

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 94077 / January 27, 2022**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-20718**

**In the Matter of**

**IOTA Communications, Inc.,**

**Respondent.**

**ANSWER OF RESPONDENT  
IOTA COMMUNICATIONS, INC.  
TO ORDER INSTITUTING  
ADMINISTRATIVE  
PROCEEDINGS AND NOTICE OF  
HEARING PURSUANT TO  
SECTION 12(j) OF THE  
SECURITIES EXCHANGE ACT  
OF 1934**

Iota Communications, Inc. (“Respondent”), by and through its undersigned counsel, hereby respectfully files this Answer to the allegations of the Division of Enforcement as set forth in the Securities and Exchange Commission’s (“Commission”) Order Instituting Administrative Proceedings and Notice of Hearing Pursuant to Section 12(j) of the Securities Exchange Act of 1934 (“Exchange Act”) against the Respondent (the “Order”).

For reference purposes, the text of the Division of Enforcement’s allegations contained in the Order have been reproduced herein with the Respondent’s responses below each numbered allegation. The Division of Enforcement’s allegations have been italicized and the Respondent’s responses thereto have been bolded.

*II. A. 1. RESPONDENT*

*IOTA Communications, Inc. ("IOTC") (CIK No. 1095130) is a good standing Delaware corporation located in Allentown, PA with a class of securities registered with the Commission pursuant to Exchange Act Section 12(g). IOTC is delinquent in its periodic filings with the Commission, having not filed any periodic reports since it filed a Form 10-Q for the period ended February 29, 2020, which reported a net loss of \$29,979,540 for the prior nine months. As of January 10, 2022, unsolicited quotations for the common stock of IOTC were quoted on OTC Link operated by OTC Markets Group, Inc.*

**Response: Admitted.**

*II. B. 2. DELINQUENT PERIODIC FILINGS*

*As discussed in more detail above, the Respondent is delinquent in its periodic filings with the Commission, has repeatedly failed to meet its obligation to file timely periodic reports, and failed to heed a delinquency letter sent to it by the Division of Corporation Finance requesting compliance with its periodic filing obligations or, through its failure to maintain a valid address on file with the Commission as required by Commission rules, did not receive such letter.*

**Response: Admitted in part; denied in part. It is admitted that the Respondent is delinquent in its periodic filings with the Commission and has failed to meet its obligation to file timely periodic reports. However, the Respondent denies that it has failed to maintain a valid address on file with the Commission as required by Commission rules or that it did not receive a delinquency letter from the Commission, as the Respondent received a letter from the Commission dated July 2, 2021, labeled File No. 0-27587, regarding non-compliance with**

**Section 13(a) of the Exchange Act, signed by Marva D. Simpson, Special Counsel, Office of Enforcement Liaison, Division of Corporation Finance (the “Delinquency Letter”). The Respondent’s address on file with the Commission is the Respondent’s valid and current address (600 Hamilton Street, Suite 1010, Allentown, PA, 18101).**

**Moreover, it is respectfully denied that the Respondent failed to heed the Delinquency Letter. In fact, the opposite is quite true; the Company has made regaining compliance with its reporting obligations its top priority. After receipt of the Delinquency Letter, the Respondent’s then-outside counsel and chief executive officer made multiple attempts to contact Ms. Simpson at the phone number provided in the Delinquency Letter, ultimately resulting in a conversation with Ms. Simpson on July 29, 2021. Said call lasted approximately 16 minutes, and the contents of the Delinquency Letter and appropriate next steps were discussed. In that conversation, Ms. Simpson directed the Respondent to (a) submit its plan for regaining compliance with its periodic filings and financial disclosures (the “Plan”), and (b) submit such Plan via the Commission’s e-mail address OEL\_DFP@sec.gov set forth in the Delinquency Letter and to follow-up with Ms. Simpson after such e-mail submission by leaving a voicemail message for her (stating that the Plan had been submitted). To wit, on September 1, 2021, the Respondent’s chief executive officer delivered the Plan by e-mail to the e-mail address as directed, and followed-up by leaving a voicemail message on Ms. Simpson’s Commission phone line at approximately 2:22pm EST. Moreover, the chief executive officer explicitly indicated in his September 1<sup>st</sup> letter that the company was available to discuss with the Commission the Plan as outlined in the letter.**

