and substantially all of the assets of its Tralliance Corporation subsidiary to Tralliance Registry Management, and (ii) issued 229 million shares of its Common Stock (the "Shares") to Registry Management (the "Purchase Transaction"). Tralliance Registry Management and Registry Management are entities controlled by Michael S. Egan. The closing of the Purchase Transaction resulted in the cancellation of all of the Company's remaining Convertible Debt, related accrued interest and rent and accounts payable owed to entities controlled by Mr. Egan as of the date of closing (totaling approximately $6.4 million). However, the Company continues to be obligated to repay its principal borrowings and accrued interest due to an entity controlled by Mr. Egan under the aforementioned Revolving Loan Agreement and 2016 Promissory Notes. The Company currently has no ability to repay these loans should a demand for payment be made by the noteholder. Immediately after giving effect to the closing of the Purchase Transaction and the issuance of the Shares thereunder, Mr. Egan beneficially owned approximately 76% of the Company's Common Stock and continues to beneficially own such amount at December 31, 2016.

As additional consideration under the Purchase Transaction, Tralliance Registry Management was obligated to pay an earn-out to theglobe equal to 10% (subject to certain minimums) of Tralliance Registry Management's net revenue (as defined) derived from ".travel" names registered by Tralliance Registry Management from September 29, 2008 through May 5, 2015 (the "Earn-out"). The minimum Earn-out payable by Tralliance Registry Management to theglobe was $300 thousand in the first year of the Earn-Out, increasing by $25 thousand in each subsequent year (pro-rated for the final year of the Earn-out). The final Earn-out payment of $37 thousand was made in May 2015 and the Earn-out Agreement has now expired.

In connection with the closing of the Purchase Transaction, the Company also entered into a Master Services Agreement with an entity controlled by Mr. Egan whereby for a fee of $20 thousand per month ($240 thousand per annum) such entity will provide personnel and services to the Company so as to enable it to continue its existence as a public company without the necessity of any full-time employees of its own. Additionally, commensurate with the closing of the Purchase Transaction, Termination Agreements with each of its current executive officers, which terminated their previous and then existing employment agreements, were executed. Notwithstanding the termination of these employment agreements, each of our current executive officers and directors remain as executive officers and directors of the Company.

Immediately following the closing of the Purchase Transaction, theglobe became a shell company with no material operations or assets, and no source of income other than under the Earn-out. As a shell company, theglobe's operating expenses have consisted primarily of and are expected to continue to consist primarily of expenses incurred under the aforementioned Master Services Agreement and other customary public company expenses, including legal, audit and other miscellaneous public company costs.

On a short term liquidity basis, the Company must receive the continued indulgence of its primary creditor, Mr. Egan, including the continued forbearance of Mr. Egan and related entities in making demand for payment for amounts outstanding under the Revolving Loan Agreement, the 2016 Promissory Notes and the Master Services Agreement, in order to continue as a going concern.

It is the Company's preference to avoid filing for protection under the U.S. Bankruptcy Code. However, based upon the Company's current financial condition as discussed above, management believes that additional debt or equity capital will need to be raised in order for theglobe to continue to operate as a going concern on a long-term basis. Any such capital would likely come from Mr. Egan, as the Company currently has no access to credit facilities and has traditionally relied on borrowings from related parties to meet short-term liquidity needs. Any such equity capital would likely result in very substantial dilution in the number of outstanding shares of the Company's Common Stock. Given theglobe's current financial condition, it currently has no intent to seek to acquire or start any new businesses. The Company intends to use the proceeds from the 2016 Promissory Notes and seek other loans from Mr. Egan and related entities, if necessary, to fund its public company operating costs while it explores its options related to the future of theglobe.

On March 29, 2017, the Company borrowed an additional $50,000 under a promissory note from an entity controlled by Mr. Egan (see Note 9, "Subsequent Events" for further details).

CASH FLOW ITEMS

YEAR ENDED DECEMBER 31, 2016 COMPARED TO YEAR ENDED DECEMBER 31, 2015

As of December 31, 2016, theglobe had $31,285 in cash and cash equivalents as compared to $20,585 as of December 31, 2015. Net cash flows used in operating activities of continuing operations totaled approximately $89 thousand for the year ended December 31, 2016 compared to cash flows provided by operating activities of continuing operations of approximately $56 thousand for the year ended December 31, 2015.

$474 in net cash flows were used in operating activities of discontinued operations during the year ended December 31, 2016 compared to approximately $36 thousand for the year ended December 31, 2015. Substantially all of the cash flow usage during 2015 related to the payment of old VoIP telephony service business legal bills.

CONTRACTUAL OBLIGATIONS

As a "smaller reporting company," as defined by Rule 12b-2 of the Exchange Act, we have elected scaled disclosure reporting and therefore are not required to provide the table required by (a)(5) of this Item.

OFF-BALANCE SHEET ARRANGEMENTS

As of December 31, 2016, we did not have any material off-balance sheet arrangements that have or are reasonably likely to have a material effect on our current or future financial condition, revenues or expenses, results of operations, liquidity, or capital resources.

EFFECTS OF INFLATION

Management believes that inflation has not had a significant effect on our results of operations during 2016 and 2015.

MANAGEMENT'S DISCUSSION OF CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The preparation of our financial statements in conformity with accounting principles generally accepted in the United States of America requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Our estimates, judgments and assumptions are continually evaluated based on available information and experience. Because of the use of estimates inherent in the financial reporting process, actual results could differ from those estimates. Certain of our accounting policies require higher degrees of judgment than others in their application. These include valuations of accounts payable and accrued expenses.

IMPACT OF RECENTLY ISSUED ACCOUNTING STANDARDS

Management has determined that all recently issued accounting pronouncements will not have a material impact on the Company’s financial statements or do not apply to the Company’s operations.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As a “smaller reporting company,” as defined by Rule 12b-2 of the Exchange Act, we have elected scaled disclosure reporting and therefore are not required to provide the information required by this Item.

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ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA [1]

CONSOLIDATED FINANCIAL STATEMENTS

THEGLOBE.COM, INC. AND SUBSIDIARIES

INDEX TO FINANCIAL STATEMENTS

[1] As a “smaller reporting company” as defined by Rule 12b-2 of the Exchange Act, we have elected scaled disclosure reporting and therefore are not required to provide “supplementary data” otherwise required by Item 8.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Stockholders

theglobe.com, inc. and Subsidiaries

We have audited the accompanying consolidated balance sheets of theglobe.com, inc. and Subsidiaries as of December 31, 2016 and 2015 and the related consolidated statements of operations, stockholders' equity (deficit), and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of theglobe.com, inc. and Subsidiaries as of December 31, 2016 and 2015, and the consolidated results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

The accompanying 2016 consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the consolidated financial statements, the Company has historically suffered significant net losses, has an accumulated deficit of approximately $297 million and has sold its last remaining operating business. These factors raise substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 2. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ Marcum LLP

Fort Lauderdale, Florida

March 30, 2017

THEGLOBE.COM, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	December 31, 2016	December 31, 2015
ASSETS		
Current Assets:		
Cash	$31,285	$20,585
Prepaid expenses	4,936	4,997
Total current assets	$36,221	$25,582
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities:		
Accounts payable due to related party	$769,570	$529,570
Accounts payable	101	101
Accrued compensation due to related parties	130,769	130,769
Accrued expenses and other current liabilities	30,500	26,000
Accrued interest due to related party	427,878	373,234
Notes payable due to related party	600,000	500,000
Total current liabilities	1,958,818	1,559,674
Stockholders' Deficit:		
Common stock, $0.001 par value; 500,000,000 shares authorized; 441,484,838 shares issued at December 31, 2016 and December 31, 2015	441,485	441,485
Additional paid in capital	294,301,845	294,301,845
Accumulated deficit	(296,665,927)	(296,277,422)
Total stockholders' deficit	(1,922,597)	(1,534,092)
Total liabilities and stockholders' deficit	$36,221	$25,582

See notes to consolidated financial statements.

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THEGLOBE.COM, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

	Year Ended December 31, 2016	2015
Net Revenue	$—	$—
Operating Expenses:		
General and administrative	93,387	93,257
Related party transactions	240,000	240,000
Total Operating Expenses	333,387	333,257
Operating Loss from Continuing Operations	(333,387)	(333,257)
Other Income (Expense), net:		
Related party interest expense	(54,644)	(50,000)
Related party other income	—	149,625
	(54,644)	99,625
Loss from Continuing Operations Before Income Taxes	(388,031)	(233,632)
Income Taxes	—	—
Loss from Continuing Operations	(388,031)	(233,632)
Income (Loss) from Discontinued Operations, net of tax	(474)	40,423
Net Loss	$(388,505)	$(193,209)
Loss Per Share:		
Basic and Diluted:		
Continuing Operations	$—	$—
Discontinued Operations	$—	$—
Weighted Average Common Shares Outstanding	441,484,838	441,484,838

See notes to consolidated financial statements.

