

# INTELLINETICS, INC.

## **FORM 8-K** (Current report filing)

Filed 09/26/17 for the Period Ending 09/25/17

Address	2190 DIVIDEND DRIVE COLUMBUS, OH, 43228
Telephone	6143888909
CIK	0001081745
Symbol	INLX
SIC Code	7372 - Services-Prepackaged Software
Industry	Software
Sector	Technology
Fiscal Year	12/31

---

---

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

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of  
The Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): September 25, 2017**

**INTELLINETICS, INC.**  
(Exact name of Registrant as specified in its charter)

**Nevada  
(State or other jurisdiction  
of incorporation)**

**000-31671  
(Commission  
File Number)**

**87-0613716  
(I.R.S Employer  
Identification No.)**

**2190 Dividend Dr., Columbus, Ohio  
(Address of principal executive offices)**

**43228  
(Zip code)**

**Registrant's telephone number, including area code : (614) 388-8908**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the Registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
- 
-

**Item 1.01 Entry into a Material Definitive Agreement.**

The information provided in Section 5.02 of this Current Report on Form 8-K regarding the “Plan Amendment” is hereby incorporated by reference into this Item 1.01.

**Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

Effective September 25, 2017, Matthew L. Chretien resigned as President and Chief Executive Officer of Intellinetics, Inc. (the “Company”). Mr. Chretien will continue to serve as Chief Technology Officer and as a member of the Board of Directors of the Company (the “Board”). The Board also appointed Mr. Chretien as Chief Strategy Officer effective as of September 25, 2017.

On September 25, 2017, the Board appointed James F. DeSocio to serve as the Company’s President and Chief Executive Officer. On September 25, 2017, the Board also increased the size of the Board from five (5) members to six (6) members, and elected Mr. DeSocio to serve as a member of the Board and fill the newly created vacancy.

Prior to joining the Company, Mr. DeSocio, age 62, served as Chief Revenue Officer at Relayware, LLC, a global provider of Partner Relationship Management solutions, from January 2015 to September 2017. From January 2013 to November 2014, Mr. DeSocio served as Executive Vice President of Operations for XRS Corporation, a fleet management software solutions provider. From October 2007 to September 2012, Mr. DeSocio served as Executive Vice President of Sales and Business Development for Antenna Software, Inc., a business mobility solutions provider. Mr. DeSocio has extensive experience in sales, marketing, international operations, mergers and acquisitions.

Pursuant to an offer letter agreement between Mr. DeSocio and the Company dated September 25, 2017 (“Offer Letter”), Mr. DeSocio will be paid an annual base salary of \$270,000 and will be eligible for quarterly and annual bonus payments totaling up to 50% of his annual base salary, which will be pro-rated for calendar year 2017. Such bonus payments shall be subject to the Company’s satisfaction of certain revenue and EBITDA goals as determined by the Board.

Pursuant to the Offer Letter, Mr. DeSocio will also receive options to purchase up to 1,250,000 shares of common stock of the Company under the Intellinetics, Inc. 2015 Equity Incentive Plan, as amended (the “Incentive Plan”), which options will consist of:

- Options to purchase up to 750,000 shares of common stock, with an exercise price equal to the greater of (i) the market closing price of the Company’s common stock on the date of grant, or (ii) thirty cents (\$0.30). The options shall vest in equal quarterly installments over two years;
  - Options to purchase up to 250,000 shares of common stock, with an exercise price equal to the greater of (i) 125% of the market closing price on the date of initial grant, or (ii) thirty-eight cents (\$0.38). The options shall vest in equal quarterly installments over a period of two years from the initial grant date, provided that no portion of the options shall be exercisable until a sufficient number of shares of common stock becomes available under the Incentive Plan (whether such shares become available by expiration, cancellation or forfeiture of other outstanding awards, amendment of the Incentive Plan, or otherwise);
  - Options to purchase up to 250,000 shares of common stock, with an exercise price equal to the greater of (i) 125% of the market closing price on the date of initial grant, or (ii) thirty-eight cents (\$0.38). The options shall vest in equal quarterly installments over a period of two years from the initial grant date, provided that no portion of the options shall be exercisable until the stockholders of the Company approve, at the Company’s 2018 annual meeting of stockholders, a sufficient increase in the total number of shares authorized for issuance (and any applicable individual award limits) under the Incentive Plan.
-