**Further, prior and subsequent to the submission of the Plan on September 1, 2021, the Respondent has dedicated an extensive amount of time, money and resources to regaining compliance with its periodic filings, and to establishing protocols that will assist the Respondent to remain compliant in the future. For example: (a) the Respondent has spent in**

excess of \$1,000,000 since 2020 in connection with the preparation of the underlying financial statements/audit compliance that are necessary to file the delinquent annual and quarterly reports in a fully compliant fashion; (b) in June, 2021, the Respondent changed its auditors with an intent to increase its ability to meet the demands and anticipated timing of filing the delinquent reports; (c) in July, 2021, the Respondent appointed 4 new independent directors to its board; (d) in September, 2021, the Respondent engaged a new outside law firm to assist with the preparation of its delinquent reports; (e) in November, 2021 the Respondent retained special outside counsel to assist the new auditors with an internal review of the Respondent's recording and reporting protocols; and (f) while the thorough nature of the aforementioned process has resulted in the Respondent needing to deviate from its original Plan, the Respondent will strive to regain compliance with Section 13 of the Exchange Act as soon as practicable.

II. B. 3. *DELINQUENT PERIODIC FILINGS*

*Exchange Act Section 13(a) and the rules promulgated thereunder require issuers of securities registered pursuant to Exchange Act Section 12 to file with the Commission current and accurate information in periodic reports, even if the registration is voluntary under Section 12(g). Specifically, Rule 13a-1 requires issuers to file annual reports, and Rule 13a-13 requires domestic issuers to file quarterly reports.*

**Response: Admitted.**

II. B. 4. *DELINQUENT PERIODIC FILINGS*

*As a result of the foregoing, the Respondent failed to comply with Exchange Act Section 13(a) and Rules 13a-1 and 13a-13 thereunder.*

**Response: Admitted in part; denied in part. It is admitted that the Respondent has failed to comply with Exchange Act Section 13(a) and Rules 13a-1 and 13a-13 thereunder. However, the foregoing allegation is denied to the extent that it suggests that the Respondent's failure to comply with Exchange Act Section 13(a) and Rules 13a-1 and 13a-13 is a result of the foregoing allegations that the Respondent failed to heed the Delinquency Letter, or that the Respondent failed to maintain a valid address on file with the Commission and did not receive the Delinquency Letter. As described in the Respondent's response to allegation II.B.2. above, the Respondent has undertaken, and continues to undertake, its best commercial efforts, and has expended considerable time and resources, to regain compliance with Exchange Act Section 13(a) and Rules 13a-1 and 13a-13.**

**Ultimately, the Respondent respectfully asserts that it is not necessary or appropriate for the protection of investors to suspend or revoke the registration of the Respondent's Section 12 registered securities. Unlike some delinquent filers, the Respondent is a fully operating company. It enables "smart buildings" with technology offerings that present solutions for its customers to upgrade and power applications and systems that their buildings currently have into a one-system solution that maximizes efficiency and total costs. The Respondent's management has taken major steps to position the Respondent to regain compliance with its Section 13 reporting obligations, and to remain compliant going forward.**

AFFIRMATIVE DEFENSES

OS Received 02/07/2022

Respondent respectfully requests the Commission to consider the above facts and circumstances by way of affirmative defenses and mitigation and in support of a determination that a suspension or revocation of Respondent's securities is neither necessary nor appropriate.

Respondent further reserves the right to supplement its Answer with additional defenses that become available or apparent during the course of this proceeding and to amend its Answer accordingly.

Dated: February 7, 2022

Respectfully submitted,

/s/ John D. Owens, III  
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Counsel for Respondent Iota  
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**CERTIFICATE OF SERVICE**

I, John D. Owens, III, being of full age, hereby certify:

1. I am a Shareholder in the firm of Greenberg Traurig, P.A.
2. On February 7, 2022, I caused an electronic copy of Respondent's ANSWER OF RESPONDENT IOTA COMMUNICATIONS, INC. TO ORDER INSTITUTING ADMINISTRATIVE PROCEEDINGS AND NOTICE OF HEARING PURSUANT TO SECTION 12(j) OF THE SECURITIES EXCHANGE ACT OF 1934 to be filed through the Commission's eFAP system and served via U.S. Mail to the following:

The Office of the Secretary  
U.S. Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549-1090

3. I certify under penalty of perjury that the foregoing is true and correct.

/s/ John D. Owens, III  
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