THEGLOBE.COM, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)

	Common Stock Shares	Amount	Additional Paid-in Capital	Accumulated Deficit	Total
Balance, December 31, 2014	441,484,838	$441,485	$294,301,845	$(296,084,213)	$(1,340,883)
Year Ended December 31, 2015					
Net Loss	—	—	—	(193,209)	(193,209)
Balance December 31, 2015	441,484,838	441,485	294,301,845	(296,277,422)	(1,534,092)
Year Ended December 31, 2016					
Net Loss	—	—	—	(388,505)	(388,505)
Balance, December 31, 2016	441,484,838	$441,485	$294,301,845	$(296,665,927)	$(1,922,597)

See notes to consolidated financial statements.

THEGLOBE.COM, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year ended December 31,	
	2016	2015
Cash Flows from Operating Activities:		
Net loss	$ (388,505)	$ (193,209)
Income (Loss) from discontinued operations	474	(40,423)
Loss from continuing operations	(388,031)	(233,632)
Adjustments to reconcile loss from continuing operations to net cash flows provided by operating activities:		
Changes in operating assets and liabilities:		
Prepaid expenses	61	—
Accounts payable due to related party	240,000	240,000
Accounts payable	—	(124)
Accrued expenses and other current liabilities	4,500	(200)
Accrued interest due to related party	54,644	50,000
Net cash flows provided by (used in) operating activities of continuing operations	(88,826)	56,044
Net cash flows used in operating activities of discontinued operations	(474)	(35,512)
Net cash flows provided by (used in) operating activities	(89,300)	20,532
Cash Flows from Financing Activities:		
Borrowings on Notes Payable	100,000	—
Net cash flows from financing activities	100,000	—
Net increase in cash & cash equivalents	10,700	20,532
Cash & cash equivalents at beginning of period	20,585	53
Cash & cash equivalents at end of period	$ 31,285	$ 20,585

See notes to consolidated financial statements.

THEGLOBE.COM, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2016 and 2015

(1) ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

DESCRIPTION OF THE COMPANY

theglobe.com, inc. (the "Company" or "theglobe") was incorporated on May 1, 1995 (inception) and commenced operations on that date. Originally, theglobe was an online community with registered members and users in the United States and abroad. However, due to the deterioration of the online advertising market, the Company was forced to restructure and ceased the operations of its online community on August 15, 2001. The Company then sold most of its remaining online and offline properties. The Company continued to operate its Computer Games print magazine and the associated CGOnline website, as well as the e-commerce games distribution business of Chips & Bits until their shutdown in March 2007. On June 1, 2002, Chairman Michael S. Egan and Director Edward A. Cespedes became Chief Executive Officer and President of the Company, respectively. On November 14, 2002, the Company entered into the Voice over Internet Protocol ("VoIP") business by acquiring certain VoIP assets.

On May 9, 2005, the Company exercised an option to acquire all of the outstanding capital stock of Tralliance Corporation ("Tralliance"), an entity which had been designated as the registry for the ".travel" top-level domain through an agreement with the Internet Corporation for Assigned Names and Numbers ("ICANN").

As more fully discussed in Note 3 "Discontinued Operations," in March 2007, management and the Board of Directors of the Company made the decision to discontinue the operating, research and development activities of its VoIP telephony services business and terminate all of the remaining employees of that business.

On September 29, 2008, the Company sold its Tralliance business and issued 229,000,000 shares of its Common Stock to a company controlled by Michael S. Egan, the Company's Chairman and Chief Executive Officer (the "Purchase Transaction"). As a result of the sale of Tralliance, its last remaining operating business, the Company became a shell company (as defined in Rule 12b-2 of the Securities and Exchange Act of 1934) with no material operations or assets. The Company presently intends to continue as a public company and make all the requisite filings under the Securities and Exchange Act of 1934. However, certain matters, as more fully discussed in Note 2, "Liquidity and Going Concern Considerations," raise substantial doubt about the Company's ability to continue as a going concern.

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All significant intercompany balances and transactions have been eliminated in consolidation.

USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. These estimates and assumptions relate primarily to valuations of accounts payable and accrued expenses.

PREPAID EXPENSES

Prepaid expenses at December 31, 2016 and 2015 consist of prepaid insurance, which is amortized to expense over the policy periods.

FAIR VALUE OF FINANCIAL INSTRUMENTS

FASB Accounting Standards Codification Topic on Fair Value Measurements and Disclosure (“ASC 820”) requires that the Company disclose estimated fair values of its financial instruments. The carrying amount of certain of the Company's financial instruments, including cash, accounts payable and accrued expenses, are a reasonable estimate of their fair values at December 31, 2016 and 2015, respectively, due to their short maturities.

RELATED PARTY OTHER INCOME

Commensurate with the sale of its former Tralliance business on September 29, 2008, the Company entered into an Earn-out Agreement with Tralliance Registry Management, the purchaser of Tralliance’s business. Under the terms of the Earn-out Agreement, Tralliance Registry Management agreed to pay the Company an earn-out equal to 10% of Tralliance Registry Management's "net revenue" (as defined) derived from ".travel" names registered by Tralliance Registry Management from September 29, 2008 through May 5, 2015 (the "Earn-out"). The final prorated Earn-out payment of $37,000 was received by the Company in May 2015 and the Earn-out Agreement has now expired. The minimum Earn-out amount payable under the Earn-out Agreement was $300,000 in the first year and increased by $25,000 in each subsequent year (prorated for the final year of the Earn-out). The minimum Earn-out amounts due for each year were payable to the Company on a quarterly basis. Incremental Earn-out payments were determined on an annual basis to the extent that 10% of Tralliance Registry Management's "net revenue" (as defined) exceeds the minimum Earn-out amount payable for such year. No incremental Earn-out payments were due or paid to the Company during the entire term of the Earn-out Agreement.

Due to various factors related to the collectability of Earn-out payments from Tralliance Registry Management, including the weak financial condition of Tralliance Registry Management, and the fact that such Earn-out payments were payable to theglobe over an extended period of time (originally approximately 6 ½ years), no portion of the Earn-out was included in the purchase price for the Purchase Transaction. Instead, the Company chose to recognize income related to the Earn-out on a prospective basis as and to the extent that future Earn-out payments are collected. Since inception of the Earn-out Agreement through May 2015, a total of $2,437,000 in minimum Earn-out payments have been received by the Company from Tralliance Registry Management and have been recorded as related party other income in the Consolidated Statements of Operations for all applicable periods therein. During the year ended December 31, 2015, Earn-out payments totaling $149,625 were received and recorded by the Company.

STOCK-BASED COMPENSATION

The Company estimates the fair value of each stock option at the grant date by using the Black Scholes option-pricing model using the following assumptions: no dividend yield; a risk-free interest rate based on the U.S. Treasury yield in effect at the time of grant; an expected option life based on historical and expected exercise behavior; and expected volatility based on the historical volatility of the Company’s stock price, over a time period that is consistent with the expected life of the option. The portion of the value that is ultimately expected to vest is recognized as expense over the service period.

INCOME TAXES

The Company accounts for income taxes using the asset and liability method. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the consolidated financial statement carrying amounts of existing assets and liabilities and their respective tax bases for operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the consolidated results of operations in the period that the tax change occurs. Valuation allowances are established, when necessary, to reduce deferred tax assets to the amount expected to be realized.

NET INCOME PER COMMON SHARE

The Company reports basic and diluted net income per common share in accordance with FASB ASC Topic 260, “Earnings Per Share.” Basic earnings per share is computed using the weighted average number of common shares outstanding during the period. Common equivalent shares consist of the incremental common shares issuable upon the exercise of stock options and warrants (using the treasury stock method). Common equivalent shares are excluded from the calculation if their effect is anti-dilutive.

Due to the anti-dilutive effect of potentially dilutive securities or common stock equivalents that could be issued, such securities were excluded from the diluted net income or loss calculation for all periods presented. Such potentially dilutive securities and common stock equivalents consisted of the following for the periods ended:

	December 31,	
	2016	2015
Options to purchase common stock	—	100,000

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

Management has determined that all recently issued accounting pronouncements will not have a material impact on the Company's financial statements or do not apply to the Company's operations.

(2) LIQUIDITY AND GOING CONCERN CONSIDERATIONS

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. Accordingly, the consolidated financial statements do not include any adjustments relating to the recoverability of assets and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. However, for the reasons described below, Company management does not believe that cash on hand and cash flow generated internally by the Company will be adequate to fund its limited overhead and other cash requirements beyond a short period of time. These reasons raise significant doubt about the Company's ability to continue as a going concern.