In addition, the Offer Letter provides for certain severance payments and benefits in the event of a termination of Mr. DeSocio's employment under specific circumstances, including three (3) months of continued base salary and medical and dental benefits for termination without cause, and six (6) months of continued base salary and medical and dental benefits for a qualifying termination within certain proximity to a change of control event by the Company. Mr. DeSocio's receipt of such severance payments and benefits is contingent upon execution of a general release of claims in favor of the Company at the time of termination.

A copy of the Offer Letter is attached to this Current Report on Form 8-K as Exhibit 10.1 and is incorporated herein by reference. The foregoing summary of the Offer Letter does not purport to be complete and is subject to and qualified in its entirety by reference to the attached Offer Letter.

There is no arrangement or understanding between Mr. DeSocio and any other person pursuant to which Mr. DeSocio was appointed as an officer and director of the Company. There are no family relationships between Mr. DeSocio and any director or executive officer of the Company, and no transactions involving Mr. DeSocio that would require disclosure under Item 404(a) of Regulation S-K, other than as described herein.

The Company issued a press release on September 26, 2017 announcing Mr. DeSocio's appointment as President and Chief Executive Officer, as well as Mr. Chretien's transition to Chief Strategy Officer. The press release is attached to this Current Report on Form 8-K as Exhibit 99.1.

Also on September 25, 2017, the Board adopted and approved, subject to stockholder approval at the Company's 2018 annual meeting of stockholders, the First Amendment to Intellinetics, Inc. 2015 Equity Incentive Plan (the "Plan Amendment"), which, if approved by the stockholders, will (i) increase the aggregate number of shares of Common Stock authorized for issuance under the Incentive Plan from 2,000,000 shares to 2,500,000 shares; (ii) increase the total number of shares of Common Stock for which incentive stock options may be granted, from 1,000,000 shares to 2,500,000 shares; (iii) increase the maximum number of shares of Common Stock for which awards may be granted to any individual Director in any year, from 1,000,000 shares to 1,250,000 shares; and (iv) increase the maximum number of shares of Common Stock for which awards may be granted to any individual participant in any year, from 1,000,000 shares to 1,250,000 shares.

The foregoing description of the Plan Amendment does not purport to be complete and is subject to and qualified in its entirety by reference to the Plan Amendment, a copy of which is attached as Exhibit 10.2 to this Current Report on Form 8-K and is incorporated herein by reference.

---

**Item 9.01 Financial Statements and Exhibits.**

**(d) Exhibits**

- 10.1 [Offer Letter, dated September 25, 2017, between Intellinetics, Inc. and James F. DeSocio](#)
  - 10.2 [First Amendment to Intellinetics, Inc. 2015 Equity Incentive Plan, dated September 25, 2017](#)
  - 99.1 [Press Release of Intellinetics, Inc., issued September 26, 2017](#)
-

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

INTELLINETICS, INC.

By: */s/ James F. DeSocio*

---

James F. DeSocio

President and Chief Executive Officer

Dated: September 26, 2017

---





James DeSocio  
4 Deep Hollow Dr  
Rumson, New Jersey 07760

September 25, 2017

Dear Jim,

**Offer of Employment: President & Chief Executive Officer**

I am very pleased to offer you a position within Intellinetics, Inc. (the “Company”) as President & Chief Executive Officer. In this capacity, you will report to the Board of Directors and carry out such responsibilities as may be assigned by the Board of Directors. As a condition of your employment, you must be ready, willing and able to travel to other Company and Customer locations as business needs dictate, in order to satisfactorily fulfill your job responsibilities. We look forward to enjoying your creativity, skills and drive in helping us to grow and develop the Company. The principal terms of our offer are outlined below, and are conditioned upon approval of such terms by the Company’s Compensation Committee and Board of Directors. The parties anticipate negotiating and entering into a formal employment agreement memorializing these and other relevant terms in greater detail.

