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

FORM 10-K

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2016

BIOHITECH GLOBAL, INC.
(Name of Business Issuer in Its Charter)

DELAWARE	**46-2336496**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

80 Red Schoolhouse Road, Suite 101
Chestnut Ridge, NY 10977
(Address of principal executive offices)

(845) 262-1081
(Issuer's telephone number, including area code)

Securities Registered Pursuant to Section 12(b) of the Securities Act: Common Stock, par value $0.0001 per share

Securities Registered Pursuant to Section 12(g) of the Securities Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.
Yes ☐ No ☒

Indicate by a check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.
Yes ☐ 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. Yes ☒ No ☐

Indicate by checkmark 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 (§229.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files. Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K 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. ☐

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

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting Company	x

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act.). Yes ☐ No ☒

As of March 15, 2017, there were approximately 8,229,712 shares of common stock of the registrant issued and outstanding.

The aggregate market value of the voting and non-voting stock held by non-affiliates of the registrant, as of June 30, 2016, was approximately $10,671,964. All executive officers and directors of the registrant have been deemed, solely for the purpose of the foregoing calculation, to be "affiliates" of the registrant.

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PART I

SPECIAL NOTE ON FORWARD-LOOKING STATEMENTS

The information in this report contains forward-looking statements. All statements other than statements of historical fact made in this report are forward looking. In particular, the statements herein regarding industry prospects and future results of operations or financial position are forward-looking statements. These forward-looking statements can be identified by the use of words such as "believes," "estimates," "intends", "plans", "could," "possibly," "probably," anticipates," "projects," "expects," "may," "will," or "should," "designed to," "designed for," or other variations or similar words or language. No assurances can be given that the future results anticipated by the forward-looking statements will be achieved. Forward-looking statements reflect management's current expectations and are inherently uncertain. Our actual results may differ significantly from management's expectations.

Although these forward-looking statements reflect the good faith judgment of our management, such statements can only be based upon facts and factors currently known to us. Forward-looking statements are inherently subject to risks and uncertainties, many of which are beyond our control. As a result, our actual results could differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth below under the caption "Risk Factors." For these statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. You should not unduly rely on these forward-looking statements, which speak only as of the date on which they were made. They give our expectations regarding the future but are not guarantees. We undertake no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by law.

Organization and Corporate History

BioHiTech Global, Inc. ("BioHiTech", the "Company", "we", or "us") was incorporated on March 20, 2013 under the laws of the state of Delaware as Swift Start Corp. The Company's initial business plan was to develop a website that offered comprehensive online computer programming courses for anyone with any level of computer programming knowledge, from beginners to experts. Our video courses would be developed and taught by seasoned teachers with extensive experience in the computer programming fields.

On August 6, 2015, the Company entered into and consummated an Agreement of Merger and Plan of Reorganization (the "Merger Agreement"), with BioHiTech Global, Inc., a Delaware corporation and wholly-owned subsidiary of the Company ("Acquisition") and Bio Hi Tech America, LLC, a Delaware limited liability company. Pursuant to the terms of the Merger Agreement, Acquisition merged with and into BioHiTech in a reverse business combination (the "Merger") with Bio Hi Tech America, LLC surviving as a wholly-owned subsidiary of the Company. As consideration for the Merger, we issued the interest holders of Bio Hi Tech America, LLC (the "BioHiTech Holders") an aggregate of 6,975,000 shares (the "Merger Shares") of our Common Stock in accordance with their pro rata ownership of Bio Hi Tech America, LLC membership interests. Following the Merger, the Company adopted the business plan of Bio Hi Tech America, LLC in the development, marketing and sales of food waste disposal systems which transform food waste into nutrient-neutral water which may be disposed of via sewer systems while utilizing proprietary software to collect and transmit environmental performance data to its customers.

Also, on August 6, 2015, the Company amended its Certificate of Incorporation (the "Amendment") to (i) change its name to BioHiTech Global, Inc. and (ii) to amend the number of its authorized shares of capital stock from 200,000,000 to 30,000,000 shares of which 20,000,000 shares were designated common stock, par value $0.0001 per share (the "Common Stock") and 10,000,000 shares were designated "blank check" preferred stock, par value $0.0001 per share (the "Preferred Stock"). The Amendment was approved by holders of a majority of the Company's Common Stock (the "Majority Holder") on February 6, 2015.

Immediately prior to the Merger, the Company had 9,040,000 shares of Common Stock issued and outstanding. In connection with the Merger, the Majority Shareholder and other shareholders collectively agreed to retire and cancel an aggregate of 8,515,000 shares of Common Stock. Following the consummation of the Merger, the issuance of the Merger Shares, and the retirement of the 8,515,000 shares of Common Stock, the Company had 7,500,000 shares of Common Stock issued and outstanding and the BioHiTech Holders beneficially own 6,975,000 shares or approximately ninety-three percent (93%) of such issued and outstanding Common Stock. Unless otherwise specified, the terms "Company", "we", "us" and "BioHiTech" refer to the Company on a consolidated basis.

Our corporate headquarters are located at 80 Red Schoolhouse Road, Suite 101, Chestnut Ridge, New York 10977 and our phone number is (845) 262-1081. We can be contacted by email at info@biohitech.com. Our website can be found at www.biohitechglobal.com for BioHiTech Global, Inc. and www.biohitech.com for our Bio Hi Tech America LLC subsidiary. The information on our websites is not incorporated in this report. A copy of our most recent SEC reports can be found at http://investors.biohitechglobal.com/sec-filings.

ITEM I: BUSINESS

Products and Services

Since its inception, the Company had primarily focused on its on-going Eco-Safe Digester business. During 2014 and 2015 the Company expanded its offering through the development of technologies that transformed the digester market from just food waste diversion to one that provides information that can allow customers to reduce and eliminate or minimize their food waste through improved supply chain management and other efficiencies.

During 2016, the Company also initiated development of its Revolution Series of Digesters, which became commercially available in March 2017.

Also during 2016, the Company expanded from its technology-digester single product line by starting strategic initiatives in Mechanical Biological Treatment ("MBT") facilities that rely upon High Efficiency Biological Treatment ("HEBioT") to process waste at the municipal or regional level converting a significant portion of intake into an United States EPA recognized alternative commodity fuel.

The combination of the on-site digester and the facility based HEBioT technology results in a unique offering that provides a turn-key alternative for customers looking for a comprehensive solution to achieving zero waste. The Company envisions use of its digesters for disposal of food waste at certain retail customer's locations, with regional disposal contracts being directed to the Company MBT facilities. The combination provides a cost effective solution with less than 20% of each customer's waste being directed to landfills, hence resulting in a near-zero footprint.

Digester Based Products and Services

Eco-Safe Digester®

The Company provides a simple, environmentally friendly, and cost effective solution for food waste disposal. The Company has a global distribution license to sell, lease, use, distribute, and manufacture the product currently known as the Eco-Safe Digester®. The Eco-Safe Digester is a data-driven, network-based mechanical/biological technology which transforms food waste into nutrient-neutral water that can safely be disposed of via conventional sanitary sewer systems. The Eco-Safe Digester reduces greenhouse gas emissions by reducing the volume of food waste being disposed of in landfills and eliminating the corresponding transportation of this waste. In addition, the technology saves users money by avoiding disposal costs (“tip fees”) and transportation charges. This process allows waste producing organizations to actively contribute to environmental sustainability and the preservation of resources in a cost-effective manner. The Eco-Safe Digester may be used by businesses in food service, hospitality, healthcare, government, conference centers, education centers, or stadiums that generate a high volume of waste. It is estimated that the US addressable market is in excess of 250,000 locations that could qualify for digesters and an additional 250,000 internationally.

The Eco-Safe Digester is currently installed in 37 states throughout the United States as well as 15 foreign countries.

The Company has approximately 400 units installed worldwide with over nine years of operating experience. With units in the field for over nine years, our products have proven to have at least a reasonably long-term life expectancy comparable to the products sold by its competitors.

The Eco-Safe Digester® is a high technology appliance that provides a safe, clean and odorless process for converting organic waste to a nutrient neutral discharge that is introduced to the typical sewage drain. The digester utilizes technology similar to municipal sewage treatment plants in a scaled down, friendly point of generation format. It is an ecologically friendly solution for processing food waste directly at its source.

The Eco-Safe Digester can digest up to 3,500 pounds of food waste every day including vegetables, fruits, meat, fish, poultry, grains, coffee grinds, egg shells and dairy products, with decomposition typically occurring within 24 hours. The Eco-Safe Digester rapidly digests large volumes of food waste into a nutrient neutral liquid effluent using the following steps:

- A proprietary blend of microorganisms and bio-media are loaded into the Eco-Safe Digester;
- Heat, agitation and moisture help enable the microorganisms to reduce the food waste into liquefied grey water, also called effluent;
- Food waste is continuously added into the machine; and
- The effluent drains into a conventional sanitary sewer system.

The Eco-Safe Digester is currently available in three sizes to fit varying customer requirements. The appliance is manufactured using the high quality components and materials. It is wrapped in durable stainless steel to complement industrial kitchen equipment, provide long life and resist corrosion.

Currently, we leverage multiple sales models including all-inclusive rental models and traditional retail sales models. List prices for all of the three models are under $50,000. Under our rental model, we provide a digester, quarterly service, consumables and in most cases, an annual cloud license under a monthly bundled charge. These contracts normally range from three to five years in duration. Monthly charges range from $500 to $1,200 per month depending on the unit size, services provided and the quantity of units under contract. Annual cloud licenses are also available ala carte at a rate of $2,400 per unit per year.

Under the retail sales model, each unit is normally accompanied by an annual service or supply contract providing a potential recurring revenue stream for each unit sold. Annual service contracts range from $2,300 to $5,450 per year depending on the size of the unit and level of support. Typical customer return on investment is approximately three years depending on tip fees within their geographical footprint and without giving effect to potential savings due to increased efficiencies.

The BioHiTech BioBrain™ Cloud™, Cirrus™ Mobile Application and Alto™ Application

The Company leverages its existing technology, including our digester's on-board weighing system, by collecting, accumulating and providing empirical data that can aid in improving the efficiency of the upstream supply chain. By streaming data from the digesters, collecting information from system users and integrating business application data, BioHiTech's internet enabled system known as the BioHiTech Cloud™ can provide necessary data to aid customers in reshaping their purchasing decisions and positively affect employee behavior. In its simplest form, the BioHiTech Cloud quantifies food waste in a fashion that has historically not been available. It enables users to understand food waste generation habits and to improve operational efficiencies.

The BioHiTech Cloud data is used to help educate customers as to where, when and how waste is being created. Tracking and analyzing waste based on creation time, food type, preparation stage, origin of waste or other key metrics may provide a clear picture of the food waste lifecycle. While the Eco-Safe Digester already provides significant economic savings and decreases in carbon footprint, the addition of the BioHiTech Cloud increases that impact by helping the customer to more accurately manage inventory, preparation practices and staff efficiencies.

The Company believes that its combined offering of technology and its Eco-Safe Digester provide customers with information that has not been readily available to consumers in the past that has the potential for improved management and reduction of waste at the point of generation on a real-time basis.

BioHiTech believes its digester products remove organic waste from the overcrowded and costly landfills of the world and provide significant benefits to both business organizations and the community including:

- Eliminating the transportation of organic waste,
- Reducing carbon emissions associated with landfilling and truck transportation,
- Complying with municipal laws banning organic waste from landfills,
- Contributing to corporate and regulatory targets for diverting waste from landfills,
- Extending the lifespan of the country's disposal facilities,
- Reducing groundwater and soil contamination at landfills,
- Reducing harmful greenhouse gases that contribute to global climate change, and
- Recycling food waste into renewable resources (clean water, biogas, bio-solids).

Our solution is not based only on the removal of waste, but also provides real time information and metrics to improve the efficiency of an organization. Such information has not been readily available to consumers in the past. By providing a cloud-based dashboard and mobile application, the BioHiTech Cloud gives real-time visibility to the status of the device itself and provides insight to the efficiencies of the operations of food preparation and consumption of the user. Using leading edge cloud technologies, the systems allow for deep visibility into the process on an individual, regional, or national level. BioHiTech currently has a provisional patent pending on this technology.

Early in 2016, the Company released its first mobile application called BioHiTech Cirrus™. The new application allows customers more immediate access to analytical data provided by the Eco-Safe Digester and more efficient monitoring across a number of network connected devices. The mobile application is available free to existing BioHiTech Cloud customers and is available through the iTunes Store, as well as Google Play.

During September 2016, the Company released Alto™, which is a key new component of BioHiTech's comprehensive food waste solution that uses data and analytics to help drive smarter business decisions. The Alto software is designed to enhance the productivity of the Company's Eco-Safe Digester by enabling easy to understand, real-time interactive communication to improve unit performance levels, processing statistics, and maintenance routines via a secured internet connection on any standard computer or mobile device. In addition to enhancing the productivity of its own equipment, the platform can easily be expanded to provide a whole new way for people to intelligently communicate actionable information with any internet-enabled industrial equipment in order to achieve significant performance optimization. BioHiTech currently has a provisional patent pending on this technology.

Revolution Series Digester ®

The Revolution Series Digester®, which recently completed beta testing with customers and is anticipated to be commercially available in March 2017, is the Company's new sustainable food waste disposal solution designed for lower volume food waste generators. Our Revolution Series of Digesters may be used by full and quick service restaurants, coffee shops, hospitality companies and other specialty food service establishments that generate lesser volumes of waste than those that the Eco-Safe Digester is more suitable for. This sub-segment of the food services industry is estimated to have more than 1.5 million locations.

The Revolution Series Digesters leverages the success of the underlying technologies of our current line of Eco-Safe Digesters designed for the mid-to-large volume waste generators. This new line has a compact design, operates on standard 115 Volt power and is easily connected to existing plumbing, while providing all the user technology, including the Cloud™, Cirrus™ Mobile Application and Alto™ applications associated with the larger digesters.

The Revolution Series Digesters will be available in two sizes, the Seed and the Sprout, each offering a compact footprint. The Series will be capable of handling 100 to 600 pounds per day depending on the model size. The Compact footprint allows access through standard doorways, eliminating one barrier to entry of our larger Eco-Safe units. With a shipping weight of under 400 pounds, the units can be shipped and installed efficiently in less than two hours with no need for specialty utilities or hook-ups required.

We anticipate offering the Revolution Series Digesters only on a rental basis. Under our rental model, we provide a digester, customary maintenance service, consumables and an annual cloud license under a monthly bundled charge. These contracts are anticipated to range from three to five years in duration. Monthly charges are anticipated to range from $300 to $450 per month depending on the unit size, services provided and the quantity of units under contract.

Target Markets

Several municipalities have recently enacted ordinances prohibiting commercial food waste from being disposed of in landfills. Many cities and states have banned landfill disposal of food waste generated by large, commercial food waste generators, with pending legislation in numerous others. The Company anticipates this trend to continue as sustainability efforts advance.

In addition to the US domestic marketplace, the Company anticipates growth internationally with a primary focus on the United Kingdom, Singapore, Mexico and Latin America. As International communities continue to strive toward more sustainable options, the Company has identified a need for its digester platforms and BioHiTech Cloud, opened an office in London in the fourth quarter of 2015 and has identified various qualified resellers in the target markets.

Customers

BioHiTech targets producers of food waste as its primary customers. Industries served include but are not limited to healthcare, grocery, prisons, retail food services (including traditional restaurants, quick service restaurants and coffee shops), education, and full service hospitality. Volume of food waste as well as traditional waste disposal costs are the primary drivers of return on investment for customers. BioHiTech also sells its products to governmental agencies including correctional facilities and hospitals, as well as large private sector companies throughout the United States and abroad.

It is estimated that the addressable market for our digesters is over two million locations worldwide.

Patent and Trademarks

In 2015 Company applied for, but has not yet received, a patent for the “Network Connected Weight Tracking System for a Food Waste Disposal Machine” and has also filed a provisional patent application in 2016 for “A Chatbot System for Industrial Machinery”. In connection with redesigning the Company’s Eco-Safe digesters in 2015 and 2016, and the development of the Revolution Series of Digesters in 2016 and 2017, the Company has written entirely new code for its units that better integrates with the Company’s other technology offerings.