Since 2008, the Company was able to continue operating as a going concern due principally to funding of $500,000 received during 2008 under a Revolving Loan Agreement with an entity controlled by Michael S. Egan, its Chairman and Chief Executive Officer and total proceeds of approximately $2,437,000 received during 2009 through the second quarter of 2015 under an Earn-out Agreement with an entity also controlled by Mr. Egan (as more fully discussed below), as well as the forbearance of its creditors. More recently, the Company received fundings of $50,000 each in both March 2016 and November 2016 under Promissory Notes entered into with the same entity that provided funding under the Revolving Loan Agreement (the “2016 Promissory Notes”). See Note 5, “Debt” in our consolidated financial statements for further details.

At December 31, 2016, the Company had a net working capital deficit of approximately $1,923,000. Such working capital deficit included (i) a total of approximately $1,028,000 in principal and accrued interest owed under the aforementioned Revolving Loan Agreement and Promissory Notes; (ii) a total of approximately $770,000 in management service fees owed under a Master Services Agreement to an entity controlled by Mr. Egan; (iii) a total of approximately $131,000 of accrued officer compensation due primarily to Mr. Egan and (iv) an aggregate of approximately $31,000 in other unsecured accounts payable and accrued expenses owed to non-related parties.

During the second quarter of 2015, a former VoIP telephony service business vendor agreed to forgive its remaining accounts payable balance of approximately $41,000. Accordingly, such amount was written off the balance sheet with corresponding gain on forgiveness of debt included within Discontinued Operations for the year ended December 31, 2015.

During the fourth quarter of 2014 the Company derecognized approximately $84,000 of old accrued expenses related to its former Tralliance business (including approximately $33,000 of disputed liabilities) based upon the belief that the statute of limitations applicable to enforcement of such liabilities had lapsed. During the fourth quarter of 2013, the Company derecognized approximately $296,000 of old liabilities of its former Tralliance business, including approximately $170,000 of disputed accounts payables owed to two (2) former vendors and accrued expenses totaling approximately $126,000, based also upon the belief that the statute of limitations applicable to enforcement of such liabilities has lapsed. As more fully described in Note 3, “Discontinued Operations,” the Company derecognized approximately $1,354,000 of old liabilities of its former VoIP telephony service business, including approximately $1,000,000 of disputed liabilities, during the fourth quarter of 2012 based also upon our belief that the statute of limitations applicable to enforcement of such liabilities has lapsed. There can be no assurance that the holders of derecognized liabilities will agree with our application of statutes of limitation to time bar claims related to such liabilities nor seek to assert a basis to toll or suspend the running of the otherwise applicable statutes of limitation.

As discussed previously, on September 29, 2008, the Company (i) sold the business and substantially all of the assets of its Tralliance Corporation subsidiary to Tralliance Registry Management, and (ii) issued 229,000,000 shares of its Common Stock (the “Shares”) to Registry Management (the “Purchase Transaction”). Tralliance Registry Management and Registry Management are entities controlled by Michael S. Egan. The closing of the Purchase Transaction resulted in the cancellation of all of the Company’s remaining Convertible Debt, related accrued interest and rent and accounts payable owed to entities controlled by Mr. Egan as of the date of closing (totaling approximately $6,400,000). However, the Company continues to be obligated to repay its principal borrowings and accrued interest due to an entity controlled by Mr. Egan under the aforementioned Revolving Loan Agreement and 2016 Promissory Notes. The Company currently has no ability to repay these loans should a demand for payment be made by the noteholder. Immediately after giving effect to the closing of the Purchase Transaction and the issuance of the Shares thereunder, Mr. Egan beneficially owned approximately 76% of the Company's Common Stock and continues to beneficially own such amount at December 31, 2016.

As additional consideration under the Purchase Transaction, Tralliance Registry Management was obligated to pay an earn-out to theglobe equal to 10% (subject to certain minimums) of Tralliance Registry Management's net revenue (as defined) derived from ".travel" names registered by Tralliance Registry Management from September 29, 2008 through May 5, 2015 (the "Earn-out"). The minimum Earn-out payable by Tralliance Registry Management to theglobe was $300,000 in the first year of the Earn-Out, increasing by $25,000 in each subsequent year (pro-rated for the final year of the Earn-out). The final Earn-out payment of $37,000 was made in May 2015 and the Earn-out Agreement has now expired.

In connection with the closing of the Purchase Transaction, the Company also entered into a Master Services Agreement with an entity controlled by Mr. Egan whereby for a fee of $20,000 per month ($240,000 per annum) such entity will provide personnel and services to the Company so as to enable it to continue its existence as a public company without the necessity of any full-time employees of its own. Additionally, commensurate with the closing of the Purchase Transaction, Termination Agreements with each of its current executive officers, which terminated their previous and then existing employment agreements, were executed. Notwithstanding the termination of these employment agreements, each of our current executive officers and directors remain as executive officers and directors of the Company.

Immediately following the closing of the Purchase Transaction, theglobe became a shell company with no material operations or assets, and no source of income other than under the Earn-out. As a shell company, theglobe's operating expenses have consisted primarily of and are expected to continue to consist primarily of expenses incurred under the aforementioned Master Services Agreement and other customary public company expenses, including legal, audit and other miscellaneous public company costs.

MANAGEMENT PLANS

On a short term liquidity basis, the Company must receive the continued indulgence of its primary creditor, Mr. Egan, including the continued forbearance of Mr. Egan and related entities in making demand for payment for amounts outstanding under the Revolving Loan Agreement, the 2016 Promissory Notes and the Master Services Agreement, in order to continue as a going concern.

It is the Company's preference to avoid filing for protection under the U.S. Bankruptcy Code. However, based upon the Company's current financial condition as discussed above, management believes that additional debt or equity capital will need to be raised in order for theglobe to continue to operate as a going concern on a long-term basis. Any such capital would likely come from Mr. Egan, as the Company currently has no access to credit facilities and has traditionally relied on borrowings from related parties to meet short-term liquidity needs. Any such equity capital would likely result in very substantial dilution in the number of outstanding shares of the Company's Common Stock. Given theglobe's current financial condition, it currently has no intent to seek to acquire or start any new businesses. The Company intends to use the proceeds from the 2016 Promissory Notes and seek other loans from Mr. Egan and related entities, if necessary, to fund its public company operating costs while it explores its options related to the future of theglobe.

On March 29, 2017, the Company borrowed an additional $50,000 under a promissory note from an entity controlled by Mr. Egan (see Note 9, "Subsequent Events" for further details.)

(3) DISCONTINUED OPERATIONS

In March 2007, management and the Board of Directors of the Company decided to discontinue the operating, research and development activities of its VoIP telephony services business and terminate all of the remaining employees of the business. The Company's decision to discontinue the operations of its VoIP telephony services business was based primarily on the historical losses sustained by this business, management's expectations of continued losses for the foreseeable future and estimates of the amount of capital required to successfully monetize this business. All elements of its VoIP telephony services business shutdown plan were completed by the Company in 2007 except for the resolution of certain disputed vendor accounts payables, totaling approximately $1,000,000, and the payment of remaining non-disputed accounts payable. The disputed accounts payables related primarily to telecommunications network service fees charged by various former telecommunication vendors during the period from 2004 to 2007. These charges were disputed by the Company primarily due to such items as incorrect quantities, rates, in-service dates, regulatory fees/charges, late fees and contract termination charges.

During the fourth quarter of 2012, the Company re-evaluated all remaining liabilities of its VoIP telephony services business in light of the passage of time and applicable state statute of limitation laws. Based upon this re-evaluation, the Company derecognized accounts payable liabilities related to six (6) former telecommunication vendors totaling approximately $1,354,000, including the disputed liabilities of approximately $1,000,000 discussed earlier. During the second quarter of 2015, a former VoIP telephony service vendor agreed to forgive its remaining non-disputed accounts payable balance of $41,000. Accordingly, such amount was written off the balance sheet with a corresponding gain on forgiveness of debt included within Discontinued Operations for the year ended December 31, 2015. There are no "Liabilities of Discontinued Operations" at December 31, 2016 and 2015.

(4) ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

Accrued expenses and other current liabilities consisted of the following:

	December 31,	
	2016	2015
Accrued legal and audit expense	$30,500	$26,000

(5) DEBT

Debt consists of notes payables due to a related party, as summarized below:

	December 31, 2016	December 31, 2015
2008 Revolving Loan Notes due to a related party; due on demand	$ 500,000	$ 500,000
March 2016 Promissory Note due to a related party; due on demand	50,000	—
November 2016 Promissory Note due to a related party; due on demand	50,000	—
	600,000	500,000

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On June 6, 2008, the Company and its subsidiaries, as guarantors, entered into a Revolving Loan Agreement with Dancing Bear Investments, Inc. (“Dancing Bear”), pursuant to which Dancing Bear may loan up to $500,000 to the Company on a revolving basis (the “Credit Line”). Dancing Bear is controlled by Michael S. Egan, our Chairman and Chief Executive Officer. In connection with its entry into the Credit Line, the Company borrowed $100,000 under the Credit Line. Subsequently, during the remainder of 2008, the Company made additional borrowings totaling the final $400,000 available under the Credit Line. As of December 31, 2016 and 2015, outstanding principal of $500,000 and accrued interest of $423,233 and $373,234, respectively, related to this Credit Line have been reflected as current liabilities in our Consolidated Balance Sheet. Related Party Interest Expense related to the Credit Line of $50,000 was recognized in our Consolidated Statement of Operations during both the years ended December 31, 2016 and 2015, respectively.