**Commencement Date**

You will commence work with the Company on September 25, 2017.

**Duties**

You will devote your best efforts and your full time, attention, skill, ability and energy during normal business hours (and outside such hours when reasonably necessary) exclusively to the business and affairs of the Company. You will serve the Company faithfully and diligently as the Board of Directors shall direct.

**Base Salary**

The base salary for this position is \$270,000 (two hundred seventy thousand dollars) per annum, paid according to our local payroll practice. Our current practice is to pay salary twice per month. You will also be eligible for quarterly and annual bonus payments up to an annual total of 50% of your annual salary (\$135,000). The bonus will be broken into two parts: 60% (\$81,000) of which will be based on company revenue, and 40% (\$54,000) of which will be based on EBITDA.

Your total potential compensation comprises the following elements, subject to the Company’s satisfaction of Revenue and EBITDA goals, as determined by the Board of Directors.

---

COMPENSATION TYPE	QUARTERLY	ANNUALIZED
Quarterly Revenue Bonus	\$ 15,000	\$ 60,000
Quarterly EBITDA Bonus	\$ 10,000	\$ 40,000
Annual Revenue Bonus	—	\$ 21,000
Annual EBITDA Bonus	—	\$ 14,000
<i>Total Annual Bonus Potential</i>	—	\$ 135,000
<u>Base Salary</u>	—	\$ 270,000
<b>Total Compensation on Target Earnings</b>	—	<b>\$ 405,000</b>

### Payment

Bonuses (if eligible) will be paid in the month following the end of the quarter they are earned, as may be otherwise determined by the Board of Directors. Annual bonus payments will be paid in the quarter following the end of the year in which they are earned, as soon as practicable following final closing of the books. Payments are subject to the company's overall performance and the approval of the Compensation Committee.

### Stock Options

The position of President & Chief Executive Officer is eligible for participation in the Intellinetics, Inc. 2015 Equity Incentive Plan.

Subject to approval by the Compensation Committee, you will be eligible to receive options to purchase up to **1,250,000** common shares of the Company, which would consist of:

- Options to purchase up to 750,000 common shares, to be granted upon commencement of employment, with an exercise price equal to the greater of (i) the market closing price of the Company's common stock on the date of grant, or (ii) thirty cents (\$0.30). The options shall vest in equal quarterly installments over two years.
- Options to purchase up to 250,000 common shares, with an exercise price equal to the greater of (i) 125% of the market closing price on the date of initial grant, or (ii) thirty-eight cents (\$0.38). The options would be granted upon commencement of employment, but shall be subject to the availability of a sufficient number of shares under the Incentive Plan to accommodate the proposed grant (whether such shares become available by expiration or cancellation of other outstanding awards, amendment of the Incentive Plan, or otherwise). The award shall vest in equal quarterly installments over two years from the initial grant date, provided that no portion of the award shall be exercisable until a sufficient number of shares is available under the Incentive Plan.
- Options to purchase up to 250,000 common shares, with an exercise price equal to the greater of (i) 125% of the market closing price on the date of initial grant, or (ii) thirty-eight cents (\$0.38). The options would be granted upon commencement of employment but shall be subject to shareholder approval, at the Company's next annual meeting, of an increase in the total number of shares authorized for issuance (and any applicable individual maximums) under the Incentive Plan, in an amount sufficient to accommodate the proposed award. The award shall vest in equal quarterly installments over two years from the initial grant date, provided that no portion of the award shall be exercisable until such shareholder approval is obtained. If shareholder approval is obtained at the next annual meeting, the award would be exercisable to the extent vested at such time. If such shareholder approval is not obtained at the next annual meeting, the applicable portion of the award shall be deemed cancelled immediately following the meeting.

All options which have not previously been forfeited, cancelled, or expired would vest immediately upon the sale of the company.