The Company has an exclusive global distribution license to sell, lease, use, distribute, and manufacture the Eco-Safe Digester (and the patents related thereto) model, which was replaced with Company developed models in 2016, pursuant to a certain Exclusive License and Distribution Agreement dated October 23, 2012, as amended, by and among Bio Hi Tech America, LLC and BioHiTech International (a company owned by Chun-Il Koh, a BioHiTech shareholder), Chun-Il Koh, Joyce Taeya Koh and Bong Soon Hwang. Under the agreement, BioHiTech pays BioHiTech International $200,000 per year for the license. The license expires on December 31, 2023. The majority of existing deployments of the Eco-Safe Digesters were distributed under the Exclusive License and Distribution Agreement.

The Company is the owner of the registered trademark Eco-Safe Digester, and has trademarks on BioHiTech, BioBrain, the BioHiTech Cloud, Cirrus and Alto.

Mechanical Biological Treatment Line of Business

On January 20, 2016, the Company formed E.N.A Renewables LLC, formerly known as Entsorga North America, LLC ("ENA") as a wholly owned subsidiary. ENA owns a 31% interest in Apple Valley Waste Conversions, LLC ("AVWC"). Frank E. Celli, the Company's CEO also owns a 20.9% interest in AVWC. In March 2017, Mr. Celli assigned his voting rights in AVWC so that, collectively, ENA would have voting control of over 51% of AVWC. AVWC currently holds the exclusive license for the development throughout 11 northeast U.S. states and the District of Columbia of the technology known as High Efficiency Biological Treatment ("HEBioT"), which is owned by Entsorgafin, an Italian company that provides cost effective environmental technologies throughout the world. HEBioT is a proprietary form of Mechanical Biological Treatment ("MBT") that is used widely throughout Europe. During 2016, the Company's MBT activities have been limited to initial project development.

The HEBioT technology converts mixed municipal and organic waste to a US Environmental Protection Agency (the "US EPA") recognized alternative fuel source. By utilizing a combination of mechanical and biological processes to accelerate the decomposition of the organic fraction of waste, the end product produced, known as solid recovered fuel ("SRF") has a carbon value equivalent to approximately 75-80% of traditional coal and can be used as a replacement and/or supplement to coal. After receipt and processing of waste at the facility, approximately 80% of the incoming waste is reduced, recycled or converted into the approved alternative fuel, with the remaining 20% of the incoming waste being disposed of via traditional methods.

The US EPA has issued a "comfort letter" stating that any fuel produced utilizing the HEBioT technology is deemed an engineered fuel and can be marketed as a commodity.

ENA, as the controlling member of AVWC, will be charged with new project development and marketing throughout 11 northeast U.S. states and the District of Columbia. This project development may consist of construction, ownership and operation of actual facilities or possible sub-licenses to third parties to utilize the technology. ENA may realize revenue's in various ways:

- Construction and operation of actual facilities, in which case ENA would identify an opportunity to develop a plant, facilitate its permitting and construction and ultimately operate the facility. In this case ENA will realize all revenue and costs associated with the development of the project and will pay to AVWC a license fee.

- Charged services to AVWC for projects that it brings to fruition where AVWC receives annual license fees. In this case, along with the charged services, ENA would receive its pro-rata share of the license fees paid to AVWC.

The license agreement between Entsorgafin (technology owner) and AVWC is perpetual in nature, with certain performance standards during the initial five years of the agreement.

The Company believes it will be successful in the development of the ENA plants under one of the two proposed revenue scenarios over the next 24 to 36 months. The deployment of this technology is consistent with the Company's vision of providing disruptive technologies to the traditional waste industry. With the ability to accept up to approximately 20 to 30% of each plant's capacity in the form of pure food waste, the Company adds an option of municipal level solutions in the food waste industry that it does not currently possess.

Entsorga West Virginia Investment

Entsorga West Virginia Plant Under Construction – March 2017

Effective January 1, 2017, the Company signed an agreement to acquire up to approximately 40% of the interests in Entsorga West Virginia LLC ("EWV") from the original investors at the purchase price of $60,000 for each 1% interest in EWV. The Company is required to purchase $1,034,028 of EWV's interests, representing a 17.2% interest, with the remaining 23.1% being at the option of the Company. The agreement and transfer of the interests were subject to the approval of the EWV bond trustee, which was granted on March 20, 2017. On March 21, 2017, the Company completed the required investment acquisition of $1,034,028 for a 17.2% interest. The acquisition by the Company was funded by a short-term advance from the Company's Chief Executive Officer.

EWV, located in Martinsburg, WV, represents the first deployment of the Entsorga HEBioT technology in the United States. EWV has its own intellectual property agreement with Entsorgafin S.p.A. which is not part of the agreement that Apple Valley Waste Conversions, LLC has with Entsorgafin S.p.A. The EWV plant has received its necessary permits and EWV has closed on its financing to construct the facility. The facility will be able to accept up to 110,000 tons per year of municipal solid waste delivered from the surrounding areas. Its facility will consist of a 54,000 square foot industrial building located on approximately 12 acres of leased property. The facility will include a plant which will be equipped with HEBioT technology and will ultimately be able to produce approximately 50,000 tons per year of EPA recognized renewable fuel.

EWV has entered into a 30-year initial term land lease with a municipal authority for industrial property adjacent to its previously closed landfill site. EWV has entered into numerous contracts, including: the engineering, procurement and commissioning of the plant; a 10-year solid waste delivery agreement for the delivery of 70,000 tons per year of municipal solid waste to the plant; a 10-year contract for the sale and delivery of SRF manufactured at the plant, and a 10 year professional services agreement that provides managerial services for general plant oversight, certain logistical services, and financial administration. While EWV will be responsible for its own costs of operations, plant oversight and administration will be performed under the professional services agreement.

EWV held its groundbreaking ceremony in January 2016 and subsequently closed on the issuance of Tax Exempt Industrial Development Bonds issued by the West Virginia Economic Development Authority in the amount of $25,000,000 (the "Bonds"). The facility is currently under construction and is expected to begin commercial operations in the second half of 2017.

This first operational plant utilizing the patented HEBioT technology in the United States will serve as the Company's "showplace" to help expedite future deployments.

Marketing, Sales and Distribution

Digester Marketing Strategy

The Company markets through two channels, “in-house” direct sales and “reseller” sales. We currently leverage six company-employed sales associates that focus on maintaining and expanding “house accounts”. We currently have 21 registered domestic resellers, 8 registered international resellers, 19 independent domestic sales agents, two international independent sales agents and three international sub-distributors. Domestic and international resellers are granted a non-exclusive license to sell and market products and services. The international sub-distributors have been granted exclusive sub-distribution rights in Mexico, Latin America, Singapore, Malaysia and Indonesia. All resellers are required to purchase all products and consumables directly from the Company. In some cases, we also provide annual service to customers of our resellers at an additional charge.

The Company employs one full time marketing professional and contracts with various firms for design and production of our marketing materials. We supply our resellers with any necessary marketing materials.

Our internal team of technology professionals is responsible for research and development, as well as maintenance of existing systems – the BioHiTech Cloud, the Company’s website, the BioHiTech Cirrus App and the Alto application. We also employ one full time Director of Science and Research.

As regulations continue to be passed regarding the disposal of food waste, we will leverage both our internal and external marketing sources to communicate to the target market the increasing level of need for our products and services.

Historically, Eco-Safe Digesters were imported from the manufacturer located in Seoul, South Korea and received at the BioHiTech headquarters and warehouse in Chestnut Ridge, New York. During 2016, the Company has transitioned primarily to a United States based manufacturing model. Each product goes through a rigorous quality control process before it is delivered to the customer. At our headquarters facility, each product is equipped with our proprietary hardware and software to enable our BioHiTech Cloud connectivity. International units may be drop shipped directly to resellers. In this event, we ship the necessary hardware and software to our international service agents for installation prior to customer delivery. The new Revolution line of digesters, which will also be manufactured in the United States, is also equipped with our proprietary hardware and software to enable our BioHiTech Cloud connectivity.

MBT Marketing Strategy

The Company has focused our initial marketing efforts of our HEBioT technology within the 11 northeast states and the District of Columbia by identifying potential opportunities based on various criteria including, disposal costs within a region, proximity to end users of alternative fuels, lack of long term disposal alternatives, and access to adequate feedstock.

Disposal Costs: We pursue opportunities where disposal costs within a certain radius of a prospective project are high enough to provide adequate returns on capital. Since “tip fees” received by a facility represent the majority of a facility’s revenue, areas with tip fees in excess of $50 per ton are highly attractive markets. This is the case, in the majority of regions covered by the Company’s licensing rights.

Proximity to End Users: The second largest component of a facility's revenue is realized through the sale of renewable fuel to be used in conjunction with or as a substitute for coal. With cement kilns being the second largest user of coal in the United States and with the continual regulatory pressure to reduce emissions associated with coal combustion, we target markets where there is reasonable access to cement manufacturing facilities to maximize revenue and minimize transportation costs of the manufactured fuel. The HEBioT technology has received an EPA comfort letter stating that all fuel manufactured from municipal solid waste in an Entsorga plant shall be categorized as an engineered fuel and can be used in cement kilns to offset up to 30% of their total fuel consumption.

Lack of Long Term Disposal: With landfill capacity in the northeast United States diminishing, and large quantities of solid waste being exported from numerous states, many municipalities and/or private waste companies are in need of long term disposal options. The HEBioT technology can divert up to 80% of the incoming municipal solid waste from landfills resulting in a prolonged life expectancy or a 500% capacity increase of existing landfills, as well as, new long term cost effective disposal options for the future.

Access to Adequate Feedstock: Based on the fixed cost nature of a HEBioT facility, to maximize its revenue and earnings it must be operated near its design capacity. BioHiTech focuses its marketing efforts on areas where population density provides adequate feedstock supply within a reasonable radius of a proposed plant. The HEBioT facility's proximity to feedstock will allow municipalities and haulers to dispose of their waste at an HEBioT facility without incurring significant logistical costs to do so.

We currently employ one full time executive focused on the marketing of the HEBioT technology. The executive has over 20 years of experience in the solid waste and recycling facility management industry and has held multiple positions at some of the leading recycling companies. The executive's focus is on identifying opportunities where each of the aforementioned criteria apply, initial presentation of the Company and technology, evaluating possible joint ventures, initiating early stage permitting, project development cost estimating and ultimate contract and project execution.

We present the technology at industry trade shows and events, as well as make direct proposals to interested parties that have become familiar with the HEBioT technology via public press releases, trade publications, the Company website and marketing materials, or industry referrals.

We currently have various projects in the development pipeline at different stages of development. The Company executed a land acquisition contract with the Town of New Windsor, NY for an option fee-to-purchase agreement on March 1, 2017 that has a range of conditions precedent to closing on the acquisition that must be satisfied within twenty four months, including the Company's receipt of permits and approvals from the New York State Departments of Environmental Conservation and Transportation, the county of Orange, NY and the town of Windsor, NY, secured project financing and the Company's environmental due diligence.

Competition

Digester Products. There are a small number of companies that distribute products utilizing similar digestion technology to the Eco-Safe Digester, but lack the depth of data collection, analytics and reporting. Further, we believe that these companies do not have a competitive product to the Revolution Series of digesters based on price point, size, throughput, power and plumbing requirements and data collection, analytics and reporting.

Most of these companies originated in Korea and we believe may have copied underlying technology of the digester units. We are aware of one company that has claimed to be developing competitive data collection and some level of web enablement, but are unaware of the deployment status and functionality of their technology offering. Of our competitors, our machine has the smallest footprint, requires the least amount of water to operate and we believe is an industry leader in terms of installations and efficiency. Currently we are not aware of any direct competitor with the ability to capture and deliver real time data. We believe that our pending patent, if granted, will provide BioHiTech the right to exclude competitors from making, using or selling technology on a food waste disposal device within the scope of the patent claims, in the countries in which the patent or patents are granted.

Some of these competitive companies are:

Totally Green: Totally Green develops and markets an ORCA Green Machine™. The "ORCA" (stands for Organic Refuse Conversion Alternative) allows for rapid composting of most organic material in institutional and commercial end-user applications. The liquid compost is channeled through the sewer system.

Powerknot: Based in California, Powerknot markets a Korean manufactured product similar to other digesters.

Enviropure: Enviropure markets a similar digester, with a much larger footprint requirement, to those noted above, as well as a "dry" solution. Its units also are purportedly available with a scale.

Grind2Energy®: A non-sewer food waste recycling system in which food waste is ground, stored in a tank, collected and transported to an anaerobic digester facility where it is converted into renewable energy. Grind2Energy is a product from InSinkErator, a business unit of Emerson Electric Company.

WISErg: The Harvester marketed by WISErg is a self-contained system that processes and stabilizes food scraps to be transported to a WISErg facility where it is further processed into liquid fertilizer.

Alternative technologies or processes to the Eco-Safe Digester or similar equipment are:

Traditional Composting: Composting has been in existence for many years and has historically been the only option for organics disposal. Composting:

- Relies heavily on truck collection and transportation.
- Uses facilities that can be considered public nuisances.
- Is very difficult to provide accurate metrics on waste volumes and generation.
- Facilities are difficult to site and are often long distances from waste generation.
- Is neither cost effective nor environmentally friendly.

Anaerobic Digestion: Anaerobic digesters are readily used throughout Europe. Anaerobic digestion ("AD") is the decomposition of organic waste in the absence of oxygen. The beneficial by-product is gas to be used to generate electricity. AD is generally accomplished on a large municipal or commercial scale and is not believed to be readily available as an "at the source" solution. AD facilities are beginning to be sited in the United States and are thought of as a viable disposal option for organic waste. While the technology is sound, AD facilities face various challenges in the United States. Management believes that AD facilities will continue to be developed and will be a part of the total solution for organic waste disposal. Many private equity funds have made investments in companies that own or are permitting AD facilities. The challenges to AD include:

- Capital intensity of sizeable plants;
- Difficult to site with proximity to feedstock;
- Need steady, homogenous waste source (pre-processing is necessary);
- Relies on traditional collection and transportation of waste (significant costs);
- Rely on “tip fee” to subsidize operating expenses; and
- Difficult to provide data to consumers (similar to composting).

Mechanical Biological Treatment. Competition in the MBT area is more diverse than with our digester products, as High Efficiency Biological Treatment (HEBioT), which is just one of many forms of mechanical Biological Treatment, is a new technology to the United States. The U.S. waste industry significantly lags Europe, which has over 300 MBT operational plants, in its achievements of improving environmental protection, diverting waste from landfills, development and utilization of alternative energies, and other green initiatives. There is an increasing push to pursue alternative waste disposal options as landfill capacity continues to dwindle and environmental consciousness continues to increase. In addition, the U.S. continues to pursue initiatives mitigating reliance on foreign energy and the EPA is increasing mandates to reduce air pollutants and use of fossil fuels. There are also many large corporations that have set zero waste targets that may only be achieved using a multitude of solutions. The use of HEBioT allows these companies to use one source that feeds into the multiple streams that they need to fulfill their goals – organics, glass, plastic and metals recycling and mixed waste, with only 20% being disposed of in landfills.

Utilizing traditional waste management, approximately 70% of the municipal solid waste generated in the United States is disposed of in landfills with another 7% being directed to waste to energy facilities and balance being recycled or composted. This figure is compared to only 38% of MSW being landfilled in the European Union resulting in the U.S. contributing significantly more greenhouse gas emissions from waste disposal than the European Union. Recently in the U.S., regulators and corporate leaders have led an effort to lower greenhouse gas emissions by finding disposal alternatives to landfills and exploring the deployment of “next generation” waste disposal technologies. The ongoing challenges to the evolution of these alternatives include but are not limited to capital intensity requiring subsidies, emerging technology risk, access to feedstock, long term off-take partners and inability to accept multiple waste streams.

Alternative technologies or processes to MBT are:

Anaerobic Digestion: Anaerobic digesters are readily used throughout Europe and deployed in the U.S. on a more limited basis. Anaerobic digestion (“AD”) is the decomposition of organic waste in the absence of oxygen. The beneficial by-product is gas to be used to generate electricity. AD is limited to accepting only the organic fraction of waste and not capable of processing mixed municipal waste.