On May 7, 2009, the Company entered into a Note and Modification Agreement with Dancing Bear, which amended the repayment terms of the Revolving Loan Agreement. Under the terms of the Note Modification Agreement, from and after June 6, 2009 (the original maturity date of the Credit Line), all amounts due under the Revolving Loan Agreement, including principal and accrued interest, will be due and payable by the Company in one lump sum on the earlier of (i) five (5) business days following any demand for payment, which demand can be made by Dancing Bear at any time; or (ii) upon the occurrence of an event of default, as defined in the Revolving Loan Agreement. All funds borrowed under the Credit Line may be prepaid in whole or in part, without penalty, at any time during the term of the Credit Line.

In connection with the Credit Line, the Company executed and delivered a promissory note to Dancing Bear in the amount of $500,000 bearing interest at ten percent (10%) per annum on the principal amount then outstanding. The Company’s subsidiaries unconditionally guaranteed the Credit Line by entering into an Unconditional Guaranty Agreement. All amounts outstanding from time to time under the Credit Line are secured by a lien on all assets of the Company and its subsidiaries pursuant to a Security Agreement with Dancing Bear.

On March 23, 2016, the Company entered into a $50,000 promissory note (the “March 2016 Promissory Note”) with, and borrowed the full amount of such promissory note from, Dancing Bear. The promissory note is unsecured and initially matured and was due on the first to occur of (i) September 22, 2016, or (ii) an event of default as defined under the promissory note. On September 20, 2016, the Company entered into a Note and Modification Agreement with Dancing Bear. Under the terms of the Note Modification Agreement, from and after September 22, 2016 (the original maturity date of promissory note) all amount due under the promissory note, including principal and accrued interest, will be due and payable on the earlier of (i) five (5) business days following any demand for payment, which demand can be made by Dancing Bear at any time; or (ii) an event of default as defined under the promissory note. Interest at a rate of 10% per annum is payable by the Company on all unpaid borrowings under the promissory note. The Company used the proceeds from the promissory note to pay its public company operating costs from March 2016 to September 2016. For the period from March 23, 2016 until December 31, 2016, the Company accrued $3,891 of interest expense on the promissory note.

On November 7, 2016, the Company entered into a second $50,000 promissory note (the “November 2016 Promissory Note”) with, and borrowed the full amount of such promissory note from, Dancing Bear. The promissory note is unsecured and matures with all amounts due, including principal and accrued interest, on the earlier of (i) five (5) business days following any demand for payment, which demand can be made by Dancing Bear at any time; or (ii) an event of default as defined under the promissory note. The Company used the proceeds from the promissory note to pay its public company operating costs from November 2016 to March 2017. For the period from November 7, 2016 until December 31, 2016, the Company accrued $754 of interest expense on the promissory note.

The Company has no ability to repay any of the loans discussed above should Dancing Bear demand payment.

(6) STOCK OPTION PLANS

As of December 31, 2016, all of the Company’s stock option plans have terminated and there are no shares for grant under these plans. Remaining stock options outstanding and exercisable expired in August 2016.

No stock options were granted by the Company or exercised during the years ended December 31, 2016 and 2015.

Stock option activity during the years ended December 31, 2016 and December 31, 2015 was as follows:

	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding at December 31, 2015	100,000	$ 0.14	0.6 years	$ —
Granted	—	—		
Exercised	—	—		
Expired	100,000	0.14		
Outstanding at December 31, 2016	—	$		$ —
Exercisable at December 31, 2016	—	$		$ —
Options available at December 31, 2016	—			

	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding at December 31, 2014	4,000,000	$ 0.12	0.3 years	$ —
Granted	—	—		
Exercised	—	—		
Expired	3,900,000	0.12		
Outstanding at December 31, 2015	100,000	$ 0.14	0.6 years	$ —
Exercisable at December 31, 2015	100,000	$ 0.14	0.6 years	$ —
Options available at December 31, 2015	100,000			

No employee stock compensation expense was charged to operating expenses during the years ended December 31, 2016 or 2015. At December 31, 2016, there was no unrecognized compensation expense related to unvested stock options.

(7) INCOME TAXES

The provision (benefit) for income taxes is summarized as follows:

	Year Ended December 31, 2016	2015
Continuing operations	$ —	$ —
Discontinued operations	—	—
	$ —	$ —

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The provision (benefit) for income taxes attributable to continuing operations was as follows:

	Year Ended December 31, 2016	2015
Current :		
Federal	$ —	$ —
State	—	—
	$ —	$ —
Deferred:		
Federal	$ —	$ —
State	—	—
Provision for income taxes	$ —	$ —

The following is a reconciliation of the federal income tax provision at the federal statutory rate to the Company's tax provision attributable to continuing operations:

	Year Ended December 31, 2016	2015
Statutory federal income tax rate	34.00 %	34.00 %
Change in tax rate	—	—
Nondeductible items	—	—
State income taxes, net of federal benefit	3.96	3.96
Change in valuation allowance	(37.96)	(37.96)
AMT tax credit adjustment	—	—
Other	—	—
Effective tax rate	0.00 %	0.00 %

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities at December 31, 2016 and 2015 are presented below.

	December 31, 2016	December 31, 2015
Deferred tax assets (liabilities):		
Net operating loss carryforwards	$62,959,000	$62,903,000
Issuance of warrants	1,447,000	1,447,000

AMT and other tax credits	352,000	352,000
Accrued expenses	335,000	244,000
Depreciation and amortization	15,000	15,000
Total gross deferred tax assets	65,108,000	64,961,000
Less: valuation allowance	(65,108,000)	(64,961,000)
Total net deferred tax assets	$—	$—

Because of the Company's lack of earnings history, the net deferred tax assets have been fully offset by a 100% valuation allowance. The valuation allowance for net deferred tax assets was $65,108,000 and $64,961,000 as of December 31, 2016 and 2015, respectively. The net change in the total valuation allowance was $147,000 and $78,000 for the years ended December 31, 2016 and 2015, respectively.

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets, which consist of tax benefits primarily from net operating loss carryforwards, is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Of the total valuation allowance of $65,108,000 as of December 31, 2016, subsequently recognized tax benefits, if any, in the amount of $6,400,000 will be applied directly to contributed capital.

At December 31, 2016, the Company had net operating loss carryforwards available for U.S. tax purposes of approximately $165,849,000. These carryforwards expire through 2036. Under Section 382 of the Internal Revenue Code of 1986, as amended (the "Code"), the utilization of net operating loss carryforwards may be limited under the change in stock ownership rules of the Code. Due to various significant changes in our ownership interests, as defined in the Internal Revenue Code of 1986, as amended, the Company may have limited the availability of its net operating loss carryforwards. There can be no assurance that the Company will be able to avail itself of any net operating loss carryforwards.

(8) RELATED PARTY TRANSACTIONS

Certain directors of the Company also serve as officers and directors of and own controlling interests in Dancing Bear Investments, Inc., E&C Capital Partners LLLP, E&C Capital Partners II, LLLP, The Registry Management Company, LLC, Tralliance Registry Management Company, LLC, Labigroup Holdings, LLC and License Holdings, LLC. Dancing Bear Investments, Inc., E&C Capital Partners, LLLP and E&C Capital Partners II, LLLP are stockholders of the Company and are entities controlled by our Chairman.

On September 29, 2008, the Company (i) sold the business and substantially all of the assets of its Tralliance Corporation subsidiary to Tralliance Registry Management Company LLC (“Tralliance Registry Management”) and (ii) issued 229,000,000 shares of its Common Stock (the “Shares”) to The Registry Management Company, LLC (“Registry Management”) (the “Purchase Transaction”). Tralliance Registry Management and Registry Management are entities directly or indirectly controlled by Michael S. Egan, our Chairman and Chief Executive Officer and principal stockholder, and each of our two remaining executive officers and Board members, Edward A. Cespedes, our President, and Robin Segaul Lebowitz, our Vice President of Finance, own a minority interest in Registry Management. After giving effect to the closing of the Purchase Transaction and the issuance of the Shares thereunder, Mr. Egan beneficially owned approximately 76% of the Company’s Common Stock and continues to beneficially own such amount at December 31, 2016.