The stock options described above shall be subject to and governed in all respects by the Intellinetics, Inc. 2015 Equity Incentive Plan and the terms and conditions of your individual Stock Option Award Agreement, which will be provided to you at the time of grant.

### **Benefits**

You are eligible to participate in our benefits package. We currently offer plans including the following:

- Health & Welfare Plan
- Vision, Dental & Life Insurance Plans
- 401(k) Retirement Plan

Details of these benefit plans will be provided under separate cover.

### **Expenses**

All reasonable out of pocket business expenditures are reimbursed according to our business expense policy. Qualifying expenses will be paid upon timely production of a satisfactorily completed expense claim that has been authorized and approved by the appropriate manager within Intellinetics, Inc.

Intellinetics, Inc. will pay the standard current corporate mileage allowance when business requirements necessitate use of a personal vehicle.

### **Additional Terms**

#### **Remuneration Reviews**

Your remuneration will be reviewed annually. Any increases will be based on a combination of your skills, contribution, market rates and the Company's overall performance.

#### **At-Will Relationship and Severance**

While we look forward to a productive employment relationship, please note that your employment, as with all employment at the Company, is "at will" and is not guaranteed for any definite period of time; both you and the Company are free to terminate the employment relationship at any time without notice. Neither this letter nor any other communication, either written or oral, should be construed as a contract of employment for a term.

As an Executive of the Company, you are eligible to receive severance pay in the event your employment is terminated for qualifying reasons.

---

- Upon termination by the Company without cause or upon termination by you for “good reason” (i.e., material reduction of duties or base salary/bonus opportunity), and subject to certain notice and cure provisions, you would be eligible to receive any accrued but unpaid salary through the date of termination, plus continued payment of base salary and medical and dental benefits for 3 months.
- If such a qualifying termination occurs within 90 days before or one year after a change in control of the Company, you would be eligible to receive accrued but unpaid salary through the date of termination plus continued payment of base salary and medical and dental benefits for 6 months.

This eligibility does not modify the “at-will” nature of your employment. The terms and conditions of the severance available to you will be set forth in your formal employment agreement and will require you to sign a full release in favor of the Company at the time of termination in order to be eligible.

#### **Nondisclosure of Trade Secrets and Proprietary Information**

You understand that in the performance of your job duties with the Company, you will be exposed to the Company’s Trade Secrets and Proprietary Information. “Trade Secrets and Proprietary Information” means information or material that is commercially valuable to The Company and not generally known in the industry. This includes but is not limited to:

- (a) any and all versions of the Company’s proprietary computer software (including source code and object code), hardware, firmware and documentation;
- (b) technical information concerning the Company’s products and services, including product data and specifications, diagrams, flow charts, drawings, test results, know-how, processes, inventions, research projects and product development;
- (c) sales information, accounting and unpublished financial information, business plans, markets and marketing methods, customer lists and customer information, purchasing techniques, supplier lists and supplier information and advertising strategies;
- (d) information concerning the Company’s employees, including their salaries, strength, weaknesses and skills;
- (e) information submitted by or about The Company’s projects, teaming partners, customers, suppliers, employees, consultants or co-venturers; and
- (f) any other information not generally known to the public which, if misused or disclosed, could reasonably be expected to adversely affect the Company’s business.

You will keep the Company’s Trade Secrets and Proprietary Information, whether or not prepared or developed by You, in the strictest confidence. You will exercise due care to protect and maintain the confidentiality of The Company’s trade secrets during the term of this contract and for a period of Five (5) years after the termination of this contract. **It is also understood by You that access and use of Company Intellectual Property, Trade Secrets and Proprietary Information does not confer any ownership rights to You as all ownership rights shall be retained by The Company** . Also, you will not use or disclose such secrets to any other person without the Company’s written consent, except when necessary to perform Your duties. Any breach of the terms of this paragraph is a material breach of this agreement. However, You shall have no obligation to treat as confidential information which:

---

- (a) was in Your possession or known to You, without an obligation to keep it confidential, before such information was disclosed to You by the Company;
- (b) is or becomes public knowledge through a source other than You and through no fault of You; or
- (c) is or becomes lawfully available to You from a source other than the Company provided such source is not under any obligation of confidentiality to the Company.