Traditional Waste to Energy or Incineration Facilities: Incineration is a waste treatment process that involves the combustion of organic substances contained in waste materials. Incineration and other high-temperature waste treatment systems are described as "thermal treatment". Incineration of waste materials converts the waste into ash, flue gas, and heat. The ash is mostly formed by the inorganic constituents of the waste, and may take the form of solid lumps or particulates carried by the flue gas. The flue gases must be cleaned of gaseous and particulate pollutants before they are dispersed into the atmosphere. In some cases, the heat generated by incineration can be used to generate electric power. There have been very few of these facilities built in the U.S. in the past 20 years. The challenges to Incineration include:

- Capital intensity of sizeable plants;
- Difficult to site (NIMBYism);
- Extreme capital intensity;
- Expensive to operate;
- High level of emissions

Gasification Facilities: Gasification is a process that converts organic or fossil fuel based carbonaceous materials into carbon monoxide, hydrogen and carbon dioxide. This is achieved by reacting the material at high temperatures (>700 °C), without combustion, with a controlled amount of oxygen and/or steam. The resulting gas mixture is called syngas (from synthesis gas or synthetic gas) or producer gas and is itself a fuel. The power derived from gasification and combustion of the resultant gas is considered to be a source of renewable energy if the gasified compounds were obtained from biomass. The challenges to gasification include but are not limited to:

- Capital intensity
- Early stage technology risk
- Need for homogenous feedstock
- Difficulty in siting (NIMBYism)

Pyrolisis: Pyrolysis is a thermochemical decomposition of organic material at elevated temperatures in the absence of oxygen (or any halogen). It involves the simultaneous change of chemical composition and physical phase, and is irreversible. Pyrolysis is a type of thermolysis, and is most commonly observed in organic materials exposed to high temperatures. Pyrolysis has been recently explored as an option for municipal solid waste incineration but has not been deployed in the U.S. due to various challenges, including:

- Capital intensity
- Significant early stage technology risk
- Need for homogenous feedstock
- Difficulty in siting (NIMBYism)

Landfilling: A landfill site (also known as a tip, dump, rubbish dump, garbage) is a site for the disposal of waste materials by burial and is the oldest form of waste treatment (although the burial part is modern; historically, refuse was just left in piles or thrown into pits). Historically, landfills have been the most common method of organized waste disposal and remain so in many places around the world and currently represent approximately 70% of the disposal of municipal solid waste in the U.S. There has been a recent movement toward diverting waste from landfills in the U.S. including the passing of various pieces of legislation in certain states banning certain materials from being deposited in landfills. Landfilling continues to be faced with challenges such as;

- Capital Intensity
- Difficulty siting (NIMBYism)
- Potential groundwater contamination
- Methane gas emissions
- Poor use of natural resource
- Post closure liabilities (future monitoring, etc.)

Other MBT Providers. The terms mechanical biological treatment or mechanical biological pre-treatment relate to a group of solid waste treatment systems. These systems enable the recovery of materials contained within the mixed waste and facilitate the stabilization of the biodegradable component of the material. There are currently over operational 300 MBT plants throughout Europe. Most of the current plants produce Refuse Derived Fuel, which differs from the engineered Solid Recovered Fuel produced by the Entsorga HEBioT technology, which is deemed as an "engineered fuel" by the U.S. EPA. A2A is a company based in Italy that has historically deployed a similar technology to that of Entsorga; however, no longer makes it commercially available to merchant plant operators and does not currently have any facilities located or planned for the U.S. market.

Research and Development

BioHiTech is continually investing in research and development in an effort to enhance and expand upon our existing products and services, and derivatives thereof. At the base of our digester technology has been an entire re-writing of all software technology, from industrial machine PLC (Programmable Logic Controller) to the IoT (Internet of Things) that are based on the digesters to our Cloud and analytics. Our technology expertise and ability to extract data from PLCs in a true database and computing environment is unique.

There are several research and development initiatives underway.

- As we had identified significant additional markets for a smaller version digester, we have recently developed a compact unit – the Revolution Series Digesters. The unit, which has a smaller footprint, runs on 115 volts and does not require specialized direct connection plumbing, is suitable for smaller generators of food waste including, but not limited, to the quick service restaurant sector, as well as generators of food waste in lower disposal cost markets. With the design and beta manufacturing of the unit complete, the Company began to commercially offer the product in March 2017. As the size of the unit is considerably smaller than the Eco-Safe Digester, the Company expects to offer the unit at a price lesser than our current Eco-Safe offerings, which provides the potential for multi-unit deployments in the upcoming years.

- As water is becoming a highly scrutinized resource, we have worked with various water filtration companies with the goal of achieving a water treatment and recirculation system in conjunction with our Eco-Safe Digester. We have been able to test filtration that allows us to achieve multiple objectives, eliminating the need for fresh water in the digestion process, eliminating the discharge of effluent to waste water treatment facilities, and the creation of "net new" water for our customers for re-use within their facilities for general purposes. This technology, while successful, has not been commercially deployed based on the current economics that may be subject to change in the future.

- As customers gain an appreciation for the transparency provided by the BioHiTech Cloud on their food waste, they have expressed an interest to track other recyclable and waste products using our existing dashboard. As the core technology already exists, we have successfully tested the process of adapting our weight capture and presentation to various other waste equipment. The success of this pilot project provides for the ability to expand our software as a service offerings under additional license fees for each piece of equipment in the future. While not actively marketed, the addition of this service to pieces of equipment that have been utilized for many years provides for a potential new market in the future.

- With the ability to extract data and proactively communicate with PLCs, we are actively deploying machine learning technology to improve operational efficiencies of our digester products. In addition to machine learning, the ChatBot technology allows the use of conversational dialogue through chat or text messaging to ascertain the status of equipment, instruct the equipment to work differently or to interactively diagnose and correct issues with the equipment.

- As we recognize some customers’ desire to re-capture nutrients from food waste to be used for the generation of electricity via anaerobic digestion, we have confirmed the ability to capture effluent from our digesters as feedstock for the AD process. Testing was initially performed in 2015 with a regional anaerobic digestion company to determine whether our units can produce a valuable feedstock with energy value. The result of the trials was positive. By utilizing our technology, a customer is able to treat waste at its point of generation, measure and analyze waste volumes via the BioHiTech Cloud, transport the residual in a more cost effective and environmentally friendly means and ultimately convert its food to energy via the AD process. This process may provide a more sustainable model for AD as it could reduce costs of logistics and reduce the need for government subsidy.

- As with the generation of feedstock for the AD process above, the Company is also exploring the use of our digester effluent as the basis of liquid fertilizer. The initial digestion performed by our digester may allow for decreased processing required to produce a suitable commercial product.

Management and Employees

As of December 31, 2016, BioHiTech has 23 full time and 2 part-time employees. We believe we enjoy good employee relations. None of our employees are members of any labor union, and we are not a party to any collective bargaining agreement.

Properties

The Company does not own any physical location. The Company currently leases its corporate headquarters and warehouse in Chestnut Ridge, NY as well as its technology development office in Harrisburg, PA. We believe that our current headquarters and warehouse facility are sufficient in size for current and future operations. The current leases for the headquarters and warehouse expire in 2020 and each contain a renewal option for an additional five-year period. The current lease for the Harrisburg, PA technology development office expires in 2018 and has one renewal option for a one-year period. The United Kingdom operations are managed from employee based virtual offices in the UK.

Liquidity and Capital Resources

The Company currently generates revenues from sales of its digesters and related goods and services and anticipates revenues from the HEBioT technologies in the future. The Company's other known potential sources of capital are possible investments and advances from related parties, proceeds from private placements, issuance of notes payable, loans from its officers, and cash from future revenues. The Company may require additional financing to continue operations. There is no assurance that such additional financing will be available or that such financing will be on terms that are favorable to the Company.

Potential Future Projects and Conflicts of Interest

Members of the Company’s management may serve in the future as an officer, director or investor in other entities. Neither BioHiTech nor any of its shareholders would have any interest in these other companies’ projects. Management believes that it has sufficient resources to fully discharge its responsibilities to the Company.

Government Regulation

We believe we are in compliance with applicable federal, state and other regulations and that we have compliance programs in place to ensure compliance going forward. There are no regulatory notifications or actions pending.

Legal Matters

None.

Related Party Transactions

BioHitech Realty LLC

The Company currently rents its corporate headquarters and, its warehousing space, from BioHitech Realty LLC, a company partially owned by Frank E. Celli, our Chief Executive Officer and Chairman, and Michael Franco, a stockholder and employee of the Company. The initial lease expired on October 31, 2014 and was replaced by an office and a warehouse lease that were executed in July 2015 and expire in 2020. Each lease contains a renewal option for an additional five-year period. Rent expense under these leases for the years ended December 31, 2016 and 2015 amounted to $95,430 and $67,225, respectively.

BioHiTech International

The Company has an Exclusive License and Distribution Agreement (the "License Agreement") with BioHiTech International ("BHT-I") (a company owned by Chun-Il Koh, a Company stockholder) Chun-Il Koh, Joyce Taeya Koh and Bong Soon Hwang. The License Agreement, originally executed on May 2, 2007 and as amended most recently on August 30, 2013, provides the Company exclusive rights to sell, lease, use, distribute and manufacture the Eco-Safe Digester products through December 31, 2023 (unless extended by mutual agreement), including:

- The exclusive right and license to sell, lease, license, import, distribute, market, advertise and the Eco-Safe Digester products on a worldwide basis; and
- The exclusive right of first refusal and license to manufacture or to have manufactured all products related to the Eco-Safe Digester, after the existing inventory of BHT-I has been exhausted; and
- The exclusive worldwide right to have made, use, off to sell, sell and import products, systems, methods and accessories covered by BHT-I patents, trademarks and service marks; and
- The exclusive worldwide right and license to have manufactured, sell, lease, license, import, distribute, market, advertise and otherwise promote any future new related technologies developed by BHT-I.

Acquisition of digesters and parts, as well as expenses under the distribution agreement amounted to $878,439 and $833,819 for the years ended December 31, 2016 and 2015, respectively.

Other

The Company has also entered into various notes and advances from related parties that are disclosed in the Company's consolidated financial statements.

Reports to Security Holders

We will make available free of charge any of our filings as soon as reasonably practicable after we electronically file these materials with, or otherwise furnish them to, the Securities and Exchange Commission ("SEC"). We are not including the information contained in our website as part of, or incorporating it by reference into, this report on Form 10-K.

The public may read and copy any materials we file with the SEC at the SEC's Public Reference Room at 100 F Street, N.E., Room 1580, Washington, D.C. 20002. The public may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC maintains an Internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC at http://www.sec.gov.

Within our website's "Investor" section, "SEC Filings" tab, all of our filings with the Commission and all amendments to these reports are available as soon as reasonably practicable after filing.

Website

Our website addresses are www.biohitech.com and www.biohitechglobal.com.

Our Information

Our principal executive offices are located at 80 Red Schoolhouse Road, Suite 101, Chestnut Ridge, NY 10977 and our telephone number is (845) 262-1081. We can be contacted by email at info@biohitech.com.

ITEM 1A. RISK FACTORS

Our business, financial condition, operating results and prospects are subject to the following risks. Additional risks and uncertainties not presently foreseeable to us may also impair our business operations. If any of the following risks actually occurs, our business, financial condition or operating results could be materially adversely affected. In such case, the trading price of our common stock could decline, and our stockholders may lose all or part of their investment in the shares of our common stock.

This Form 10-K contains forward-looking statements that involve risks and uncertainties. These forward-looking statements can be identified by the use of words such as "believes," "estimates," "intends", "plans", "could," "possibly," "probably," anticipates," "projects," "expects," "may," "will," or "should," "designed to," "designed for," or other variations or similar words or language. Actual results could differ materially from those discussed in the forward-looking statements as a result of certain factors, including those set forth below and elsewhere in this Form 10-K.

Risks Specific to Our Business

We have a history of operating losses and there can be no assurance that we can achieve or maintain profitability.

We have a history of operating losses and may not achieve or sustain profitability. We cannot guarantee that we will become profitable. Even if we achieve profitability, given the competitive and evolving nature of the industry in which we operate, we may be unable to sustain or increase profitability and our failure to do so would adversely affect the Company's business, including our ability to raise additional funds.

We face substantial competition in the waste services industry, and if we cannot successfully compete in the marketplace, our business, financial condition and results of operations may be materially adversely affected.

The waste services industry is highly competitive, has undergone a period of consolidation and requires substantial labor and capital resources. Some of the markets in which we compete are served by one or more of large, established companies, that are more well-known and better financed than we are. Intense competition exists not only to provide services to customers, but also to develop new products and services and acquire other businesses within each market. Some of our competitors have significantly greater financial and other resources than we do.

In our waste disposal markets, we also compete with operators of alternative disposal and recycling facilities. We also increasingly compete with companies that seek to use waste as feedstock for alternative uses. Public entities may have financial advantages because of their ability to charge user fees or similar charges, impose tax revenues, access tax-exempt financing and, in some cases, utilize government subsidies.

If our digesters are unable to successfully compete in the marketplace, our business and financial condition could be materially adversely affected.

The waste services industry is subject to extensive and rapidly-changing government regulation. Changes to one or more of these regulations could cause a decrease in the demand for our digester systems.

We currently have only a single operational waste processing product generating revenues. We believe the demand for our digester product is created directly in response to recent municipal laws and regulation prohibiting certain large, commercial food manufacturers, retailers and catering halls from discarding food wastes to landfills. Our digesters are just one solution for these businesses to comply with these regulations. If there was a change to or elimination of these regulations, the demand for our product would almost certainly be greatly reduced and our income would, as a result, be adversely affected.

Currently, the microorganisms we employ in our digesters are approved for use to reduce food waste and to be poured into conventional sewer systems. However, if it was determined that we could no longer use these microorganisms, there is no guarantee that we could develop a replacement process to assure that we could continue to sell our products. Also, we would likely face claims from current customers were they unable to use our digesters for food waste disposal.

We may also incur the costs of defending against environmental litigation brought by governmental agencies and private parties. We are, and also may be in the future, a defendant in lawsuits brought by parties alleging environmental damage, personal injury, and/or property damage, or which seek to overturn or prevent authorization of our products, all of which may result in us incurring significant liabilities.

We may engage in acquisitions in the future with the goal of complementing or expanding our business, including developing additional disposal products and complementary services. However, we may be unable to complete these transactions and, if executed, these transactions may not improve our business or may pose significant risks and could have a negative effect on our operations.

We may in the future, make acquisitions in order to acquire or develop additional disposal products and complementary services. In addition, from time to time we may acquire businesses that are complementary to our core business strategy. We may not be able to identify suitable acquisition candidates. If we identify suitable acquisition candidates, we may be unable to successfully negotiate acquisitions at a price or on terms and conditions acceptable to us, including as a result of the limitations imposed by our debt obligations. Further, we may be unable to obtain the necessary regulatory approval to complete potential acquisitions.

Our ability to achieve the benefits of any potential future acquisition, including cost savings and operating efficiencies, depends in part on our ability to successfully integrate the operations of such acquired businesses with our operations. The integration of acquired businesses and other assets may require significant management time and resources that would otherwise be available for the ongoing management of our existing operations. In addition, to the extent any future acquisitions are completed, we may be unsuccessful in integrating acquired companies or their operations, or if integration is more difficult than anticipated, we may experience disruptions that could have a material adverse impact on future profitability. Some of the risks that may affect our ability to integrate, or realize any anticipated benefits from, acquisitions include:

- unexpected losses of key employees or customer of the acquired company;
- difficulties integrating the acquired company’s standards, processes, procedures and controls;
- difficulties coordinating new product and process development;
- difficulties hiring additional management and other critical personnel;
- difficulties increasing the scope, geographic diversity and complexity of our operations;
- difficulties consolidating facilities, transferring processes and know-how;
- difficulties reducing costs of the acquired company’s business;
- diversion of management’s attention from our management; and
- adverse impacts on retaining existing business relationships with customers.

We have inadequate capital and need additional financing to accomplish our business and strategic plans.

We have very limited funds, and such funds are not adequate to develop our current business plan. Our ultimate success may depend on our ability to raise additional capital. In the absence of additional financing or significant revenues and profits, the Company will have to approach its business plan from a much different and much more restricted direction, attempting to secure additional funding sources to fund its growth, borrowing money from lenders or elsewhere or to take other actions to attempt to provide funding. We cannot guarantee that we will be able to obtain sufficient additional funds when needed, or that such funds, if available, will be obtainable on terms satisfactory to us.

We expect that we will need to raise additional capital to meet our business requirements in the future, and such capital raising may be costly or difficult to obtain and can be expected to dilute current stockholders' ownership interests if converted.

Based upon present strategic investment plans, we expect that we will need to raise additional capital in the future. Such additional capital may not be available on reasonable terms or at all. We may need to raise additional funds through borrowings or public or private debt or equity financings to meet various objectives including, but not limited to:

- accomplish growth through enhanced sales and marketing efforts;
- effect new products and services development;
- complete business acquisitions; and
- build inventory

Our limited operating history does not afford investors a sufficient history on which to base an investment decision.