In connection with the Purchase Transaction, the Company received (i) forgiveness of debt consideration totaling approximately $6,400,000, and (ii) an earn-out equal to 10% (subject to certain minimums) of Tralliance Registry Management’s “net revenue” (as defined) derived from “.travel” names registered by Tralliance Registry Management from September 29, 2008 through May 5, 2015 (the “Earn-out”). The final prorated Earn-out payment of $37,000 was received by the Company in May 2015 and the Earn-out Agreement has now expired. The minimum Earn-out payable by Tralliance Registry Management to theglobe was $300,000 in the first year of the Earn-out Agreement, and increased by $25,000 in each subsequent year (pro-rated for the final year of the Earn-out). During 2016 and 2015, the Company received Earn-out installment payments totaling $0 and $149,625, respectively, from Tralliance Registry Management, which have been recorded as Related Party Other Income in our Consolidated Statements of Operations for such years.

In connection with the closing of the Purchase Transaction, the Company also entered into a Master Services Agreement ("Services Agreement") with Dancing Bear Investments, Inc. ("Dancing Bear"), an entity which is controlled by Mr. Egan. Under the terms of the Services Agreement, for a fee of $20,000 per month ($240,000 per annum), Dancing Bear provides personnel and services to the Company so as to enable it to continue its existence as a public company without the necessity of any full-time employees of its own. The Services Agreement had an initial term of one year. The Services Agreement now automatically renews for additional one year terms unless notice is given by either party of the intent not to renew, and has currently been renewed through September 2017. The Services Agreement may be terminated under certain events. Services under the Services Agreement include, without limitation, accounting, assistance with financial reporting, accounts payable, treasury/financial planning, record retention and secretarial and investor relations functions. Related party transactions expense related to the Master Services Agreement of $240,000 was recognized in our Consolidated Statement of Operations during both the years ended December 31, 2016 and 2015. No payments related to the Services Agreement were made by the Company to Dancing Bear in 2016 and 2015. A balance of $769,570 related to the Services Agreement is owed by the Company to Dancing Bear and is accrued on our Balance Sheet at December 31, 2016.

As more fully discussed in Note 5 "Debt," on June 6, 2008, the Company and its subsidiaries, as guarantors, entered into a Revolving Loan Agreement with Dancing Bear, pursuant to which Dancing Bear may loan up to $500,000 to the Company on a revolving basis (the "Credit Line"). In connection with its entry into the Credit Line, the Company borrowed $100,000 under the Credit Line. Subsequently, during the remainder of 2008, the Company made additional borrowings totaling $400,000 under the Credit Line. As of December 31, 2016 and 2015, outstanding principal of $500,000 and accrued interest of $423,233 and $373,234, respectively, related to the Credit Line have been reflected as current liabilities in our Consolidated Balance Sheet. Related Party Interest Expense related to the Credit Line of $50,000 was recognized in our Consolidated Statement of Operations during both the years ended December 31, 2016 and 2015.

As discussed earlier in Note 5, "Debt," during 2016 the Company borrowed a total of $100,000 from Dancing Bear under two separate promissory notes. Interest expense totaling $4,645 has been recorded by the Company during 2016, and is accrued on its balance sheet at December 31, 2016 related to these promissory notes.

In order to help the Company make it through a liquidity crisis in 2008, Michael S. Egan, our Chairman and Chief Executive Officer, agreed to defer receiving a portion of his 2008 salary, totaling $105,769, until a future undetermined point in time. Additionally, Robin S. Lebowitz, our Vice President of Finance agreed to defer receiving an aggregate of $25,000 in car allowance payable during 2006, 2007 and 2008 to a future undetermined point in time. The aforementioned deferred payments were accrued by the Company during the years that such compensation was earned, with the total amount of $130,769 classified as Accrued Compensation Due to Related Parties in our Consolidated Balance Sheets at both December 31, 2016 and 2015.

(9) SUBSEQUENT EVENTS

The Company's management evaluated subsequent events through the time of the filing of this report on Form 10-K. The Company's management is not aware of any significant events that occurred subsequent to the balance sheet date but prior to the filing of this report that would have a material impact on its consolidated financial statements, except for the following. On March 29, 2017 the Company entered into a $50,000 promissory note with, and borrowed the full amount of such promissory note from, Dancing Bear Investments, Inc., an entity controlled by Michael S. Egan, its Chairman and Chief Executive Officer. The promissory note is unsecured and matures with all amounts due, including principal and accrued interest, on the earlier of (i) five business days following any demand for payment, which demand can be made by Dancing Bear at any time; or (ii) an event of default as defined under the promissory note. The Company intends to use the proceeds from the promissory note to pay its public company operating costs over a short period of time.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure (1) that information required to be disclosed by us in the reports we file or submit under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission’s (“SEC”) rules and forms, and (2) that this information is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management necessarily was required to apply its judgment in evaluating the cost benefit relationship of possible controls and procedures.

Our Chief Executive Officer and Chief Financial Officer have evaluated the effectiveness of our disclosure controls and procedures as of December 31, 2016. Based on that evaluation, our Chief Executive Officer and our Chief Financial Officer have concluded that our disclosure controls and procedures are effective in alerting them in a timely manner to material information regarding us (including our consolidated subsidiaries) that is required to be included in our periodic reports to the SEC.

Management’s Annual Report on Internal Control and Financial Reporting

The Company’s management, under the supervision of the Chief Executive Officer and the Chief Financial Officer, is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a - 15(f) and 15d - 15(f) under the Exchange Act). Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. Internal control over financial reporting includes policies and procedures that:

(i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

(iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with existing policies or procedures may deteriorate.

Under the supervision of the Chief Executive Officer and the Chief Financial Officer, the Company's management conducted an evaluation of the Company's internal control over financial reporting as of December 31, 2016 in accordance with the interpretive guidance published in the SEC's "Commission Guidance Regarding Management's Report on Internal Control Over Financial Reporting Under Section 13(a) or 15(d) of the Securities Exchange Act of 1934" dated and effective on June 27, 2007. Such evaluation was based on the framework and criteria established in "Internal Control - Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in 1992. Based upon this evaluation and management's assessment, management has concluded that internal control over financial reporting was effective as of December 31, 2016. Because we are a smaller public company, we are not required to provide an independent public accountant's attestation report covering our assessment of internal control over financial reporting.

Changes in Internal Control over Financial Reporting

Our management, with the participation of our Chief Executive Officer, have evaluated any change in our internal control over financial reporting that occurred during the quarter ended December 31, 2016 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting, and have determined there to be no reportable changes.

ITEM 9B. OTHER INFORMATION

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The following table sets forth the names, ages and current positions with the Company held by our Directors and Executive Officers. There is no immediate family relationship between or among any of the Directors or Executive Officers, and the Company is not aware of any arrangement or understanding between any Director or Executive Officer and any other person pursuant to which he was elected to his current position. Each of the following persons are Directors of the Company.

NAME	AGE	POSITION OR OFFICE WITH THE COMPANY	DIRECTOR SINCE
Michael S. Egan	76	Chairman and Chief Executive Officer	1997
Edward A. Cespedes	51	President, Treasurer and Chief Financial Officer and Director	1997
Robin S. Lebowitz	52	Vice President of Finance and Director	2001

Our current directors were initially chosen based upon their individual skills, experiences and qualifications which collectively provide a balanced level of expertise to the Company. Additionally, we believe that each of our directors possess high professional and personal ethics and values, which are attributes that are important characteristics to the Company.

Michael S. Egan. Michael Egan has served as theglobe’s Chairman since 1997 and as its Chief Executive Officer since June 1, 2002. Since 1996, Mr. Egan has been the controlling investor of Dancing Bear Investments, Inc., a privately held investment company. Additionally, Mr. Egan is the controlling investor of E&C Capital Partners LLLP and E&C Capital Partners II, LLLP, privately held investment partnerships, and License Holdings, LLC, Labigroup Holdings, LLC, The Registry Management Company, LLC and Tralliance Registry Management, LLC, entities that are involved in the Internet domain name registration business. Mr. Egan spent over 30 years in the rental car business. He began with Alamo Rent-A-Car in 1973, became an owner in 1979, and became Chairman and majority owner from January 1986 until November 1996 when he sold the company to AutoNation, Inc. In 2000, AutoNation, Inc. spun off the rental division, ANC Rental Corporation (Other OTC: ANCXZ.PK), and Mr. Egan served as Chairman until October 2003. Prior to acquiring Alamo, he held various administration positions at Yale University and taught at the

University of Massachusetts at Amherst. Mr. Egan is a graduate of Cornell University where he received his Bachelor's degree in Hotel Administration. Mr. Egan was elected to be our Chairman based mainly upon his broad experience at the policy-making level and in managing both large and small businesses over the past thirty years.