### **Corporate Ownership of Intellectual Property**

Access and/or use by You does not confer and any ownership rights to same. All ownership rights shall remain the property of the corporation. All work products created by You associated with corporate activities shall be owned by the Company, including by way of example marketing and/or sales material, messaging, and presentations.

### **Return of Materials**

When Your employment with the Company ends, for whatever reason, you will promptly (within five calendar days) deliver to the Company all originals and copies of all documents, records, electronically stored information, software programs, media and other materials received through your employment with The Company. You will also return to The Company all equipment, files, software programs and other property belonging to The Company.

### **Confidentiality Obligation Survives Employment**

You understand that Your obligation to maintain the confidentiality and security of The Company's Trade Secrets and Proprietary / Legal Information remains with You even after Employment with The Company ends.

### **Nonsolicitation of Customers / Clients / Employees**

You covenant and agree that at all times while employed by The Company and for a further period of two (2) years after the termination of such employment, irrespective of when and in what manner such employment may be terminated, You will not for yourself or any other person or entity, directly or indirectly, by stock or other ownership, investment, management, consultation, employment or otherwise, or in any relation whatsoever in any manner solicit, interfere with, or endanger relationships between The Company and its customers / clients / employees . You acknowledge that failure to comply with provisions of the preceding will cause irreparable damage, and therefore The Company shall be entitled to an injunction prohibiting such activities on the part of You and all persons acting in concert with You.

### **Noncompetition**

You shall not engage in any employment or business activity anywhere in the United States that directly competes with that of The Company while you are employed by the Company and for a period of six (6) months after termination of Your employment with The Company.

### **Representations of the Executive**

You represent and warrant to the Company that (a) your acceptance of employment with the Company and performance of your duties to the Company will not conflict with or result in violation, breach of, or default under any contract, agreement, or understanding to which you are otherwise bound, and (b) your acceptance of this offer does not violate any non-solicitation, non-competition or similar covenant or agreement of a prior employer.

---

**Acceptance of this offer**

This letter contains the principal terms of our offer to you. If you accept our offer of employment as outlined in this letter, please sign and return a copy of this letter to me as soon as possible.

In accepting this offer, you agree to comply with any and all policies of the Company as in effect from time to time; you acknowledge that you are not relying on other promises, statements or representations of the Company (whether in writing or orally), other than as set forth herein. This offer letter supersedes any and all prior oral or written communications between the Company and you. Ohio law shall govern this Agreement and any employment relationship that may be formed between the undersigned parties at any time.

I sincerely look forward to working with you and to your becoming an integral member of the team and a key architect of the growth of our Company.

Yours sincerely,

*/s/ Joseph D. Spain*

\_\_\_\_\_  
**Joseph D. Spain, Chief Financial Officer**  
**Intellinetics, Inc.**

Signed */s/James DeSocio*

Date 9/25/17

\_\_\_\_\_  
**JAMES DESOCIO**

---



**FIRST AMENDMENT**

**TO**

**INTELLINETICS, INC. 2015 EQUITY INCENTIVE PLAN**

This First Amendment to Intellinetics, Inc. 2015 Equity Incentive Plan (this “Amendment”) is made by Intellinetics, Inc., a Nevada corporation (the “Company”), as of September 25, 2017. Capitalized terms used and not otherwise defined herein shall have the respective meanings ascribed to them in the Plan (as defined below).