We are currently in the early stages of developing our businesses. Our operations are subject to all the risks inherent in the establishment of a new business enterprise. The likelihood of success must be considered in light of the problems, expenses, difficulties, complications and delays that are frequently encountered in a newly-formed company. There can be no assurance that at this time that we will operate profitably or will have adequate working capital to meet our obligations as they become due.

Investors must consider the risks and difficulties frequently encountered by early stage companies, particularly in rapidly evolving markets. Such risks include the following:

- increasing awareness of our brand names;
- meeting customer demand and standards;
- attaining customer loyalty;
- developing and upgrading our product and service offerings;
- implementing our advertising and marketing plan;
- maintaining our current strategic relationships and developing new strategic relationships;
- responding effectively to competitive pressures; and
- attracting, retaining and motivating qualified personnel.

We cannot be certain that our business strategy will be successful or that we will successfully address these risks. In the event that we do not successfully address these risks, our business, prospects, financial condition, and results of operations could be materially and adversely affected and we may not have the resources to continue or expand our business operations.

We may not be able to continue as a going concern.

For the years ended December 31, 2016 and 2015, the Company had a net loss of $6,745,386 and $5,001,452, respectively, incurred a consolidated loss from operations of $5,924,667 and $4,545,646, respectively and used net cash in consolidated operating activities of $5,181,400 and $3,170,427, respectively. At December 31, 2016, consolidated stockholders' deficit amounted to $11,458,100 and the Company had a consolidated working capital deficit of $5,096,220. The Company does not yet have a history of financial stability. Historically, the principal source of liquidity has been the issuance of debt and equity securities. These factors raise substantial doubt about the Company's ability to continue as a going concern. Our financial statements do not include any adjustments that might result from the outcome of the uncertainty regarding our ability to continue as a going concern. If the Company cannot continue as a going concern, its stockholders may lose their entire investment.

We rely on highly skilled personnel and, if we are unable to retain or motivate key personnel or hire additional qualified personnel, we may not be able to grow effectively.

Our performance is largely dependent on the talents and efforts of highly skilled individuals. Our future success depends on our continuing ability to identify, hire, develop, motivate, and retain highly skilled personnel for all areas of our organization. Our continued ability to compete effectively depends on our ability to retain and motivate existing employees. Due to our reliance upon its skilled professionals and laborers, the failure to attract, integrate, motivate, and retain current and/or additional key employees could have a material adverse effect on our business, operating results and financial condition. We only maintain key person life insurance for Frank E. Celli and Robert Joyce at this time.

If we fail to manage growth or to prepare for product scalability effectively, it could have an adverse effect on our employee efficiency, product quality, working capital levels and results of operations.

Any significant growth in the market for our products or our entry into new markets may require an expansion of our employee base for managerial, operational, financial, and other purposes. We had 19 full time employees outside of our management team of four. During any period of growth, we may face problems related to our operational and financial systems and controls, including quality control and delivery and service capacities. We would also need to continue to expand, train and manage our employee base. Continued future growth will impose significant added responsibilities upon the members of management to identify, recruit, maintain, integrate, and motivate new employees.

Aside from increased difficulties in the management of human resources, we may continue to encounter working capital issues, as we will need increased liquidity to finance the expansion of our existing business, the development of new products, and the hiring of additional employees. For effective growth management, we will be required to continue improving our operations, management, and financial systems and controls. Our failure to manage growth effectively may lead to operational and financial inefficiencies that will have a negative effect on our profitability. We cannot assure investors that we will be able to timely and effectively meet that demand and maintain the quality standards required by our existing and potential customers.

Our management team may not be able to successfully implement our business strategies.

If our management team is unable to execute on its business strategies, then our development, including the establishment of revenues and our sales and marketing activities, would be materially and adversely affected. In addition, we may encounter difficulties in effectively managing the budgeting, forecasting and other process control issues presented by any future growth. We may seek to augment or replace members of our management team or we may lose key members of our management team, and we may not be able to attract new management talent with sufficient skill and experience.

If we are unable to retain key executives and other key affiliates, our growth could be significantly inhibited and our business harmed with a material adverse effect on our business, financial condition and results of operations.

Our success is, to a certain extent, attributable to the management, sales and marketing, and operational and technical expertise of certain key personnel. Frank E. Celli, our Chief Executive Officer, Robert Joyce, our Chief Operating Officer, Brian C. Essman, our Chief Financial Officer and William Kratzer, our Chief Technology Officer, perform key functions in the operation of our business. The loss of any of these could have a material adverse effect upon our business, financial condition, and results of operations. If we lose the services of any senior management, we may not be able to locate suitable or qualified replacements, and may incur additional expenses to recruit and train new personnel, which could severely disrupt our business and prospects.

Our financial results may not meet the expectations of investors and may fluctuate because of many factors and, as a result, investors should not rely on our revenue and/or financial projections as indicative of future results.

Fluctuations in operating results or the failure of operating results to meet the expectations investors may negatively impact the value of our securities. Operating results may fluctuate due to a variety of factors that could affect revenues or expenses in any particular quarter. Fluctuations in operating results could cause the value of our securities to decline. Investors should not rely on revenue or financial projections or comparisons of results of operations as an indication of future performance. As a result of the factors listed below, it is possible that in future periods results of operations may be below the expectations of investors. This could cause the market price of our securities to decline and negatively impact our ability to raise debt and capital. Factors that may affect our quarterly results include:

- delays in sales resulting from potential customer sales cycles;
- variations or inconsistencies in return on investment models and results;
- changes in competition; and
- changes or threats of significant changes in legislation or rules or standards that would change the drivers for product adoption.

We are operating in a highly competitive market and we are unsure as to whether there will be any consumer demand for our services.

Some of our competitors are much larger and better capitalized than we are. It may be that our competitors will better address the same market opportunities that we are addressing. These competitors, either alone or with collaborative partners, may succeed in developing business models that are more effective or have greater market success than our own. The Company is especially susceptible to larger companies that invest more money in marketing. Moreover, the market for our services is potentially large but highly competitive. There is little or no hard data that substantiates the demand for our services or how this demand will be segmented over time.

There is no assurance that the Company will operate profitably or will generate positive cash flow in the future.

The Company is continuing to develop its customer base and recurring revenues and it is anticipated that it will continue to incur significant losses for the foreseeable future as it carries on this process. In addition, the Company’s operating results in the future may be subject to significant fluctuations due to many factors not within our control, such as the level of competition, regulatory changes and general economic conditions.

We may be unsuccessful in our efforts to use digital and other viral marketing to expand consumer awareness of our service.

If we are unable to maintain or increase the efficacy of our digital and other viral marketing strategy or if we otherwise decide to expand the reach of our marketing through use of costlier marketing campaigns, we may experience an increase in marketing expenses that could have an adverse effect on our results of operations. We cannot assure you that we will be successful in maintaining or expanding our customer base and failure to do so would materially reduce our revenue and adversely affect our business, operating results and financial condition.

We may be negatively impacted by permitting and construction risks.

In connection with the MBT line of business the Company will have to acquire specialized permits and regulatory approvals from various state and local regulatory authorities that may delay or prevent the construction or operation of the intended MBT facilities. In addition, there are significant risks related to the construction of a specialized facility. These risks may delay, postpone or cause a negative impact to the anticipated financial performance of the projects.

We may be negatively impacted by other landfills and certain long-term disposal trends.

In connection with the MBT line of business, there will be competition from other landfills, including large, out-of-state landfills to secure MSW feedstock. Such facilities may legally drop prices to maintain market share forcing the Company to compete on price for feedstock delivered by suppliers, which may cause a negative impact to the anticipated financial performance of the projects.

Waste policies may incentivize additional renewable energy plants to be built, in such an event, the MBT facilities would be competing with such future renewable energy plants for feedstock. Furthermore, other zero waste policies, increased local recycling and reuse, augmented by composting and other future waste policies intended to eliminate and/or reduce the waste may mean less MSW will be available for the Company’s MBT projects.

The recovered recycled materials market is volatile.

The Company’s MBT projects anticipate a minimum return on recycled materials. Should conditions change such that the minimum returns cannot be recovered, they may have a negative impact on the anticipated financial performance of the projects.

The market for solid recovered fuel (“SRF”) is not developed.

The Company’s MBT projects rely upon the ability to sell SRF to appropriate industrial users at economically reasonable prices. There is no assurance that the Company will be able to contract on either a long-term or spot-market basis with such consumers.

Risks Related to Securities Markets and Investments in Our Securities

Our executive officers and certain stockholders possess the majority of our voting power, and through this ownership, control our Company and our corporate actions.

Our current executive officers, directors and seven large stockholders of the Company, hold approximately 81% of the voting power of the outstanding shares as of December 31, 2016. Our current executive officers and directors hold 40% of the voting power of the outstanding shares as of December 31, 2016. These officers, directors and certain stockholders have a controlling influence in determining the outcome of any corporate transaction or other matters submitted to our stockholders for approval, including mergers, consolidations and the sale of all or substantially all of our assets, election of directors, and other significant corporate actions. As such, our executive officers have the power to prevent or cause a change in control; therefore, without their consent we could be prevented from entering into transactions that could be beneficial to us. The interests of our executive officers and certain shareholders may give rise to a conflict of interest with the Company and the Company's stockholders. For additional details concerning voting power please refer to the section below entitled "Description of Securities."

There is a substantial lack of liquidity of our common stock.

Our common stock is quoted on the OTC Markets under the symbol "BHTG." On February 12, 2016 the Company uplisted from OTCBB (also known as OTC Pink) to OTCQB. The liquidity of our common stock is very limited and is affected by our limited trading market. The OTC Markets is an inter-dealer market much less regulated than the major exchanges, and is subject to abuses, volatilities and shorting. There is currently no broadly followed and established trading market for our common stock. An established trading market may never develop or be maintained. Active trading markets generally result in lower price volatility and more efficient execution of buy and sell orders. Absence of an active trading market reduces the liquidity of the shares traded.

The trading volume of our common stock may be limited and sporadic. This situation is attributable to a number of factors, including the fact that we are a small company that is relatively unknown to stock analysts, stock brokers, institutional investors and others in the investment community that generate or influence sales volume, and that even if we came to the attention of such persons, they may tend to be risk-averse and would be reluctant to follow an unproven company such as ours or purchase or recommend the purchase of our shares until such time as we became more seasoned and viable. As a consequence, there may be periods of several days or more when trading activity in our shares is minimal or non-existent, as compared to a seasoned issuer that has a large and steady volume of trading activity that will generally support continuous sales without an adverse effect on share price. We cannot give any assurance that a broader or more active public trading market for our common stock will develop or be sustained, or that current trading levels will be sustained. As a result of such trading activity, the quoted price for our common stock on the OTC Markets may not necessarily be a reliable indicator of our fair market value. In addition, if our shares of common stock cease to be quoted, holders would find it more difficult to dispose of or to obtain accurate quotation as to the market value of, our common stock and as a result, the market value of our common stock likely would decline.

Because we became public by means of a "reverse business combination," we may not be able to attract the attention of major brokerage firms.

There may be risks associated with us becoming public through a "reverse business combination." Securities analysts of major brokerage firms and securities institutions may not provide coverage of us because there were no broker-dealers who sold our stock in a public offering that would be incentivized to follow or recommend the purchase of our common stock. The absence of such research coverage could limit investor interest in our common stock, resulting in decreased liquidity. No assurance can be given that established brokerage firms will, in the future, want to cover our securities or conduct any secondary offerings or other financings on our behalf.

Our common stock may never be listed on a major stock exchange.

While we may seek the listing of our common stock on a national or other securities exchange at some time in the future, we currently do not satisfy the initial listing standards and cannot ensure that we will be able to satisfy such listing standards or that our common stock will be accepted for listing on any such exchange. Should we fail to satisfy the initial listing standards of such exchanges, or our common stock is otherwise rejected for listing, the trading price of our common stock could suffer, the trading market for our common stock may be less liquid, and our common stock price may be subject to increased volatility.

Our stock price may be volatile.

The market price of our common stock is likely to be highly volatile and could fluctuate widely in price in response to various factors, many of which are beyond our control, including the following:

- the concentration of the ownership of our shares by a limited number of affiliated stockholders may limit interest in our securities;
- limited "public float" in the hands of a small number of persons whose sales or lack of sales could result in positive or negative pricing pressure on the market price for our common stock;
- additions or departures of key personnel;
- loss of a strategic relationship;
- variations in operating results from the expectations of securities analysts or investors;
- announcements of new products or services by us or our competitors;
- reductions in the market share of our products;
- announcements by us or our competitors of significant acquisitions, strategic partnerships, joint ventures or capital commitments;
- investor perception of our industry or prospects;
- insider selling or buying;
- investors entering into short sale contracts;
- regulatory developments affecting our industry; and
- changes in our industry;
- competitive pricing pressures;
- our ability to obtain working capital financing;
- sales of our common stock;
- our ability to execute our business plan;
- operating results that fall below expectations;
- revisions in securities analysts' estimates or reductions in security analysts' coverage; and
- economic and other external factors.

Many of these factors are beyond our control and may decrease the market price of our common stock, regardless of our operating performance. We cannot make any predictions or projections as to what the prevailing market price for our common stock will be at any time, including as to whether our common stock will sustain current market prices, or as to what effect that the sale of shares or the availability of common stock for sale at any time will have on the prevailing market price.

In addition, the securities markets have from time to time experienced significant price and volume fluctuations that are unrelated to the operating performance of particular companies. These market fluctuations may also materially and adversely affect the market price of our common stock.

Our common stock is subject to price volatility unrelated to our operations.

The market price of our common stock could fluctuate substantially due to a variety of factors, including market perception of our ability to achieve our planned growth, quarterly operating results of other companies in the same industry, trading volume in our common stock, changes in general conditions in the economy and the financial markets or other developments affecting the Company's competitors or the Company itself. In addition, the OTC Markets is subject to extreme price and volume fluctuations in general. This volatility has had a significant effect on the market price of securities issued by many companies for reasons unrelated to their operating performance and could have the same effect on our common stock.

A decline in the price of our common stock could affect our ability to raise working capital and adversely impact our ability to continue operations.

A prolonged decline in the price of our common stock could result in a reduction in the liquidity of our common stock and a reduction in our ability to raise capital. A decline in the price of our common stock could be especially detrimental to our liquidity and our operations. Such reductions may force us to reallocate funds from other planned uses and may have a significant negative effect on our business plan and operations, including our ability to develop new services and continue our current operations. If our common stock price declines, we can offer no assurance that we will be able to raise additional capital or generate funds from operations sufficient to meet our obligations. If we are unable to raise sufficient capital in the future, we may not be able to have the resources to continue our normal operations.

Concentrated ownership of our common stock creates a risk of sudden changes in our common stock price.

The sale by any shareholder of a significant portion of their holdings could have a material adverse effect on the market price of our common stock.

Sales of our currently issued and outstanding stock may become freely tradable pursuant to Rule 144 and may dilute the market for your shares and have a depressive effect on the price of the shares of our common stock.

A substantial majority of the outstanding shares of Common Stock are "restricted securities" within the meaning of Rule 144 under the Securities Act of 1933, as amended (the "Securities Act") ("Rule 144"). As restricted shares, these shares may be resold only pursuant to an effective registration statement or under the requirements of Rule 144 or other applicable exemptions from registration under the Securities Act and as required under applicable state securities laws. Rule 144 provides in essence that a non-affiliate who has held restricted securities for a period of at least six months may sell their shares of common stock. Under Rule 144, affiliates who have held restricted securities for a period of at least six months may, under certain conditions, sell every three months, in brokerage transactions, a number of shares that does not exceed the greater of 1% of a company's outstanding shares of common stock or the average weekly trading volume during the four calendar weeks prior to the sale. A sale under Rule 144 or under any other exemption from the Securities Act, if available, or pursuant to subsequent registrations of our shares of common stock, may have a depressive effect upon the price of our shares of common stock in any active market that may develop.

If we issue additional shares or derivative securities in the future, it will result in the dilution of our existing stockholders.

Our Certificate of Incorporation, as amended, authorizes the issuance of up to 20,000,000 shares of common stock, $0.0001 par value per share. Our board of directors may choose to issue some or all of such shares, or derivative securities to purchase some or all of such shares, to provide additional financing in the future. Additionally, with the approval of a majority of convertible debt holders (based on loan balances), the Company may issue shares of preferred stock or other securities in connection with a financing that might include rights and preferences that are senior to the common stock. On January 25, 2017, subject to shareholder approval, the board of directors approved an increase of authorized common stock to 50,000,000.