Edward A. Cespedes. Edward Cespedes has served as a director of theglobe since 1997, as President of theglobe since June 1, 2002 and as Treasurer and Chief Financial Officer of theglobe since February 1, 2005. Mr. Cespedes is also the President of E&C Capital Ventures, Inc., the general partner of E&C Capital Partners LLLP and an executive officer and director of The Registry Management Company, LLC and Tralliance Registry Management Company, LLC. Additionally, since March 2011, Mr. Cespedes has served as the President and a director of Paymeon, Inc., a location-based marketing company. Mr. Cespedes served as the Vice Chairman of Prime Ventures, LLC, from May 2000 to February 2002. From August 2000 to August 2001, Mr. Cespedes served as the President of the Dr. Koop Lifecare Corporation and was a member of the Company's Board of Directors from January 2001 to December 2001. From 1996 to 2000, Mr. Cespedes was a Managing Director of Dancing Bear Investments, Inc. Concurrent with his position at Dancing Bear Investments, Inc., from 1998 to 2000, Mr. Cespedes also served as Vice President for corporate development for theglobe where he had primary responsibility for all mergers, acquisitions, and capital markets activities. In 1996, prior to joining Dancing Bear Investments, Inc., Mr. Cespedes was the Director of Corporate Finance for Alamo Rent-A-Car. From 1988 to 1996, Mr. Cespedes worked in the Investment Banking Division of J.P. Morgan and Company, where he most recently focused on mergers and acquisitions. In his capacity as a venture capitalist, Mr. Cespedes has served as a member of the board of directors of various portfolio companies. Mr. Cespedes is the founder of the Columbia University Hamilton Associates, a foundation for university academic endowments. In 1988 Mr. Cespedes received a Bachelor's degree in International Relations from Columbia University. Mr. Cespedes was elected a director of the Company based mainly upon his understanding of capital markets and mergers and acquisitions, and his ability to manage business operations and technologies.

Robin S. Lebowitz. Robin Lebowitz has served as a director of theglobe since December 2001, as Secretary of theglobe since June 1, 2002, and as Vice President of Finance of theglobe since February 23, 2004. Ms. Lebowitz also served as Treasurer of theglobe from June 1, 2002 until February 23, 2004 and as Chief Financial Officer of theglobe from July 1, 2002 until February 23, 2004. Ms. Lebowitz has worked in various capacities for the Company's Chairman, Michael Egan, for approximately twenty-two years. She is the Controller/Managing Director of Dancing Bear Investments, Inc., Mr. Egan's privately held investment management and holding company, and is an executive officer of Search.Travel, LLC, Labigroup Holdings, LLC, The Registry Management Company, LLC and Tralliance Registry Management Company, LLC. Previously, Ms. Lebowitz served on the Board of Directors of theglobe from August 1997 to October 1998. At Alamo Rent-A-Car, she served as Financial Assistant to the Chairman (Mr. Egan). Prior to joining Alamo, Ms. Lebowitz was the Corporate Tax Manager at Blockbuster Entertainment Group where she worked from 1991 to 1994. From 1986 to 1989, Ms. Lebowitz worked in the audit and tax departments of Arthur Andersen & Co. Ms. Lebowitz received a Bachelor of Science in Economics from the Wharton School of the University of Pennsylvania; a Masters in Business Administration from the University of Miami and is a Certified Public Accountant. Ms. Lebowitz was elected a director of our Company based mainly upon her solid understanding of finance, accounting and taxation, and her ability to manage diverse finance functions.

COMPLIANCE WITH SECTION 16(A) OF THE EXCHANGE ACT

Section 16(a) of the Securities and Exchange Act of 1934 requires our officers and directors, and persons who own more than ten percent (10%) of a registered class of our equity securities, to file certain reports regarding ownership of, and transactions in, our securities with the SEC and with The NASDAQ Stock Market, Inc. Such officers, directors, and 10% stockholders are also required to furnish theglobe with copies of all Section 16(a) forms that they file.

Based solely on our review of copies of Forms 3 and 4 and any amendments furnished to us pursuant to Rule 16a-3(e) and any written representations referred to in Item 405(b)(2)(i) of Regulation S-K stating that no Forms 5 were required, we believe that, during the 2016 fiscal year, our officers, directors and all persons owning more than 10% of a registered class of our equity securities have complied with all Section 16(a) applicable filing requirements.

CODE OF ETHICS

The Company has adopted a Code of Ethics applicable to its officers, including its principal executive officer, principal financial officer, principal accounting officer or controller and any other persons performing similar functions. The Code of Ethics will be provided free of charge by the Company to interested parties upon request. Requests should be made in writing and directed to the Company at the following address: 1500 Cordova Road, Suite 302, Fort Lauderdale, Florida 33316.

BOARD MEETINGS AND COMMITTEES OF THE BOARD

Including unanimous written actions of the Board, the Board of Directors met 5 times in 2016. No incumbent director who was on the Board for the entire year attended less than 75% of the total number of all meetings of the Board and any committees of the Board on which he or she served, if any, during 2016.

The Board of Directors has a standing Audit and Compensation Committee but no standing Nominating Committee.

Audit Committee. The Audit Committee, which was formed in July 1998, reviews, acts on and reports to the Board of Directors with respect to various auditing and accounting matters, including the selection of our independent auditors, the scope of the annual audits, fees to be paid to the auditors, the performance of our auditors and our accounting practices and internal controls. The Audit Committee operates pursuant to a written charter, as amended, adopted by the Board of Directors on June 12, 2000. The current members of the Audit Committee are Messrs. Egan and Cespedes and Ms. Lebowitz, all of whom are employee directors. None of the current committee members are considered "independent" within the meaning of applicable NASD rules. Ms. Lebowitz serves as the "audit committee financial expert" within the meaning of applicable SEC rules, but is not considered "independent" within the meaning of applicable NASD rules. Including unanimous written actions of the Committee, the Audit Committee held 5 meetings in 2016.

Compensation Committee. The Compensation Committee establishes salaries, incentives and other forms of compensation for officers and other employees of theglobe. Insomuch as the Company currently has no operations and its executive officers do not receive a salary, the Compensation Committee did not meet in 2016. The Compensation Committee (as well as the entire Board of Directors) also approves option grants under all of our outstanding stock based incentive plans. The current members of the Compensation Committee are Messrs. Egan and Cespedes.

Nominating Committee. The Board of Directors does not have a separate nominating committee. Rather, the entire Board of Directors acts as nominating committee. Based on the Company's Board currently consisting only of employee directors, the Board of Directors does not believe the Company would derive any significant benefit from a separate nominating committee. Due primarily to their status as employees of the Company, none of the members of the Board are "independent" as defined in the NASD listing standards. The Company does not have a Nominating Committee charter.

In recommending director candidates in the future (including director candidates recommended by stockholders), the Board intends to take into consideration such factors as it deems appropriate based on the Company's current needs. These factors may include diversity, age, skills, decision-making ability, inter-personal skills, experience with businesses and other organizations of comparable size, community activities and relationships, and the interrelationship between the candidate's experience and business background, and other Board members' experience and business background, whether such candidate would be considered "independent", as such term is defined in the NASD listing standards, as well as the candidate's ability to devote the required time and effort to serve on the Board.

The Board will consider for nomination by the Board director candidates recommended by stockholders if the stockholders comply with the following requirements. Under our By-Laws, if a stockholder wishes to nominate a director at the Annual Meeting, we must receive the stockholder's written notice not less than 60 days nor more than 90 days prior to the date of the annual meeting, unless we give our stockholders less than 70 days' notice of the date of our Annual Meeting. If we provide less than 70 days' notice, then we must receive the stockholder's written notice by the close of business on the 10th day after we provide notice of the date of the Annual Meeting. The notice must contain the specific information required in our By-Laws. A copy of our By-Laws may be obtained by writing to the Corporate Secretary. If we receive a stockholder's proposal within the time periods required under our By-Laws, we may choose, but are not required, to include it in our proxy statement. If we do, we may tell the other stockholders what we think of the proposal, and how we intend to use our discretionary authority to vote on the proposal. All proposals should be made in writing and sent via registered, certified or express mail, to our executive offices, 1500 Cordova Road, Suite 302, Fort Lauderdale, Florida 33316, Attention: Robin S. Lebowitz, Corporate Secretary.

Shareholder Communications with the Board of Directors. Any shareholder who wishes to send communications to the Board of Directors should mail them addressed to the intended recipient by name or position in care of: Corporate Secretary, theglobe.com, inc., 1500 Cordova Road, Suite 302, Fort Lauderdale, Florida 33316. Upon receipt of any such communications, the Corporate Secretary will determine the identity of the intended recipient and whether the communication is an appropriate shareholder communication. The Corporate Secretary will send all appropriate shareholder communications to the intended recipient. An "appropriate shareholder communication" is a communication from a person claiming to be a shareholder in the communication, the subject of which relates solely to the sender's interest as a shareholder and not to any other personal or business interest.

In the case of communications addressed to the Board of Directors, the Corporate Secretary will send appropriate shareholder communications to the Chairman of the Board. In the case of communications addressed to any particular directors, the Corporate Secretary will send appropriate shareholder communications to such director. In the case of communications addressed to a committee of the Board, the Corporate Secretary will send appropriate shareholder communications to the Chairman of such committee.