**WHEREAS**, the Board of Directors (the “Board”) and the shareholders of the Company previously adopted and approved the Intellinetics, Inc. 2015 Equity Incentive Plan (the “Plan”);

**WHEREAS**, pursuant to Section 4.1 of the Plan, a total of 2,000,000 shares of the common stock, par value \$0.001 per share, of the Company (the “Common Stock”) have been reserved for issuance under the Plan, subject to adjustment as set forth in Section 11 of the Plan;

**WHEREAS**, the Company desires to increase the total number of shares of Common Stock issuable under the Plan to from 2,000,000 shares to 2,500,000 shares, including shares previously issued thereunder;

**WHEREAS**, the Company desires to increase the total number of shares of Common Stock for which Incentive Stock Options may be granted from 1,000,000 shares to 2,500,000 shares;

**WHEREAS**, the Company desires to increase the maximum number of shares of Common Stock for which Awards may be granted to any individual Director in any year from 1,000,000 shares to 1,250,000 shares;

**WHEREAS**, the Company desires to increase the maximum number of shares of Common Stock for which Awards may be granted to any individual participant in any year from 1,000,000 shares to 1,250,000 shares;

**WHEREAS**, Section 13 of the Plan permits the Board to amend the Plan from time to time, subject only to certain limitations specified therein;

**NOW, THEREFORE**, the Board has amended the Plan as follows, subject to approval by the stockholders of the Company:

1. Section 4.1 of the Plan is hereby amended and restated in its entirety to read as follows:

4.1 Subject to adjustment in accordance with Section 11, a total of Two Million Five Hundred Thousand (2,500,000) shares of Common Stock shall be available for the grant of Awards under the Plan. No more than Two Million Five Hundred Thousand (2,500,000) shares of Common Stock may be granted as Incentive Stock Options. Additionally, a Director may not be granted Awards covering more than One Million Two Hundred Fifty Thousand (1,250,000) shares of Common Stock in any year. Any shares of Common Stock granted in connection with Awards shall be counted against this limit as one (1) share for every one (1) share of Common Stock granted in connection with such Award. During the terms of the Awards, the Company shall keep available at all times the number of shares of Common Stock required to satisfy such Awards

---

2. Section 4.3 of the Plan is hereby amended and restated in its entirety to read as follows:

4.3 Subject to adjustment in accordance with Section 11, no Participant shall be granted, during any one (1) year period, Options to purchase Common Stock and Stock Appreciation Rights or any other Awards with respect to more than One Million Two Hundred Fifty Thousand (1,250,000) shares of Common Stock in the aggregate. If an Award is to be settled in cash, the number of shares of Common Stock on which the Award is based shall count toward the individual share limit set forth in this Section 4.

3. Except as modified by this Amendment, all the terms and provisions of the Plan shall continue in full force and effect.

*[ Signatures appear on the following page ]*

IN WITNESS WHEREOF , the Company has executed this First Amendment to the Intellinetics, Inc. 2015 Equity Incentive Plan as of September 25, 2017.

INTELLINETICS, INC.

By: /s/ Joseph D. Spain

Name: Joseph D. Spain

Title: Chief Financial Officer

---





**Intellinetics, Inc. Board Announces  
James F. DeSocio as New CEO,**

**Matthew L. Chretien Becomes CSO**

COLUMBUS, OH – (September 26, 2017) – Intellinetics, Inc. (OTCQB: INLX), a cloud-based document solutions provider, announced that its Board of Directors has appointed James F. DeSocio as President & Chief Executive Officer, effective September 25, 2017. DeSocio was also appointed to the Board of Directors of Intellinetics, effective the same day. Matthew L. Chretien, the former President and Chief Executive Officer assumed the role of Chief Strategy Officer on September 25, 2017, and retains his roles as Chief Technology Officer and a member of the Intellinetics' Board.

DeSocio comes to the Company with extensive experience in sales, marketing, international operations, mergers and acquisitions. He has over 20 years of experience managing and growing high tech, SaaS sales organizations. Most recently DeSocio was Chief Revenue Officer at Relayware, a global provider of Partner Relationship Management solutions platform that enables companies to manage high-performing partner programs and channel operations.

James F. DeSocio, President & CEO of Intellinetics, stated, "I am excited about the opportunities at Intellinetics where all of the pieces for success are in place: a robust product offering, standing presence in untapped vertical markets, key strategic OEM partners like Intel and Staples, and a strong foundation of channel resellers."