We do not plan to declare or pay any dividends to our stockholders in the near future.

We have not declared any dividends in the past, and we do not intend to distribute dividends in the near future. The declaration, payment and amount of any future dividends will be made at the discretion of the board of directors and will depend upon, among other things, the results of operations, cash flows and financial condition, operating and capital requirements, and other factors as the board of directors considers relevant. There is no assurance that future dividends will be paid, and if dividends are paid, there is no assurance with respect to the amount of any such dividend.

The requirements of being a public company may strain our resources and distract management.

As a public company, we are subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"). These requirements are extensive. The Exchange Act requires that we file annual, quarterly and current reports with respect to our business and financial condition. The Sarbanes-Oxley Act requires that we maintain effective disclosure controls and procedures and internal controls over financial reporting.

We may incur significant costs associated with our public company reporting requirements and costs associated with applicable corporate governance requirements. We expect all of these applicable rules and regulations to significantly increase our legal and financial compliance costs and to make some activities more time consuming and costly. This may divert management's attention from other business concerns, which could have a material adverse effect on our business, financial condition and results of operations. We also expect that these applicable rules and regulations may make it more difficult and more expensive for us to obtain director and officer liability insurance and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a result, it may be more difficult for us to attract and retain qualified individuals to serve on our board of directors or as executive officers. We are currently evaluating and monitoring developments with respect to these rules, and we cannot predict or estimate the amount of additional costs we may incur or the timing of such costs.

Future changes in financial accounting standards or practices may cause adverse unexpected financial reporting fluctuations and affect reported results of operations.

A change in accounting standards or practices can have a significant effect on our reported results and may even affect our reporting of transactions completed before the change is effective. New accounting pronouncements and varying interpretations of accounting pronouncements have occurred and may occur in the future. Changes to existing rules or the questioning of current practices may adversely affect our reported financial results or the way we conduct business.

"Penny Stock" rules may make buying or selling our common stock difficult.

Trading in our common stock is subject to the "penny stock" rules. The SEC has adopted regulations that generally define a penny stock to be any equity security that has a market price of less than $5.00 per share, subject to certain exceptions. These rules require that any broker-dealer that recommends our common stock to persons other than prior customers and accredited investors, must, prior to the sale, make a special written suitability determination for the purchaser and receive the purchaser's written agreement to execute the transaction. Unless an exception is available, the regulations require the delivery, prior to any transaction involving a penny stock, of a disclosure schedule explaining the penny stock market and the risks associated with trading in the penny stock market. In addition, broker-dealers must disclose commissions payable to both the broker-dealer and the registered representative and current quotations for the securities they offer. The additional burdens imposed upon broker-dealers by such requirements may discourage broker-dealers from effecting transactions in our common stock, which could severely limit the market price and liquidity of our common stock.

SHOULD ONE OR MORE OF THE FOREGOING RISKS OR UNCERTAINTIES MATERIALIZE, OR SHOULD THE UNDERLYING ASSUMPTIONS PROVE INCORRECT, ACTUAL RESULTS MAY DIFFER SIGNIFICANTLY FROM THOSE ANTICIPATED, BELIEVED, ESTIMATED, EXPECTED, INTENDED OR PLANNED

ITEM 1B: UNRESOLVED STAFF COMMENTS.

None.

ITEM 2: PROPERTIES

The Company does not own any physical location. The Company currently leases its corporate headquarters and warehouse in Chestnut Ridge, NY as well as its technology development office in Harrisburg, PA. We believe that our current headquarters and warehouse facility are sufficient in size for current and future operations. The current leases for the headquarters and warehouse expire in 2020 each containing a renewal option for an additional five-year period. The current lease for the technology development office in Harrisburg, PA expires in 2018 and has a one renewal option for a period of one year. The United Kingdom operations are managed from employee based virtual offices in the UK.

ITEM 3: LEGAL PROCEEDINGS.

From time to time, the Company may be a party to legal proceedings arising in the ordinary course of business. We are not currently a party to any legal proceedings that we believe could have a material adverse effect on financial condition or results of operations.

ITEM 4: MINE SAFETY DISCLOSURES.

Not applicable.

PART II

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

(a) Market Information

Our common stock first became quoted on the Over-the-Counter Bulletin Board, or "OTCBB" under the trading symbol "SWFR" on March 27, 2014. On September 16, 2015, our common stock began trading under the name BioHiTech Global, Inc. and under the trading symbol "BHTG". On February 12, 2016, the common stock was uplisted to the OTCQB Venture Marketplace. The following table lists the high and low bid information for our common stock as quoted on the OTC Markets for the fiscal years ended 2016 and 2015:

	Price Range	
Quarter Ended	High ($)	Low ($)
December 31, 2016	$ 3.20	$ 1.50
September 30, 2016	$ 3.60	$ 1.75
June 30, 2016	$ 5.50	$ 3.15
March 31, 2016	$ 5.00	$ 4.00
December 31, 2015	$ 4.90	$ 4.30
September 30, 2015	N/A*	N/A*
June 30 2015	N/A*	N/A*
March 31, 2015	N/A*	N/A*

* The first trade of common stock occurred October 28, 2015.

The above quotations from the OTC Markets reflect inter-dealer prices, without retail mark-up, mark-down or commission, and may not represent actual transactions.

(b) Holders

The number of record holders of our common stock as of December 31, 2016, was approximately 37 based on information received from our transfer agent. This amount excludes an indeterminate number of shareholders whose shares are held in "street" or "nominee" name with a brokerage firm or other fiduciary.

(c) Dividends

We have not paid or declared any cash dividends on our common stock and we do not anticipate paying dividends on our common stock for the foreseeable future.

(d) Securities authorized for issuance under equity compensation plans

As of December 31, 2016, the Company had one equity compensation plan that provides for grants representing up to 750,000 of the underlying shares of the Company's common stock as presented below.

Subsequent to December 31, 2016, the Company's board of directors approved a new plan that provides for grants representing up to 1,000,000 of the underlying shares of the Company's common stock. The new plan is subject to approval by the shareholders of the Company. This plan is not included in the table below.

Equity Compensation Plan Information 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 (excluding securities reflected in column (a))
	(a)	(b)	(c)
Equity compensation plans approved by security holders	711,250	$ 1.92	38,750
Equity compensation plans not approved by security holders	-	-	-
Total	711,250	$ 1.92	38,750

DESCRIPTION OF SECURITIES

General

The Company's authorized capital stock consists of 30,000,000 shares of capital stock, par value $0.0001 per share, of which 20,000,000 shares are common stock, par value $0.0001 per share and 10,000,000 shares are "blank check" preferred stock, par value $0.0001 per share.

Common Stock

Holders of Company's common stock are entitled to one vote per share on each matter submitted to vote of the Company's stockholders. Holders of common stock do not have cumulative voting rights. Stockholders do not have any preemptive rights or other similar rights to acquire additional shares of Company's common stock or other securities. Subject to preferences that may be applicable to any then-outstanding preferred stock, holders of common stock are entitled to share in all dividends that the board of directors, in its discretion, declares from legally available funds. In the event of liquidation, dissolution or winding up, subject to preferences that may be applicable to any then-outstanding preferred stock, each outstanding share of common stock entitles its holder to participate ratably in all remaining assets of the Company that are available for distribution to stockholders after providing for each class of stock, if any, having preference over the common stock.

Preferred Stock

The Company is authorized to issue from time to time, in one or more series, 10,000,000 shares of "blank check" preferred stock, par value $0.0001 per share, subject to any limitations prescribed by law, without further vote or action by the shareholders. Each such series of preferred stock shall have such number of shares, designations, preferences, voting powers, qualifications, and special or relative rights or privileges as shall be determined by the Company's board of directors, which may include, among others, dividend rights, voting rights, liquidation preferences, conversion rights and preemptive rights. There are no shares of preferred stock outstanding.

RECENT SALES OF UNREGISTERED SECURITIES

On February 10, 2016, April 14, 2016, May 27, 2016 and September 29, 2016, the Company entered into a series of Securities Purchase Agreements (the "Purchase Agreement") with certain accredited investors (the "Investors"), pursuant to which the Company agreed to sell and the Investors agreed to purchase in a private placement offering (the "Private Placement") units (the "Units") in the aggregate offering amount of $2,500,000, $550,000, $200,000 and $150,000, respectively. Each Unit, in the minimum subscription amount of $25,000 is comprised of a Convertible Promissory Note (the "Note") and warrants (the "Warrants") to purchase shares of the Company's common stock, par value $0.001 per share (the "Common Stock"). Each Note bears interest at the rate of 8% per annum and is due on the earlier of: (i) February 10, 2018; (ii) the date the Common Stock is listed on The Nasdaq Stock Market or NYSE MKT (the "Listing"); or (iii) a "Change of Control" of the Company, which is defined as a liquidation, dissolution, winding up, change in voting control or sale of all or substantially all of the Company's assets. Each Note sold is convertible into shares of Common Stock equal to the outstanding principal amount under the Note, plus any accrued and unpaid interest, divided by a conversion price (the "Conversion Price") equal to the lowest of: (i) the trading price on the date of the Listing; (ii) the price per share paid by investors in a subsequent underwritten public offering in connection with the Listing; (iii) the lowest price paid by investors in a subsequent offering of the Company's securities; (iv) the per share price in a Change of Control transaction; or (v) $3.75 per share. Prior to maturity, an Investor may elect, at its option and in its sole discretion, to convert all or a portion of the outstanding principal amount under the Note, plus any accrued and unpaid interest, into a number of shares of Common Stock at a conversion price equal to $3.75 per share. The Warrants are exercisable for a period of five years into a number of shares of Common Stock equal to the number of shares of Common Stock into which the Notes are convertible at an exercise price equal to 120% of the Conversion Price.

On July 19, 2016, the Company entered into a Consulting Service Agreement (the "Agreement") with Tusk Ventures LLC ("Tusk") effective August 1, 2016 (the "Effective Date"), which has since been terminated. The Company was required to pay Tusk an equity fee equal to $25,000 per month, which initially will take the form of convertible notes and then, upon the mandatory conversion of certain of the Company's other convertible notes, the monthly equity fee shall be paid in shares of the Company's Common Stock based upon the trailing month's average price per share. As of December 31, 2016, the Company had issued five notes, each of $25,000 to Tusk under this Agreement. Each Note bears interest at the rate of 8% per annum and is due on the earlier of: (i) February 10, 2018; (ii) the date the Common Stock is listed on The Nasdaq Stock Market or NYSE MKT (the "Listing"); or (iii) a "Change of Control" of the Registrant which is defined as a liquidation, dissolution, winding up, change in voting control or sale of all or substantially all of the Company's assets. Each Note sold is convertible into shares of Common Stock equal to the outstanding principal amount under the Note, plus any accrued and unpaid interest, divided by a conversion price (the "Conversion Price") equal to the lowest of: (i) the trading price on the date of the Listing; (ii) the price per share paid by investors in a subsequent underwritten public offering in connection with the Listing; (iii) the lowest price paid by investors in a subsequent offering of the Company's securities; (iv) the per share price in a Change of Control transaction; or (v) $3.75 per share. Prior to maturity, an Investor may elect, at its option and in its sole discretion, to convert all or a portion of the outstanding principal amount under the Note, plus any accrued and unpaid interest, into a number of shares of Common Stock at a conversion price equal to $3.75 per share.

On October 1, 2016, the Company issued a convertible note in the amount of $300,000 to Bio Hitech International, Inc., an entity controlled by Chun-Il Koh, a BioHiTech shareholder, for payment of amounts due by the Company for previously purchased equipment. The note contains terms and requirements that are substantially similar to the Tusk note described in the preceding paragraph.

On November 18, 2016, January 13, 2017, February 13, 2017, March 13, 2017 and March 21, 2017, the Company entered into a series of Securities Purchase Agreements (the “Purchase Agreement”) with certain accredited investors (the “Investors”), pursuant to which the Registrant agreed to sell and the Investors agreed to purchase in a private placement offering (the “Private Placement”) units (the “Units”) in the aggregate offering amount of $1,250,000, $250,000, $200,000, $50,000 and $125,000, respectively. Each Unit, in the minimum subscription amount of $25,000 is comprised of a Convertible Promissory Note (the “Note”) and warrants (the “Warrants”) to purchase shares of the Company’s common stock, par value $0.001 per share (the “Common Stock”). Each Note bears interest at the rate of 8% per annum and is due on the earlier of: (i) November 18, 2018; (ii) the date the Common Stock is listed on The Nasdaq Stock Market or NYSE MKT (the “Listing”); or (iii) a “Change of Control” of the Company which is defined as a liquidation, dissolution, winding up, change in voting control or sale of all or substantially all of the Company’s assets. Each Note sold is convertible into shares of Common Stock equal to the outstanding principal amount under the Note, plus any accrued and unpaid interest, divided by a conversion price (the “Conversion Price”) equal to the lowest of: (i) the trading price on the date of the Listing; (ii) the price per share paid by investors in a subsequent underwritten public offering in connection with the Listing; (iii) the lowest price paid by investors in a subsequent offering of the Company’s securities; (iv) the per share price in a Change of Control transaction; or (v) $2.75 per share. Prior to maturity, an Investor may elect, at its option and in its sole discretion, to convert all or a portion of the outstanding principal amount under the Note, plus any accrued and unpaid interest, into a number of shares of Common Stock at a conversion price equal to $2.75 per share. The Warrants are exercisable for a period of five years into a number of shares of Common Stock equal to the number of shares of Common Stock into which the Notes are convertible at an exercise price equal to 120% of the Conversion Price. The Registrant did not engage a placement agent in the offering.

On August 6, 2015, the Company entered into and consummated an Agreement of Merger and Plan of Reorganization (the “Merger Agreement”), with Biohitech Global, Inc., a Delaware corporation and wholly-owned subsidiary of the Company (“Acquisition”) and Bio Hi Tech America, LLC, a Delaware limited liability company. Pursuant to the terms of the Merger Agreement, Acquisition merged with and into BioHiTech in a statutory reverse triangular merger (the “Merger”) with Bio Hi Tech America, LLC surviving as a wholly-owned subsidiary of the Company. As consideration for the Merger, the Company issued the interest holders of BioHiTech an aggregate of 6,975,000 shares of Common Stock.

The Company relied on the exemptions from registration under Section 4(2) of the Securities Act of 1933, as amended, and Rule 506 promulgated thereunder. The Purchase Agreements and the Agreement contain representations to support the Company’s reasonable belief that the investors had access to information concerning the Company’s operations and financial condition, the investors acquired the securities for their own account and not with a view to the distribution thereof in the absence of an effective registration statement or an applicable exemption from registration, and that the investors are sophisticated within the meaning of Section 4(2) of the Securities Act and are “accredited investors” (as defined by Rule 501 under the Securities Act). In addition, the sale of securities did not involve a public offering; the Company made no solicitation in connection with the sale other than communications with the investors; the Company obtained representations from the investors regarding their investment intent, experience and sophistication; and the investors either received or had access to adequate information about the Company in order to make an informed investment decision.

PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PARTIES

The following table presents information with respect to purchases made by or on behalf of the issuer or any "affiliated party" of shares or other units of any class of the Company's equity securities. The Company has no announced plans or programs to acquire its equity securities.

Period	Total Number of Shares Purchased	Average Price per Share	Total Number of Shares Purchased as Part of Publically Announced Plan or Program	Maximum Number of Shares that May Yet be Purchased Under the Plan or Program
	(a)	(b)	(c)	(d)
December 30, 2016	1,100(1)	$ 1.92	-	-
Total	1,100	$ 1.92	-	-

(1) On December 30, 2016, the Chief Executive Officer of the Company acquired 1,100 shares of the Company's common stock in a series of open market purchases.

ITEM 6: SELECTED FINANCIAL DATA

We are a smaller reporting company as defined by 17 C.F.R. 229(10)(f)(i) and are not required to provide the information under this heading.

ITEM 7: MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with the information contained in the consolidated financial statements of the Company and the notes thereto appearing elsewhere herein and in conjunction with the Management's Discussion and Analysis of Financial Condition and Results of Operations set forth in the Company's Annual Report on Form 10-K for the year ended December 31, 2016. Readers should carefully review the risk factors disclosed in this Form 10-K and other documents filed by the Company with the SEC.