ATTENDANCE AT ANNUAL MEETINGS

The Board of Directors encourages, but does not require, its directors to attend the Company's annual meeting of stockholders. The Company did not hold an annual meeting last year.

ITEM 11. EXECUTIVE COMPENSATION

OVERVIEW

On September 29, 2008 the Company sold its last remaining operating business, Tralliance. Commensurate with the sale of its Tralliance business on September 29, 2008, the Company also entered into Termination Agreements with each of its Named Executive Officers (each a “Termination Agreement”). Pursuant to the Termination Agreements, the Company’s employment agreements with each of Michael S. Egan, Edward A. Cespedes and Robin S. Lebowitz, the Company’s Chief Executive Officer, President and Vice President of Finance, all dated August 1, 2003, respectively, were terminated. Notwithstanding the termination of these employment agreements, each of Messrs Egan and Cespedes and Ms. Lebowitz remain in their previous positions as officers and directors of the Company, however they now receive no compensation from the Company. Additionally, on September 29, 2008 the Company entered into a Master Services Agreement with Dancing Bear Investments, Inc., an entity controlled by our Chairman Michael S. Egan, to provide management resources and other services to the Company.

SUMMARY COMPENSATION TABLE

The following table sets forth information concerning compensation for services in all capacities awarded to, earned by or paid by us to those persons serving as the principal executive officer and principal financial officer at any time during the last calendar year and our other executive officer for the years ended December 31, 2016 and 2015 (collectively, the "Named Executive Officers"):

Name and Principal Position	Year	Salary	Bonus	Option Awards	All Other	Total
Michael S. Egan,	2016	$ —	$ —	$ —	$ —	$ —
Chairman, Chief Executive Officer (1)	2015	—	—	—	—	—
Edward A. Cespedes,	2016	$ —	$ —	$ —	$ —	$ —
President, Treasurer and Chief Financial Officer (2)	2015	—	—	—	—	—
Robin S. Lebowitz,	2016	$ —	$ —	$ —	$ —	$ —
Former Chief Financial Officer; Vice President of Finance (3)	2015	—	—	—	—	—

(1) Mr. Egan became an executive officer in July 1998.

(2) Mr. Cespedes became President in June 2002 and Treasurer and Chief Financial Officer in February 2005.

(3) Ms. Lebowitz became an officer of the Company in June 2002 and Chief Financial Officer in July 2002. In February 2004, Ms. Lebowitz resigned her position as Chief Financial Officer and became Vice President of Finance.

The Company does not currently have any employment agreements with any of the Named Executive Officers.

OUTSTANDING EQUITY AWARDS AT FISCAL 2016 YEAR-END

Number of Securities Underlying Unexercised Options (1)	Option Exercise	Option Expiration

Name	Exercisable (#)	Unexercisable (#)	Price ($)	Date

(1) All of the Company's stock option plans are terminated and there are no unexercised options at December 31, 2016. None of the Named Executive Officers exercised any stock options during the year ended December 31, 2016.

COMPENSATION OF DIRECTORS

Directors who are also our employees receive no compensation for serving on our Board or committees. We reimburse non-employee directors for all travel and other expenses incurred in connection with attending Board and committee meetings. Non-employee directors are also eligible to receive automatic stock option grants under our 1998 Stock Option Plan, as amended and restated. As of December 31, 2016 there were no directors who met this definition.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The following table sets forth certain information regarding beneficial ownership of our Common Stock as of March 1, 2017 (except as otherwise indicated) by (i) each person who owns beneficially more than 5% of our Common Stock, (ii) each of our directors, (iii) each of our "Named Executive Officers" and (iv) all directors and executive officers as a group. A total of 441,484,838 shares of theglobe's Common Stock were issued and outstanding on March 1, 2017.

The amounts and percentage of common stock beneficially owned are reported on the basis of regulations of the Securities and Exchange Commission ("SEC") governing the determination of beneficial ownership of securities. Under the rules of the SEC, a person is deemed to be a "beneficial owner" of a security if that person has or shares "voting power," which includes the power to vote or to direct the voting of such security, or "investment power," which includes the power to dispose of or to direct the disposition of such security. A person is also deemed to be a beneficial owner of any securities of which that person has a right to acquire beneficial ownership within 60 days. Under these rules, more than one person may be deemed a beneficial owner of the same securities and a person may be deemed to be a beneficial owner of securities as to which such person has no economic interest. Unless otherwise indicated below, the address of each person named in the table below is in care of theglobe.com, inc., P.O. Box 029006, Fort Lauderdale, Florida 33302.

DIRECTORS, NAMED EXECUTIVE OFFICERS AND 5% STOCKHOLDERS	SHARES BENEFICIALLY OWNED NUMBER	PERCENT		TITLE OF CLASS
Dancing Bear Investments, Inc. (1)	48,303,148	10.9	%	Common
Michael S. Egan (1)(2)(3)(4)(5)	334,899,952	75.9	%	Common
E&C Capital Partners, LLLP (3)	38,469,012	8.7	%	Common
E&C Capital Partners II, LLLP (4)	6,000,000	1.4	%	Common
The Registry Management Company, LLC (5)	229,000,000	51.9	%	Common
All directors and executive officers as a group (3 persons)	334,899,952	75.9	%	Common

* less than 1%

(1) Mr. Egan owns Dancing Bear Investments, Inc.

(2) Includes the shares that Mr. Egan is deemed to beneficially own as the controlling investor of Dancing Bear Investments, Inc., E&C Capital Partners, LLLP, E&C Capital Partners II, LLLP and The Registry Management Company, LLC and as the Trustee of the Michael S. Egan Grantor Retained Annuity Trusts for the benefit of his children. Also includes 3,541,337 shares of our Common Stock held by Mr. Egan's wife, as to which he disclaims beneficial ownership.

(3) E&C Capital Partners, LLLP is a privately held investment vehicle controlled by our Chairman, Michael S. Egan. Our President, Edward A. Cespedes, has a minority, non-controlling interest in E&C Capital Partners, LLLP.

(4) E&C Capital Partners II, LLLP is a privately held investment vehicle controlled by our Chairman, Michael S. Egan.

(5) The Registry Management Company, LLC is a privately held investment vehicle controlled by our Chairman, Michael S. Egan. Our President, Edward A. Cespedes and our Vice President of Finance, Robin S. Lebowitz, have minority, non-controlling interests in The Registry Management Company, LLC.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

Transactions with Related Persons

Certain directors of the Company also serve as officers and directors of and own controlling interests in Dancing Bear Investments, Inc., E&C Capital Partners LLLP, E&C Capital Partners II, LLLP, The Registry Management Company, LLC, Tralliance Registry Management Company, LLC, Labigroup Holdings, LLC and License Holdings, LLC. Dancing Bear Investments, Inc., E&C Capital Partners, LLLP and E&C Capital Partners II, LLLP are stockholders of the Company and are entities controlled by our Chairman.

On September 29, 2008, the Company (i) sold the business and substantially all of the assets of its Tralliance Corporation subsidiary to Tralliance Registry Management Company LLC (“Tralliance Registry Management”) and (ii) issued 229,000,000 shares of its Common Stock (the “Shares”) to The Registry Management Company, LLC (“Registry Management”) (the “Purchase Transaction”). Tralliance Registry Management and Registry Management are entities directly or indirectly controlled by Michael S. Egan, our Chairman and Chief Executive Officer and principal stockholder, and each of our two remaining executive officers and Board members, Edward A. Cespedes, our President, and Robin Segaul Lebowitz, our Vice President of Finance, own a minority interest in Registry Management. After giving effect to the closing of the Purchase Transaction and the issuance of the Shares thereunder, Mr. Egan beneficially owned approximately 76% of the Company’s Common Stock and continues to beneficially own such amount at December 31, 2016.

In connection with the Purchase Transaction, the Company received (i) forgiveness of debt consideration totaling approximately $6,400,000, and (ii) an earn-out equal to 10% (subject to certain minimums) of Tralliance Registry Management's "net revenue" (as defined) derived from ".travel" names registered by Tralliance Registry Management from September 29, 2008 through May 5, 2015 (the "Earn-out"). The final prorated Earn-out payment was received by the Company in May 2015 and the Earn-out Agreement has now expired. The minimum Earn-out payable by Tralliance Registry Management to theglobe was $300,000 in the first year of the Earn-out Agreement, and increased by $25,000 in each subsequent year (pro-rated for the final year of the Earn-out). During 2016 and 2015, the Company received Earn-out installment payments totaling $0 and $149,625, respectively, from Tralliance Registry Management, which have been recorded as Related Party Other Income in our Consolidated Statements of Operations for such years.