DeSocio continued, "Coming off a successful exit and evaluating alternatives for my next steps, Intellinetics presented an opportunity to repeat the successful formula of rapidly growing customers and recurring SaaS sales. Matt and the rest of the Intellinetics team are the ideal group for me to work with."

While DeSocio was Chief Revenue Officer at Relayware, the company doubled subscription revenue and tripled the customer base over a two-year period. Relayware merged with Zift Solutions in July 2017. Previous to Relayware, DeSocio served in executive leadership positions at XRS Corp., Antenna Software, and Lawson Software where he was responsible for the growth of company revenues, including new sales subscriptions, consulting services, subscription renewals and professional services. Notably, after the significant customer growth at XRS during his time of service, that company was bought by Omnitrac, a Vista private equity company. After presiding over three years of strong sales at Lawson Software, that company completed a successful IPO.

Matthew L. Chretien, CSO and CTO of Intellinetics, added, "This is the perfect time for Jim to become Intellinetics' next CEO. We've selected a very strong leader with an incredible pedigree in growing recurring SaaS revenues and getting the most out of channel partner performance. We could not have found a better colleague than Jim."

**IntelliCloud™ – Powered by the Intel® NUC**

IntelliCloud™ is a cloud-based document management platform that is optimized for the vast SMB market segment and business teams within large enterprises who are stuck with paper in business-critical processes. Thousands and thousands of people at any given moment depend upon IntelliCloud to perform their work. IntelliCloud, which is strategically packaged with Intel® technology, provides Law Enforcement Grade security and compliance tools and is supported by a growing network of market-leading reseller partners. Resellers often attach IntelliCloud to the software, hardware, and/or services they already sell, without the sales or technical complexity of other less effective options in the market.

---

**About Intellinetics, Inc.**

Intellinetics, Inc. is a Columbus, Ohio-based ECM software company. Its flagship IntelliCloud™ platform is ideal for embedded work teams in businesses of any size stuck in document-centric processes that are not optimized. IntelliCloud offers a painless way to merge those documents into digital workflows, increasing service levels, compliance and customer satisfaction while decreasing costs and risk. Intellinetics collaborated with Intel® to create its IntelliCloud Channel Program that enables resellers to easily embed IntelliCloud into the copiers, productivity software and services they already provide. IntelliCloud provides dealers a “deploy once, use many” innovation where one IntelliCloud customer sale/activation creates endless possibilities to add other software applications that deliver more value and increase revenue. For additional information, please visit: [www.intellinetics.com](http://www.intellinetics.com).

**Cautionary Statement**

Statements in this press release which are not purely historical, including statements regarding future business and new revenues associated with any channel partner, distribution partner, reseller, or other relationship; Intellinetics’ future revenues and growth; market penetration; execution of Intellinetics’ business plan; and other intentions, beliefs, expectations, representations, projections, plans or strategies regarding future growth, financial results, and other future events are forward-looking statements. The forward-looking statements involve risks and uncertainties including, but not limited to, the risks associated with the effect of changing economic conditions, trends in the products markets, variations in Intellinetics’ cash flow or adequacy of capital resources, market acceptance risks, the success of Intellinetics’ channel partners and distribution partners, technical development risks, and other risks and uncertainties discussed in Intellinetics’ most recent annual report on Form 10-K and subsequently filed Form 10-Qs and Form 8-Ks. Intellinetics cautions investors not to place undue reliance on the forward-looking statements contained in this press release. Intellinetics disclaims any obligation and does not undertake to update or revise any forward-looking statements in this press release. Expanded and historical information is made available to the public by Intellinetics on its website at [www.intellinetics.com](http://www.intellinetics.com) or at [www.sec.gov](http://www.sec.gov).

**CONTACT:**

Joe Spain, CFO  
Intellinetics, Inc.  
614.921.8170 [investors@intellinetics.com](mailto:investors@intellinetics.com)

---