As used in this report, the terms "Company", "we", "our", and "us" refer to BioHiTech Global, Inc., a Delaware corporation.

PRELIMINARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report contains forward-looking statements within the meaning of the federal securities laws. These forward-looking statements can be identified by the use of words such as "believes," "estimates," "intends", "plans", "could," "possibly," "probably," anticipates," "projects," "expects," "may," "will," or "should," "designed to," "designed for," or other variations or similar words or language. The forward-looking statements are based on the current expectations of the Company and are subject to certain risks, uncertainties and assumptions, including those set forth in the discussion under "Management's Discussion and Analysis of Financial Condition and Results of Operations" in this report. Actual results may differ materially from results anticipated in these forward-looking statements. We base the forward-looking statements on information currently available to us, and we assume no obligation to update them.

Acquisition and Reorganization

BioHiTech Global, Inc. (“BioHiTech”, the “Company”, “we”, or “us”) was incorporated on March 20, 2013 under the laws of the state of Delaware as Swift Start Corp. The Company’s initial business plan was to develop a website that offered comprehensive online computer programming courses for anyone with any level of computer programming knowledge, from beginners to experts. Our video courses would be developed and taught by seasoned teachers with extensive experience in the computer programming fields.

On August 6, 2015, the Company entered into and consummated an Agreement of Merger and Plan of Reorganization (the “Merger Agreement”), with BioHiTech Global, Inc., a Delaware corporation and wholly-owned subsidiary of the Company (“Acquisition”) and Bio Hi Tech America, LLC, a Delaware limited liability company (“BioHiTech”). Pursuant to the terms of the Merger Agreement, Acquisition merged with and into BioHiTech in a reverse business combination (the “Merger”) with BioHiTech surviving as a wholly-owned subsidiary of the Company. As consideration for the Merger, we issued the interest holders of BioHiTech (the “BioHiTech Holders”) an aggregate of 6,975,000 shares of our Common Stock issued to the BioHiTech Holders in accordance with their pro rata ownership of BioHiTech membership interests. Following the Merger, the Company adopted the business plan of BioHiTech in the development, marketing and sales of food waste disposal systems which transform food waste into nutrient-neutral water which may be disposed of via sewer systems while utilizing proprietary software to collect and transmit environmental performance data to its customers.

Also, on August 6, 2015, the Company amended its Certificate of Incorporation (the “Amendment”) to (i) change its name to BioHiTech Global, Inc. and (ii) to amend the number of its authorized shares of capital stock from 200,000,000 to 30,000,000 shares of which 20,000,000 shares were designated common stock, par value $0.0001 per share (the “Common Stock”) and 10,000,000 shares were designated “blank check” preferred stock, par value $0.0001 per share (the “Preferred Stock”). As previously reported on February 10, 2015, the Amendment was approved by holders of a majority of the Company’s Common Stock (the “Majority Holder”) on February 6, 2015.

Immediately prior to the Merger, the Company had 9,040,000 shares of Common Stock issued and outstanding. In connection with the Merger, the Majority Shareholder and other shareholders collectively agreed to retire and cancel an aggregate of 8,515,000 shares of Common Stock. Following the consummation of the Merger, the issuance of the Merger Shares, and the retirement of the 8,515,000 shares of Common Stock, the Company had 7,500,000 shares of Common Stock issued and outstanding and the BioHiTech Holders beneficially own 6,975,000 shares or approximately ninety-three percent (93%) of such issued and outstanding Common Stock.

The following discussion is focused on the current and historical operations of BioHiTech and excludes the prior operations of the Registrant.

Overview

Prior to 2013, BioHiTech’s strategic focus had been directed to the sales and service of the Eco-Safe Digester. During 2013, BioHiTech started a process of redirecting the business toward an expanded customer relationship based on recurring long term contracts in the form of leasing and bundled services. BioHiTech also initiated the creation of a research and development group to explore and exploit how it could incorporate “big data” and the “internet of things” to its environmental technology, converting its units to network connected devices. At that time, BioHiTech also commenced a process of assembling a broader team that had the depth and skill set required to achieve disruptive change in the organic waste industry.

BioHiTech provides a simple, environmentally friendly, and cost effective solution for food waste disposal. BioHiTech has a global distribution license to sell, lease, use, distribute, and manufacture the product currently known as the Eco-Safe Digester and has recently developed its own Revolution Series of Digesters. BioHiTech's digesters are a data-driven, network-based mechanical/biological technology, which transforms food waste into nutrient-neutral water that can safely be disposed of via conventional sanitary sewer systems. Our digesters reduces greenhouse gas emissions by reducing the volume of food waste being disposed of in landfills and eliminating the corresponding transportation of this waste. In addition, the technology saves users money by avoiding disposal costs ("tip fees") and transportation charges of traditional food waste disposal. This process allows waste producing organizations to actively contribute to environmental sustainability and the preservation of resources in a cost-effective manner. Our Eco-Safe Digesters may be used by businesses in food service, hospitality, healthcare, government, conference centers, education centers, or stadiums that generate a high volume of waste. It is estimated that the US addressable market is more than 250,000 locations that could qualify for our Eco-Safe digesters and an additional 250,000 internationally. Our Revolution Series of Digesters may be used by full and quick service restaurants, coffee shops, hospitality companies and other specialty food service establishments that generate lesser volumes of waste than those that the Eco-Safe Digester is more suitable for. This sub-segment of the food services industry is estimated to have more than 1.5 million locations.

BioHiTech has over eight years of operating experience with over 375 Eco-Safe Digesters installed in 37 states throughout the United States, as well as in fifteen foreign countries, including the United Kingdom, Canada and Israel. The Revolution Series of Digesters became commercially available in March 2017.

BioHiTech hopes to leverage its existing technology, including the digester's on-board weighing system, by collecting, accumulating and providing empirical data which we hope will improve the efficiency of the upstream supply chain. By streaming data from the digesters, collecting information from system users and integrating business application data, we believe BioHiTech's internet enabled system known as the BioHiTech Cloud provides necessary data that can help customers reshape their purchasing decisions and positively affect employee behavior. In its simplest form, the BioHiTech Cloud quantifies food waste in a fashion that has historically not been available. It enables users to understand food waste generation habits and to pay for the digester based on savings on traditional waste charges, as well as improved operational efficiencies.

BioHiTech believes that its combined offering of technology and its digesters provide customers with information (which/that) has not been readily available to consumers in the past that has the potential for improved management and reduction of waste at the point of generation on a real-time basis.

Currently, BioHiTech leverages multiple sales models including all-inclusive rental models and traditional capital expense sales models. List prices for all of the three Eco-Safe digester models are under $50,000. Under BioHiTech's rental model, BioHiTech provides a digester, quarterly service, consumables and in most cases, an annual cloud license under a monthly bundles charge. These contracts normally range from three to five years in duration. Monthly charges on the Eco-Safe digesters range from $500 to $1,200 per month depending on the unit size, services provided and the quantity of units under contract. Annual cloud licenses are also available ala carte at a rate of $2,400 per unit per year.

Under the retail sales model, each Eco-Safe digester is normally accompanied by an annual service or supply contract providing a potential recurring revenue stream for each unit sold. Annual service contracts range from $2,300 to $5,450 per year depending on the size of the unit and level of support. Typical customer return on investment is approximately three years depending on tip fees within their geographical footprint and without giving effect to potential savings due to increased efficiencies.

Results of operation for the Year ended December 31, 2016
compared to the year ended December 31, 2015

Revenue by Type

The following table breaks down our revenue by type:

	Year Ended December 31,			
	2016		2015	
Rental, service and parts	$ 1,371,087	61%	$ 1,023,385	68%
Equipment sales	872,379	39%	415,616	27%
Other revenue	-	-%	74,980	5%
	$ 2,243,466	100%	$ 1,513,981	100%

Total revenue increased by $729,485, or 48%, from the year ended December 31, 2015 to the year ended December 31, 2016.

Rental, service and parts revenue increased by $347,702, or 34%, from the year ended December 31, 2015 to the year ended December 31, 2016. The increase is primarily the result of an increase in the overall number of deployed units that has led to a 38% increase in our total bundled rental revenues and contracted maintenance revenues, which accounted for 69% of the category for the year ended December 31, 2016 and 67% of the overall increase.

Equipment sales increased by $456,763, or 110%, from the year ended December 31, 2015 to the year ended December 31, 2016. This increase was primarily the result increased reseller activity, including international resellers that cover territories not covered by the Company’s direct sales force.

Other revenue for the year ended December 31, 2015 mainly consists of revenue derived from our QTAG operations, which was sold in May of 2015.

Cost of Revenue

The following table breaks down our cost of revenue by type:

	Year Ended December 31,			
	2016		2015	
Rental, service and parts	$ 1,084,251	65%	$ 969,518	73%
Equipment sales	585,673	35%	320,863	24%
Other revenue	-	-%	35,428	3%
	$ 1,669,924	100%	$ 1,325,809	100%

Cost of revenue mainly consists the cost of acquiring digester units that are sold, and depreciation, warehousing, installation, maintenance, parts and shipping costs, as well as related salary and employee costs related to rental units. Total costs of revenue increased by $344,115, or 26%, from the year ended December 31, 2015 to the year ended December 31, 2016, primarily due to the change in mix of revenue between equipment sales and rental, service and parts, as well as improved margins, which are discussed below.

Rental, service and parts costs of revenue increased by $114,733, or 12% (as compared to a 34% increase in rental, service and parts revenue) from the year ended December 31, 2015 to the year ended December 31, 2016. Included in the total costs were:

	Year Ended December 31,					
	2016			2015		
Labor related costs	$	156,098	14%	$	311,898	32%
Depreciation		343,628	32%		218,676	23%
Contracted services		217,875	20%		128,877	13%
Parts and maintenance supplies		288,464	27%		275,835	28%
Other		78,186	7%		34,232	4%
	$	1,084,251	100%	$	969,518	100%

Labor related costs decreased by $155,800, or 50%, from the year ended December 31, 2015 to the year ended December 31, 2016 primarily due to reduced staffing and a higher reliance on contracted services. Depreciation increased 57% from the year ended December 31, 2015 to the year ended December 31, 2016, due to a 21% increase in the net cost of equipment leased, as well as due to a change in the estimated economic lives for a pool of digesters, whose leases expire in 2017. Contracted services increased by $88,998, or 69%, from the year ended December 31, 2015 to the year ended December 31, 2016 primarily due to utilization for areas not covered by the Company's in-house staff. Other expenses primarily include costs relating to the BioBrain offering, including costs associated with retrofitting older machines that customers choose to invest in an upgrade on their existing units.

Equipment sales cost of revenue increased by $264,810, or 83%, from the year ended December 31, 2015 to the year ended December 31, 2016 due to an overall 110% increase in equipment sales, combined with changes in mix and sourcing of manufacturing that resulted in improved overall margins.

Gross Profit and Margin

The following table breaks down our gross profit by type:

	Year Ended December 31,					
	2016			2015		
Rental, service and parts	$	286,836	50%	$	53,867	29%
Equipment sales		286,706	50%		94,753	50%
Other revenue		-	-%		39,552	21%
	$	573,542	100%	$	188,172	100%

The following table breaks down our gross margin by type:

	Year Ended December 31,	
	2016	2015
Rental, service and parts	20.9%	5.3%
Equipment sales	32.9%	22.8%
Other revenue	-%	52.8%
Total	25.6%	12.4%

Rental, service and parts gross margin improved from 5% for the year ended December 31, 2015 to 21% for the year ended December 31, 2016. This improvement was the result of changes in demand, including contracted services and improved utilization of fixed costs.

Equipment sales gross margin increased from 23% for the year ended December 31, 2015 to 33% for the year ended December 31, 2016. This increased rate was primarily driven by a change in the mix of models sold and a change in the manufacturing costs of the equipment.

Operating expenses

The following table breaks down our operating expenses by type:

	Year Ended December 31,			
	2016		2015	
Selling, general and administrative	$ 4,222,152	65%	$ 2,902,465	61%
Research and development	899,400	14%	703,255	15%
Professional fees	1,263,183	19%	1,167,829	25%
Gain on sale of QTAG	-	-%	(191,805)	-4%
Goodwill impairment	-	-%	10,482	-%
Depreciation and amortization	113,474	2%	141,592	3%
Total	$ 6,498,209	100%	$ 4,733,818	100%

Selling, general and administrative expenses increased by $1,319,687, or 45%, from the year ended December 31, 2015 to the year ended December 31, 2016. The following table breaks down the major categories of selling, general and administrative expenses:

	Year Ended December 31,			
	2016		2015	
Personnel	$ 3,246,451	77%	$ 1,970,942	68%
Facility and office costs	344,826	8%	312,517	11%
Sales and marketing	226,086	5%	168,275	6%
Other	404,789	10%	450,731	15%
Total	$ 4,222,152	100%	$ 2,902,465	100%

Personnel related expenses increased by $1,275,000, or 65%, from the year ended December 31, 2015 to the year ended December 31, 2016. This increase was driven by adding key personnel to drive the strategic repositioning of the Company and the introduction of employee stock compensation in 2016 that resulted in $516,197 of the total increase. All other expenses increased by $44,178, or 5%, from the year ended December 31, 2015 to the year ended December 31, 2016. This increase was primarily driven by expenses relating to growth in the Company's activities.

Research and development expenses increased by $196,145, or 28%, from the year ended December 31, 2015 to the year ended December 31, 2016, which includes $147,765 of employee stock compensation in 2016 that were introduced in 2016.

Professional fees increased by $95,354, or 8% from the year ended December 31, 2015 to the year ended December 31, 2016. The following table breaks down the major categories of professional fees:

	Year Ended December 31,			
	2016		2015	
Legal	$ 236,572	19%	$ 360,537	31%
Marketing and communications	100,852	8%	325,192	28%
Investment banking	202,412	16%	264,333	22%
Audit and accounting services	294,492	23%	217,767	19%
Other	428,855	34%	-	-%
Total	$ 1,263,183	100%	$ 1,167,829	100%

Professional fees expense increased primarily due to a major strategic consulting services contract that incurred $375,000 in costs offset, in part, by reductions due to not incurring transactional expenses related to the 2015 reverse business combination process.

Other (expense) income

The following table presents our Other (expense) income by type:

	Year Ended December 31,			
	2016		2015	
Interest income	$ -	-%	$ (8,152)	-2%
Interest expense	820,719	100%	465,420	102%
Change in fair value of warrant liability	-	-%	(1,462)	-%
Total	$ 820,719	100%	$ 455,806	100%

Interest expense increased by $355,299 or 76%, from the year ended December 31, 2015 to the year ended December 31, 2016 due to increased average borrowing.

Income tax

Prior to August 6, 2015 the Company's operations were organized as a limited liability company, whereby the Company elected to be taxed as a partnership and the income or loss was required to be reported by each respective member on their separate income tax returns. Therefore, no provision for income taxes has been provided for periods prior to August 6, 2015. For the year ended December 31, 2016 and for the period from August 6, 2015 through December 31, 2015 there was no net provision for income tax due to the losses incurred and management's evaluation of the recovery of the tax asset resulting in net operating loss carry-forward.

Liquidity and Capital Resources

We will require substantial additional financing in order to execute our business expansion and development plans and we may require additional financing in order to sustain substantial future business operations for an extended period of time. We presently have a private placement offering for up to $7,500,000 in unsecured convertible debt, of which $1,250,000 was subscribed for on November 18, 2016, from existing shareholders of the Company. Subsequent to year end, the Company subscribed and closed on an additional $625,000 through March 21, 2017, including $500,000 from the Company's management. Beyond that offering, while the Company is actively soliciting other forms of financing, we currently do not have any firm arrangements for additional financing and we may not be able to obtain financing when required, in the amounts necessary to execute on our plans in full, or on terms which are economically feasible. If we are unable to obtain the necessary capital to pursue our strategic plan, we may have to reduce the planned future growth of our operations.

Cash and Cash Equivalents

As of December 31, 2016 and December 31, 2015, the Company had cash balances of $325,987 and $39,195, respectively.

Borrowings and Debt

The table below presents borrowings, debts and advances as of December 31, 2016, along with their stated maturities. The line of credit, with an outstanding balance of $2,463,736 has an additional $36,264 available under its $2,500,000 facility.