In connection with the closing of the Purchase Transaction, the Company also entered into a Master Services Agreement ("Services Agreement") with Dancing Bear Investments, Inc. ("Dancing Bear"), an entity which is controlled by Mr. Egan. Under the terms of the Services Agreement, for a fee of $20,000 per month ($240,000 per annum), Dancing Bear provides personnel and services to the Company so as to enable it to continue its existence as a public company without the necessity of any full-time employees of its own. The Services Agreement had an initial term of one year and was renewed for additional one year terms during 2009 through 2016. The Services Agreement may be terminated under certain events. Services under the Services Agreement include, without limitation, accounting, assistance with financial reporting, accounts payable, treasury/financial planning, record retention and secretarial and investor relations functions. Related party transactions expense related to the Master Services Agreement of $240,000 was recognized in our Consolidated Statement of Operations during both the years ended December 31, 2016 and 2015. No payments related to the Services Agreement were made by the Company to Dancing Bear in 2016 and 2015. A balance of $769,570 related to the Services Agreement is owed by the Company to Dancing Bear and is accrued on our Balance Sheet at December 31, 2016.

As more fully discussed in Note 5 "Debt," on June 6, 2008, the Company and its subsidiaries, as guarantors, entered into a Revolving Loan Agreement with Dancing Bear, pursuant to which Dancing Bear may loan up to $500,000 to the Company on a revolving basis (the "Credit Line"). In connection with its entry into the Credit Line, the Company borrowed $100,000 under the Credit Line. Subsequently, during the remainder of 2008, the Company made additional borrowings totaling $400,000 under the Credit Line. As of December 31, 2016 and 2014, outstanding principal of $500,000 and accrued interest of $423,233 and $373,234, respectively, related to the Credit Line have been reflected as current liabilities in our Consolidated Balance Sheet. Related Party Interest Expense related to the Credit Line of $50,000 was recognized in our Consolidated Statement of Operations during both the years ended December 31, 2016 and 2015.

As discussed earlier in Note 5, "Debt," during 2016 the Company borrowed a total of $100,000 from Dancing Bear under two separate promissory notes. Interest expense totaling $4,645 has been recorded by the Company during 2016, and is accrued on its balance sheet at December 31, 2016 related to these promissory notes.

In order to help the Company make it through a liquidity crisis in 2008, Michael S. Egan, our Chairman and Chief Executive Officer, agreed to defer receiving a portion of his 2008 salary, totaling $105,769, until a future undetermined point in time. Additionally, Robin S. Lebowitz, our Vice President of Finance agreed to defer receiving an aggregate of $25,000 in car allowance payable during 2006, 2007 and 2008 to a future undetermined point in time. The aforementioned deferred payments were accrued by the Company during the years that such compensation was earned, with the total amount of $130,769 classified as Accrued Compensation Due to Related Parties in our Consolidated Balance Sheets at both December 31, 2016 and 2015.

Director Independence. None of the current members of the Company's Board of Directors are considered "independent" within the meaning of applicable NASD rules.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

Audit Fees . The aggregate fees billed by Marcum LLP ("Marcum"), independent public accountants, for professional services rendered for the audit of our annual financial statements during 2016 and 2015 and the reviews of the financial statements included in our Forms 10-Q and 10-K, as appropriate, were $36,050 and $35,900, respectively.

Audit-Related Fees . During the last two fiscal years, Marcum provided the Company with the following services that are reasonably related to the performance of the audit of our financial statements:

None

Tax Fees . The aggregate fees billed for tax services provided by Marcum in connection with tax compliance, tax consulting and tax planning services during 2016 and 2015, was $4,120 and $4,635, respectively.

All Other Fees . Except as described above, the Company had no other fees for services provided by Marcum during 2016 and 2015.

Pre-Approval of Services by the External Auditor . In April 2004, the Audit Committee adopted a policy for pre-approval of audit and permitted non-audit services by the Company's external auditor. The Audit Committee will consider annually and, if appropriate, approve the provision of audit services by its external auditor and consider and, if appropriate, pre-approve the provision of certain defined audit and non-audit services. The Audit Committee will also consider on a case-by-case basis and, if appropriate, approve specific engagements that are not otherwise pre-approved. The Audit Committee pre-approved the audit engagements and tax services billed by the amounts described above.

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PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a). List of all documents filed as part of this report.

(1) Financial statements are listed in the index to the consolidated financial statements on page F-1 of this Report.

(2) No financial statement schedules are included because they are not applicable or are not required or the information required to be set forth therein is included in the consolidated financial statements or notes thereto.

(3) Exhibit Index

3.1 Form of Fourth Amended and Restated Certificate of Incorporation of the Company (2).

3.2 Certificate of Amendment to Fourth Amended and Restated Certificate of Incorporation (7).

3.3 Certificate of Amendment to Fourth Amended and Restated Certificate of Incorporation filed with the Secretary of State of Delaware on July 29, 2003 (7).

3.4 Certificate relating to Previously Outstanding Series of Preferred Stock and Relating to the Designation, Preferences and Rights of the Series F Preferred Stock (4).

3.5 Certificate of Amendment Relating to the Designation Preferences and Rights of the Junior Participating Preferred Stock (5).

3.6 Form of By-Laws of the Company (5).

3.7 Certificate of Amendment Relating to the Designation Preferences and Rights of the Series H Automatically Converting Preferred Stock (6).

3.8 Certificate of Amendment to Fourth Amended and Restated Certificate of Incorporation filed with the Secretary of State of Delaware on December 1, 2004 (6).

4.1 Specimen certificate representing shares of Common Stock of the Company (3).

10.1 Form of Indemnification Agreement between the Company and each of its Directors and Executive Officers (1).

10.2 Revolving Loan Agreement dated as of June 6, 2008 by and between theglobe.com, inc. and Dancing Bear Investments, Inc. (7).

10.3	$500,000 Promissory Note dated June 6, 2008 (7).
10.4	Unconditional Guaranty Agreement dated June 6, 2008 (7).
10.5	Security Agreement dated June 6, 2008 (7).
10.6	Purchase Agreement dated as of June 10, 2008 by and between theglobe.com, inc., Tralliance Corporation and The Registry Management Company, LLC (8).
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10.10	Termination Agreement dated September 29, 2008 with Edward A. Cespedes (9).
10.11	Termination Agreement dated September 29, 2008 with Robin Segaul-Lebowitz (9).

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10.12	Note Modification Agreement dated as of May 7, 2009 between Dancing Bear Investments, Inc. and theglobe.com, inc. (10)
10.13	Extension and Amendment of Master Services Agreement between Dancing Bear Investments, Inc. and theglobe.com, inc. dated August 9, 2010 (11).
10.14	$50,000 Promissory Note dated March 23, 2016 by and between Dancing Bear Investments, Inc. and theglobe.com, Inc. (12).
10.15	Note Modification Agreement dated as of September 20, 2016 by and between Dancing Bear Investments, Inc. and theglobe.com, inc. (13).
10.16	$50,000 Promissory Note dated November 7, 2016 by and between Dancing Bear Investments, Inc. and theglobe.com, inc. (13).
10.17	$50,000 Promissory Note dated March 29, 2017 by and between Dancing Bear Investments, Inc. and theglobe.com, Inc.
21.	Subsidiaries
31.1	Certification of the Chief Executive Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a).
31.2	Certification of the Chief Financial Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a).
32.1	Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of The Sarbanes-Oxley Act of 2002.
32.2	Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of The Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definitions Linkbase Document

EXHIBIT INDEX

NO. ITEM

1. Incorporated by reference from our registration statement on Form S-1 filed July 24, 1998 (Registration No. 333-59751).

2. Incorporated by reference from our Form S-1/A filed September 15, 1998.

3. Incorporated by reference from our Form S-1/A filed October 14, 1998.

4. Incorporated by reference from our Form 8-K filed September 7, 2004.

5. Incorporated by reference from our Form SB-2 filed April 16, 2004.

6. Incorporated by reference from our Form 8-K filed on December 2, 2004.

7. Incorporated by reference from our Form 8-K filed on June 11, 2008.

8. Incorporated by reference from our Form 8-K filed on June 13, 2008.

9. Incorporated by reference from our Form 8-K filed on October 3, 2008.

10. Incorporated by reference from our Form 10-Q filed on May 8, 2009.

11. Incorporated by reference from our Form 10-Q for the quarter ended June 30, 2010 filed on August 10, 2010.

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13. Incorporated by reference from our Form 10-Q for the quarter ended September 30, 2016 filed on November 10, 2016.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

theglobe.com, inc.

Dated: *March 30, 2017* By: /s/ *Michael S. Egan*
Michael S. Egan
Chief Executive Officer

(Principal Executive Officer)

By: /s/ *Edward A. Cespedes*
Edward A. Cespedes
President, Chief Financial Officer

(Principal Financial Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the Registrant in the capacities and on the dates indicated.

/s/ Michael S. Egan *Michael S. Egan* *Chairman, Director*	*March 30, 2017*
/s/ Edward A. Cespedes *Edward A. Cespedes* *Director*	*March 30, 2017*
/s/ Robin Lebowitz *Robin Lebowitz* *Director*	*March 30, 2017*

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