	December 31, 2016	Due in: 2017	2018	2019	Thereafter
Secured line of credit, prime plus 0.5%*	$ 2,463,736	$ 2,463,736	-	-	-
Advances, unsecured, non-interest bearing	1,213,027	1,213,027	-	-	-
Series A convertible notes, 8%	3,310,500	-	3,310,500	-	-
Series B convertible notes, 8%	1,220,634	-	1,220,634	-	-
Series V convertible notes, 8%	425,000	-	425,000	-	-
Promissory note, unsecured, 13%	2,500,000	-	2,500,000	-	-
Promissory note, unsecured, 7.5%	375,000	375,000	-	-	-
Other notes, secured, 1.9 to 4.98%	19,573	8,525	$ 5,410	$ 5,200	$ 438
Total	$ 11,527,470	$ 4,060,288	$ 7,461,544	$ 5,200	$ 438
Related party included above	$ 7,788,027	$ 1,488,027	$ 6,300,000	$ -	$ -

* The line of credit, which does not have any operating financial covenants, is guaranteed by several related parties and is excluded from the related party amount included above, as the guarantee is secondary to the primary borrower.

Cash Flows

Cash Flows from Operating Activities

We used $5,181,400 of cash in operating activities during the year ended December 31, 2016, an increase of $2,010,973 from $3,170,427 of cash used in operating activities during the year ended December 31, 2015. Our net loss during the year ended December 31, 2016 of $6,745,386 was impacted by $457,102 of depreciation and amortization, $674,782 from stock based employee compensation, fees paid in stock and convertible notes amounting to $173,953. Changes in operating assets and liabilities provided $87,736 of cash during the year ended December 31, 2016 as compared to $1,435,022 for the year ended December 31, 2015. Our net loss during the year ended December 31, 2015 of $5,001,452 was impacted by $360,268 of depreciation and amortization, $191,805 from the gain on the sale of our QTAG operations and $175,000 in stock based professional fees.

Cash Flows from Investing Activities

Cash used in investing activities amounted to $8,146 for the year ended December 31, 2016, compared to cash provided by investing activities of $56,698 for the year ended December 31, 2015, a change of $64,844. During the year ended December 31, 2015, we received $75,000 in proceeds from the sale of our QTAG operations.

Cash Flows from Financing Activities

Cash provided by financing activities amounted to $5,425,851 for the year ended December 31, 2016, compared to $3,120,518 for the year ended December 31, 2015, a change of $2,305,333. During the year ended December 31, 2016, we received $4,650,000 of proceeds from the issuance of convertible promissory notes. No convertible notes were issued in 2015.

Liquidity and Capital Reserves

Since inception, the Company has sustained substantial losses. The Company has an accumulated deficit of $21,072,166 at December 31, 2016.

The cash on hand is insufficient for us to continue our operations through December 31, 2016. During January, February and March 2017, the Company issued $625,000, in addition to $1,250,000 issued in November 2016, in unsecured convertible debt as part of a private placement offering for up to $7,500,000 in total unsecured convertible debt to shareholders of the Company. While the Company continues to seek investors under the private placement offering and other financing alternatives, if the Company is unable to obtain debt or equity financing to meet its cash needs, it may have to severely limit, its business plan by reducing the funds it hopes to expend on its business plan.

We do not yet have a sustained history of financial stability. Historically, our principal source of liquidity has been the issuance of debt and equity securities (including to related parties). These factors raise substantial doubt about the Company's ability to continue as a going concern.

There can be no assurance that the plans and actions proposed by management will be successful or that we will generate profitability and positive cash flows in the future. We are exploring a number of options to provide working capital including seeking equity and/or debt financings. We cannot assure you that we will consummate a financing that will enable us to meet our working capital needs. Future efforts to raise additional funds may not be successful or they may not be available on acceptable terms, if at all.

The consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The consolidated financial statements do not include any adjustments relating to the recovery of the recorded assets or the classification of the liabilities that might be necessary should we be unable to continue as a going concern. The ability of the Company to continue as a going concern is dependent on management's plans, which include further implementation of its business plan and continuing to raise capital.

Off Balance Sheet Arrangements

We have not entered into any off-balance sheet arrangements during the year ended December 31, 2016.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Use of Estimates - The preparation of consolidated financial statements, in conformity with GAAP requires the extensive use of management's 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 periods. Actual results could differ from these estimates. Estimates are used when accounting for items and matters including, but not limited to, allowance for uncollectible accounts receivable, obsolete, slow moving and excess inventory, asset valuations, including goodwill and intangibles, and useful lives, employee benefits, taxes and other provisions and contingencies.

Product and Services Revenue Recognition - The Company recognizes revenue for the majority of its products sold upon transfer of title and the passage of the risk of ownership, which is generally upon shipment to the customer. Revenue from services is recognized as services are performed.

The Company recognizes revenue from multiple-element arrangements when (i) persuasive evidence of an arrangement exists, (ii) delivery has occurred, (iii) the fee is fixed or determinable, and (iv) collectability of the sale is reasonably assured. The Company's arrangements do not contain general rights of return.

Lease Revenue Recognition - The Company recognizes revenue from the rental of the digester units ratably on a monthly basis over the term of the lease, as it has determined that the rental agreements entered into in connection with its Eco-Safe Digester units qualify as operating leases, for which the Company is the operating lessor. In order to determine lease classification as operating, the Company evaluates the terms of the rental agreement to determine if the lease includes any of the following provisions which would indicate sales type lease treatment:

- Transfer of ownership of the digester unit,
- Bargain purchase option at the end of the term of the lease,
- Lease term is greater than 75% of the economic life of the digester unit, or
- Present value of minimum lease payments exceed 90% of the fair value of the digester unit at inception of the lease.

In addition, the Company also considers the following:

- Collectability of the minimum lease payments is reasonably predictable, and
- No important uncertainties surround the amount of unreimbursable costs yet to be incurred by the Company under the lease.

Long-Lived Assets - The Company assesses potential impairments to its long-lived assets if events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Indefinite-lived intangible assets are reviewed annually for impairment, or more frequently if events or changes in circumstances indicate that the carrying value may not be recoverable. An impaired asset is written down to its estimated fair value based upon the most recent information available. Estimated fair market value is generally measured by discounting estimated future cash flows.

Financial Instruments, Convertible Instruments, Warrants and Derivatives - The Company reviews its convertible instruments for the existence of embedded conversion features that may require bifurcation. If certain criteria are met, the bifurcated derivative financial instrument is required to be recorded at fair value and adjusted to market at each reporting period end date. The Company also reviews and re-assesses, at each reporting date, any common stock purchase warrants and other freestanding derivative financial instruments and classifies them on the consolidated balance sheet as equity, assets or liabilities based upon the nature of the instruments.

Income Taxes - Deferred income taxes are determined based on the estimated future tax effects of differences between the financial statement and tax bases of assets and liabilities given provisions of enacted laws. Deferred income tax provisions and benefits are based on changes to the asset or liabilities from year to year. In providing for deferred taxes, the Company considers tax regulations of the jurisdictions in which it operates, estimates the future taxable income and available tax planning strategies. If tax regulations, operating results or the ability to implement tax planning and strategies vary, adjustments to the carrying value of deferred tax assets and liabilities may be required. Valuation allowances are recorded related to deferred tax assets based on the “more than likely” criteria.

The Company recognizes the financial statement benefit of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For tax positions meeting the more likely than not threshold, the amount recognized in the financial statements is the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement with the relevant tax authority.

Stock-Based Compensation - The Company accounts for stock-based compensation in accordance with ASC 718, “Compensation - Stock Compensation.” ASC 718 requires generally that all equity awards be accounted for at their “fair value.” This fair value is measured on the grant date for stock-settled awards. Fair value is equal to the underlying value of the stock for “full-value” awards such as restricted stock and performance shares, and is estimated using an option-pricing model with traditional inputs for “appreciation” awards such as stock options and stock appreciation rights.

Costs equal to these fair values are recognized as expense ratably over the requisite service period based on the number of awards that are expected to vest, or in the period of the grant for awards that vest immediately and have no future service condition. For awards that vest over time, cumulative adjustments in later periods are recorded to the extent actual forfeitures differ from the Company's initial estimates; previously recognized compensation cost is reversed if the service or performance conditions are not satisfied and the award is forfeited. The expense resulting from share-based payments is recorded in the accompanying consolidated statements of operations based upon the classification of the underlying employees or service providers with a corresponding increase to additional paid in capital.

Subsequent modifications to outstanding awards result in incremental cost if the fair value is increased as a result of the modification. Thus, a value-for-value stock option repricing or exchange of awards in conjunction with an equity restructuring does not result in additional compensation cost.

Deferred Financing Costs - Deferred financing costs relating to issued debt are included as a reduction to the applicable debt and amortized as interest expense over the term of the related debt instruments.

Foreign Operations - Assets and liabilities denominated in foreign currencies are translated into U.S. dollars at the exchange rates existing at the respective balance sheet dates. Income and expense items are translated at the average rates during the respective periods. Translation adjustments resulting from fluctuations in exchange rates are recorded as a separate component of other comprehensive income (loss) while transaction gains and losses are recorded in net earnings (loss). Deferred taxes are not provided on cumulative foreign currency translation adjustments as the Company presently expects foreign earnings to be permanently reinvested.

Recently Issued Accounting Pronouncements

Statement of Cash Flows **–** In August 2016, the FASB issued Accounting Standards Update No. 2016-15, Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments ("ASU 2016-15"). The update amends the guidance in Accounting Standards Codification 230, Statement of Cash Flows, and clarifies how entities should classify certain cash receipts and cash payments on the statement of cash flows with the objective of reducing the existing diversity in practice related to eight specific cash flow issues. The amendments in this update are effective for annual periods beginning after December 15, 2017, and interim periods within those fiscal years. Early adoption is permitted. The Company does not expect the adoption of ASU 2016-15 to have a material impact on its consolidated financial statements.

Revenue from Contracts with Customers - In April 2016, the FASB issued Accounting Standards Update ("ASU") No. 2016-10, "Revenue from Contracts with Customers - Identifying Performance Obligations and Licensing" (Topic 606). The amendments clarify two aspects of ASU No. 2014-09, "Revenue from Contracts with Customers," by providing (1) guidance for identifying performance obligations and (2) licensing implementation guidance. Public business entities should apply the guidance similar to Update 2014-09 to annual reporting periods beginning after December 15, 2017, including interim periods within that reporting period. Earlier application is permitted only as of annual reporting periods beginning after December 15, 2016, including interim reporting periods within that reporting period. In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") ASU No. 2014-09, "Revenue from Contracts with Customers" (ASU 2014-09). ASU 2014-09 provides guidance for revenue recognition and affects any entity that either enters into contracts with customers to transfer goods or services or enters into contracts for the transfer of nonfinancial assets and supersedes the revenue recognition requirements in Topic 605, "Revenue Recognition," and most industry-specific guidance. The core principle of ASU 2014-09 is the recognition of revenue when a company transfers promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. ASU 2014-09 defines a five-step process to achieve this core principle and, in doing so, companies will need to use more judgment and make more estimates than under the current guidance. These may include identifying performance obligations in the contract, estimating the amount of variable consideration to include in the transaction price and allocating the transaction price to each separate performance obligation. ASU 2014-09, as amended, is effective for fiscal years beginning after December 15, 2017 and interim periods therein, using either of the following transition methods: (i) a full retrospective approach reflecting the application of the standard in each prior reporting period with the option to elect certain practical expedients, or (ii) a retrospective approach with the cumulative effect of initially adopting ASU 2014-09 recognized at the date of adoption (which includes additional footnote disclosures). The Company does not anticipate that the adoption, by means of a retrospective approach with a cumulative effect, if any, will have a material effect on its consolidated financial position or results of operations.

Stock Compensation - In March 2016, FASB issued ASU No. 2016-09, “Compensation - Stock Compensation: Improvements to Employee Share-Based Payment Accounting” (Topic 718). The amendments in this ASU is to significantly reduce the complexity and cost of accounting for excess tax benefits and tax deficiencies related to employee share-based payment transactions, which include restricted stock and stock options. Also, ASU No. 2016-09 requires an entity to run excess tax benefits and deficiencies through its income statement, which in effect eliminates the concept of additional paid-in capital. For public business entities, the amendments in this ASU are effective for financial statements issued for annual periods beginning after December 15, 2016, including interim periods within those annual periods. The Company will evaluate the effects, if any, that adoption of this ASU will have on its consolidated financial position or results of operations.

Leases - In February 2016, the FASB issued new lease accounting guidance (ASU No. 2016-02, Leases). Under the new guidance, at the commencement date, lessees will be required to recognize a lease liability, which is a lessee‘s obligation to make lease payments arising from a lease, measured on a discounted basis; and a right-of use asset, which is an asset that represents the lessee’s right to use, or control the use of, a specified asset for the lease term. The new guidance is not applicable for leases with a term of 12 months or less. Lessor accounting is largely unchanged. Public business entities should apply the amendments in ASU 2016-02 for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. Early application is permitted upon issuance. Lessees (for capital and operating leases) and lessors (for sales-type, direct financing, and operating leases) must apply a modified retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements. The modified retrospective approach would not require any transition accounting for leases that expired before the earliest comparative period presented. Lessees and lessors may not apply a full retrospective transition approach. The Company will evaluate the effects, if any, that adoption of this ASU will have on its consolidated financial position or results of operations.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are a smaller reporting company as defined by 17 C.F.R. 229 (10)(f)(i) and are not required to provide information under this item.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The information required by Item 8 appears after the signature page to this report.

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

(a) Dismissal of Independent Registered Public Accounting Firm

On October 23, 2015, Weinberg & Baer, LLC (“Weinberg”) was dismissed as the Company’s independent registered public accounting firm. The Company’s Board of Directors approved the dismissal of Weinberg.

Weinberg's reports on the Company's financial statements for the years ended December 31, 2014 and 2013, respectively, did not contain any adverse opinion or disclaimer of opinion, nor were they qualified or modified as to uncertainty, audit scope or accounting principles other than going concern.

During the years ended December 31, 2014 and 2013, and through October 23, 2015, there were no disagreements with Weinberg on any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedure, which disagreements, if not resolved to the satisfaction of Weinberg, would have caused it to make reference thereto in connection with its reports on the financial statements for such years. During the years ended December 31, 2014 and 2013, and through October 23, 2015, there were no matters that were either the subject of a disagreement as defined in Item 304(a)(1)(iv) of Regulation S-K or a reportable event as described in Item 304(a)(1)(v) of Regulation S-K.

The Company provided Weinberg with a copy of the foregoing disclosures and requested Weinberg to furnish the Company with a letter addressed to the Securities and Exchange Commission (the "Commission") stating whether or not Weinberg agrees with the disclosures. A copy of Weinberg's letter was filed as Exhibit 16.1 to the Current Report on Form 8-K filed with the Commission on October 23, 2015.

(b) New Independent Registered Public Accounting Firm

On October 26, 2015, the Company's Board of Directors engaged Marcum LLP ("Marcum") as the Company's new independent registered public accounting firm to act as the principal accountant to audit the Company's financial statements. Prior to Marcum's appointment, neither the Company, nor anyone acting on its behalf, consulted with Marcum regarding the application of accounting principles to a specific completed or proposed transaction or the type of audit opinion that might be rendered on the Company's financial statements, and no written report or oral advice was provided that Marcum concluded was an important factor considered by the Company in reaching a decision as to any such accounting, auditing or financial reporting issue.

ITEM 9A. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

Pursuant to Rule 13a-15(b) under the Securities Exchange Act of 1934, as amended ("Exchange Act"), the Company carried out an evaluation, with the participation of the Company's management, including the Company's Chief Executive Officer (the Company's principal executive officer) and Chief Financial Officer (the Company's principal financial and accounting officer), of the effectiveness of the Company's disclosure controls and procedures (as defined under Rule 13a-15(e) under the Exchange Act) as of the end of the period covered by this report. Based upon that evaluation, the Company's Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures are not effective to ensure that information required to be disclosed by the Company in the reports that the Company files or submits under the Exchange Act, is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to the Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Management's Annual Report on Internal Control Over Financial Reporting.

The management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting for the Company. Our internal control system was designed to, in general, provide reasonable assurance to the Company's management and board regarding the preparation and fair presentation of published financial statements, but 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 the policies or procedures may deteriorate.

Our management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2016. The framework used by management in making that assessment was the criteria set forth in the document entitled "Internal Control - Integrated Framework (2013)" issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on that assessment, our management has determined that as of December 31, 2016, the Company's internal control over financial reporting was not effective for the purposes for which it is intended and determined there to be a material weakness.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

Based on their evaluation, our Principal Executive Officer and Principal Financial Officer concluded that our disclosure controls and procedures were not effective as of the end of the period covered by this report to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in our reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our Principal Executive Officer and Principal Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Because of our limited operations we have a small number of employees which prohibits a segregation of duties. As we grow and expand our operations we will engage additional employees and experts as needed. However, there can be no assurance that our operations will expand.

Changes in Internal Controls Over Financial Reporting

There have not been any significant changes in our internal control over financial reporting during the period covered by this report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B Other Information

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS, PROMOTERS AND CORPORATE GOVERNANCE

The following table sets forth the names and ages of our current directors and executive officers, their principal offices and positions and the date each such person became a director or executive officer. Executive officers are elected biannually by our Board of Directors. Each executive officer holds the office until he/she resigns, is removed by the Board or his/her successor is elected and qualified. Directors are elected annually by our stockholders at the annual meeting. Each director holds his/her office until the successor is elected and qualified or his/her earlier resignation or removal.

The following persons are the directors and executive officers of our company:

Name	Age	Position Since	Position
Frank E. Celli	46	July 2008(1)	Chairman and Chief Executive Officer
Robert A. Joyce	57	October 2013(1)	Chief Operating Officer
Brian C. Essman	58	November 2015	Chief Financial Officer
William M. Kratzer	44	October 2013(1)	Chief Technology Officer
James D. Chambers	60	July 2008(1)	Director
Tony Fuller	59	February 2017	Director
Robert A. Graham	57	October 2013(1)	Director
Harriet Hentges	76	August 2015	Director
Douglas M. VanOort	61	August 2015	Director

(1) Executive officers and directors of BioHiTech America prior to the merger and became executive officers and directors of the Company on August 6, 2015.

The Company's executive officers and directors are elected biannually and serve until their term expires.

Frank E. Celli, 46, Chief Executive Officer, Chairman

Mr. Celli has over 25 years of waste industry experience. Mr. Celli joined BioHiTech America in 2008. Prior thereto and until 2007, Mr. Celli was co-founder and Chief Executive Officer of Interstate Waste Services, during which time that company achieved growth of over $150 million in revenue. During his time at Interstate Waste he was responsible for all aspects of the business including collection, recycling, landfills and emerging technologies. After selling his interests in Interstate Waste, Mr. Celli transitioned to BioHiTech. He also serves as a director and officer of Entsorga West Virginia ("EVA"), an entity that BioHiTech has recently executed an agreement to acquire an interest in, that is currently developing one of the first Mechanical Biological Treatment facilities in the United States. Mr. Celli is also the chairman of the board of Apple Valley Waste Services, Inc., an entity also related to EVA. Mr. Celli earned a Bachelors of Science from Pace University's Lubin School of Business in 1992.

Robert A. Joyce, 57, Chief Operating Officer

Mr. Joyce joined BioHiTech in October 2013 as its Chief Operating Officer. Prior thereto and prior to 1998, Mr. Joyce held technical, sales and management roles at Sun Microsystems and Arthur D. Little, Inc., Mr. Joyce served as the Chief Executive Officer of Perfect Order, Inc. a software and services company, from 1998 until it was acquired by Versatile Systems in 2005, for whom Mr. Joyce went on to serve as President.

Brian C. Essman, 58, Chief Financial Officer

Mr. Essman joined BioHiTech in November 2015 as its Chief Financial Officer. Prior thereto, from 1997 through 2014, Mr. Essman held various senior executive management positions with Data Communiqué, Inc. a Havas company where he most recently held the position of Chief Executive Officer. From 2004 to 2007, Mr. Essman was Data Communiqué's Chief Operating Officer / Chief Financial Officer and from 1997 to 2004 was the Chief Financial Officer. Prior thereto, Mr. Essman was the Chief Financial Officer at a Fidelity Investments Private Equity operating company and a Senior Manager and CPA at PricewaterhouseCoopers. Mr. Essman graduated with a BS in Accounting with High Honors from Boston College's School of Management.

William M. Kratzer, 44, Chief Technology Officer

Mr. Kratzer joined the company in October 2013 as its Chief Technology Officer. Mr. Kratzer is a 20-year veteran of the IT field with extensive experience in large-scale web-infrastructure, machine-to-machine computing, and mobile touch devices. From 2001 to 2013, Mr. Kratzer held multiple titles at Versatile Systems, Inc. including Chief Software Architect. From 1999 to 2001 he served as Lead Software Engineer at Everybook, Inc. Prior to Everybook, Inc., and from 1995 to 1999, Mr. Kratzer served as a systems analyst for Tyco Electronics. He holds a Bachelors degree in Computer Science and Engineering from Pennsylvania State University.

James D. Chambers, 60, Director

Mr. Chambers has been involved with BioHiTech since 2008 as an investor, advisor and board member. For the past 15 years, Mr. Chambers has been a private investor and management consultant. Prior thereto and from January 1997 to September 2000, Mr. Chambers served as President of Business Services, Senior Vice President of Marketing and Business Development, and Vice President of Administration of Quest Diagnostics, Inc. Prior thereto and from June 1986 to January 1997, Mr. Chambers served in several executive positions in the US and abroad at Corning Incorporated. Mr. Chambers Earned his BA at Dickinson College in History and Political Science, and his MBA in Finance at Southern Methodist University, as well as a Masters in International Management from the Thunderbird School of International Management. Mr. Chambers has more than 35 years' experience in diverse industries, functions, and geographic locations.

Tony Fuller, 59, Director

On February 6, 2017, Anthony Fuller joined the Board of Directors of BioHiTech. Prior to joining the Board, Mr. Fuller spent nearly thirty years as an executive of Wal-Mart Stores, Inc. ("Walmart") most recently as Senior Vice President where he served until August 2013. For over 20 years, Mr. Fuller led the teams which provided both property management and maintenance for Walmart's global portfolio of properties. During that time, Walmart's portfolio grew from under 1,000 stores in 20 states in the United States, to over 10,000 stores in all fifty states, and 23 countries around the world with capital investment reaching $2 billion per year. Mr. Fuller served as the chairman of the real estate transaction committee and real estate finance committee. Simultaneously therewith and since 2006, Mr. Fuller has been a member of REAP (Real Estate Associate Program), an organization opening opportunities for minorities in commercial real estate and from 2006 to 2014, Mr. Fuller served on its Board. Mr. Fuller has served as a member of the Board of Advisors of Global Healthcare Capital, LLC, a leading healthcare investor and asset manager for opportunities in the US, Europe, Asia and Australia. Mr. Fuller received his BS in Agricultural Economics from Arkansas State University and his JD from the University of Arkansas.

Robert A. Graham, 57, Director

Mr. Graham joined BioHiTech as a Director in October 2013. Simultaneously therewith and from 2010, Mr. Graham has served as Managing Director of the Management Company of Penn Venture Partners, L.P. Mr. Graham has over 25 years of operational and financial executive management experience including extensive experience in the acquisitions and sales of companies. Prior thereto and from 2008 to 2010, Mr. Graham served as President of RG Consulting, a financial and management consulting company. Prior thereto and from 2001 to 2008, Mr. Graham served eight years as President and Chief Executive Officer of Dorland Healthcare Information. He also served as the Executive Vice-President and Chief Financial Officer of Broadreach Consulting from 1998 to 2000 and was Vice President of Finance and Chief Operating Officer of Legal Communications, Ltd. from 1989 to 1998. He started his career in the finance department of Transport International Pool where he held various financial positions, the final of which was as Assistant Controller before he left in 1988. He received his Masters of Business Administration with a concentration in Finance from Saint Joseph's University and a B.A. from LaSalle University.

Harriet Hentges, 76, Director

Ms. Hentges joined BioHiTech as Director in August 2015. She simultaneously serves as the president of Hentges Associates, an advisory firm on sustainability and corporate responsibility. Prior to starting Hentges Associates in 2014, she was a principal in Hentges Kahn & Strauss (HKS) LLC, a consulting practice for food producers, manufactures and grocery retailers aimed at fostering a more sustainable food system. Ms. Hentges has held key posts in strategy development and implementation at Sears Roebuck, Wal-Mart and Ahold USA. At Sears World Trade, she created the Planning and Research capability for the startup company. Ms. Hentges received a doctorate in International Economics from Johns Hopkins University and is an adjunct professor at Georgetown University, teaching a graduate course in corporate responsibility and sustainability.

Douglas M. VanOort, 61, Director

Mr. Van Oort joined the Board of Directors of BioHiTech in August 2015. Simultaneously therewith, and since 2009 Mr. Van Oort has served as the Chairman and Chief Executive Officer of NeoGenomics. From 1982 to 1995, Mr. Van Oort served in various positions at Corning Incorporated an ultimately held the position of Executive Vice President and CFO of Corning Life Sciences, Inc. In 1995, Corning Incorporated spun off Corning Life Sciences, Inc. into two companies, Quest Diagnostics and Covance, Inc. Mr. Van Oort serves as a member of the board of directors of several privately held companies. In addition, since 2000, Mr. Van Oort is the Co-Owner of Vision Ace Hardware, LLC, a retail hardware chain. Mr. Van Oort is a graduate of Bentley University.

Audit Committee

The Audit Committee is comprised of Mr. Graham; its Chairman and financial expert, and Mr. VanOort.

Compensation Committee

The Compensation Committee is comprised of Mr. Chambers; its Chairman, Ms. Hentges and Mr. Celli, with Mr. Celli abstaining on matters that would create a conflict of interest.

Code of Ethics

The Company has adopted a policy statement entitled Code of Ethics that applies to its chief executive officer and senior financial officers and staff. In the event that an amendment to, or a waiver from, a provision of the Code of Ethics is made or granted, the Company intends to post such information on its web site, www.biohitechglobal.com. A copy of the Company's Code of Ethics has been filed as Exhibit 14.1 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2016.

ITEM 11. EXECUTIVE COMPENSATION

The following table sets forth all of the compensation awarded to, earned by or paid to (i) each individual serving as the Company's principal executive officer during the last two completed fiscal years ending December 31, 2016 and 2015; and (ii) each other individual that served as an executive officer of the Company at the conclusion of the fiscal year ended December 31, 2016 and who received in excess of $100,000 in the form of salary and bonus during such fiscal year.

Name and Principal Position	Year	Salary	Bonus	Equity Awards	Option Awards	All Other Compensation	Total
Frank E. Celli[1]	2016	$ 283,333	-	$ 202,500	-	-	$ 485,833
	2015	64,615	-	-	-	$ 138,462	203,077
Robert A. Joyce[1]	2016	262,500	-	202,500		-	465,000
	2015	80,769	-	-	-	173,077	253,846
Brian C. Essman[2]	2016	210,000	-	334,125	-	-	544,125
	2015	35,538	-	-	-	-	35,538
William M. Kratzer[3]	2016	145,833	-	172,125			317,958
	2015	126,923	-	-	-	-	126,923

(1) Appointed August 6, 2015. Each of Mr. Celli and Joyce were executive officers, Chief Executive Officer and Chief Operating Officer, respectively, and owners of BioHiTech prior to the merger. The amounts reflected as other in the table represent guaranteed distributions from BioHiTech America LLC.
(2) Appointed Chief Financial Officer November 2, 2015.
(3) Appointed Chief Technology Officer August 6, 2015.

The following table sets forth for each named executive officer certain information concerning the outstanding equity awards as of December 31,2016.

	Stock Awards			
Name and Principal Position	Number of Shares of Stock That Have Not Vested	Market Value of Shares That Have Not Vested	Equity Incentive Plan Awards: Number of Unearned Shares That Have Not Vested	Equity Incentive Plan Awards: Market Value of Unearned Shares That Have Not Vested
(a)	(g)	(h)	(i)[5]	(j)[6]
Frank E. Celli, Chief Executive Officer[1][4]	-	-	50,000	$ 112,500
Robert A. Joyce, Chief Operating Officer[1][4]	-	-	50,000	112,500
Brian C. Essman, Chief Financial Officer[2][4]	-	-	82,500	185,625
William M. Kratzer, Chief Technology Officer[3][4]	-	-	42,500	95,625

(1) Appointed August 6, 2015. Each of Mr. Celli and Joyce were executive officers, Chief Executive Officer and Chief Operating Officer, respectively, and owners of BioHiTech prior to the merger. The amounts reflected as other in the table represent guaranteed distributions from BioHiTech America LLC.
(2) Appointed Chief Financial Officer November 2, 2015.
(3) Appointed Chief Technology Officer August 6, 2015.
(4) Grant date of restricted stock units is April 15, 2016.
(5) Each of the awards vest 1/3rd on March 1, 2017, 1/3rd on March 1, 2018 and 1/3rd on March 1, 2019, or earlier based upon certain events.
(6) Based on a closing price of $2.25 per share on December 30, 2016.

SUMMARY OF EXECUTIVE COMPENSATION PLANS

Key Employee Incentive Compensation.

The Company has an incentive compensation plan for certain key employees. The incentive compensation plan provides for annual bonus payments based upon achievement of certain corporate objectives as determined by the Company's Board of Directors. During 2016 and 2015, the Company did not pay any bonus pursuant to the incentive compensation plan, however in 2016 awarded stock based compensation to certain employees pursuant to the 2015 Equity Incentive Plan.

2015 Equity Incentive Plan

On August 3, 2015, the Board and a majority of the Company’s shareholders adopted the BioHiTech Global, Inc. 2015 Equity Incentive Plan ("2015 Plan"). The Company has reserved 750,000 shares of common stock for issuance under the terms of the Company’s 2015 Incentive Plan. The 2015 Plan is intended to promote the interests of the Company by attracting and retaining employees, including key employees, consultants, directors, officers and independent contractors (collectively referred to as the “Participants”), and enabling such Participants to participate in the long-term growth and financial success of the Company. Under the 2015 Plan, the Company may grant stock options, which are intended to qualify as “incentive stock options” under Section 422 of the Internal Revenue Code of 1986, as amended (the “Incentive Stock Options”), non-qualified stock options (the “Nonqualified Stock Options”), stock appreciation rights (“SARs”) restricted stock units (“RSUs”) and restricted stock awards (the “Restricted Stock Awards”), which are restricted shares of common stock (the Incentive Stock Options, the Nonqualified Stock Options, the SARs, RSUs and the Restricted Stock Awards are collectively referred to as “Incentive Awards”). Incentive Awards may be granted pursuant to the 2015 Plan for 10 years from the Effective Date.

2017 Executive Equity Incentive Plan

On January 25, 2017 the Board, subject to future shareholder approval, adopted the BioHiTech Global 2017 Executive Equity Incentive Plan (“2017 Plan”) to encourage and enable selected, eligible Directors and Executive Officers of the Company and its Affiliates to acquire or to increase their holdings of Common Stock and other equity-based interests in the Company in order to promote a closer identification of their interests with those of the Company and its shareholders, and to provide flexibility to the Company in its ability to motivate, attract and retain the services of Participants upon whose judgment, interest and special effort the successful conduct of its operation largely depends. These purposes may be carried out through the granting of Awards to selected Participants, including the granting of Options in the form of Incentive Stock Options and/or Nonqualified Options; SARs in the form of Freestanding SARs and/or Related SARs; Restricted Awards in the form of Restricted Stock Awards and/or Restricted Stock Units; and/or Other Stock-Based Awards. The 2017 Plan, if approved by the shareholders, allows for the maximum aggregate number of shares of common stock that may be issued pursuant to awards granted initially shall not exceed 1,000,000 shares.

Compensation Objectives

We believe that the compensation programs for the Company’s NEOs should reflect the Company’s performance and the value created for the Company’s stockholders. In addition, the compensation programs should support the short-term and long-term strategic goals and values of the Company, and should reward individual contributions to the Company’s success. Our compensation plans are consequently designed to link individual rewards with Company’s performance by applying objective, quantitative factors including the Company’s own business performance and general economic factors. We also rely upon subjective, qualitative factors such as technical expertise, leadership and management skills, when structuring executive compensation in a manner consistent with our compensation philosophy.

Determination of Compensation

The Company's executive compensation program for the named executive officers (NEOs) is administered by the Compensation Committee of the Board of Directors. The Committee makes independent decisions about all aspects of NEO compensation, and takes into account compensation data and benchmarks for comparable positions and companies in different applicable geographical areas.

Employment Agreements

Effective October 4, 2013, the Company and Frank E. Celli, its Chief Executive Officer agreed that Mr. Celli would serve as Chief Executive Officer at an annual salary of $200,000, increased to $300,000 effective March 1, 2016, and would be eligible for participation in equity incentive plans, when formed, and a discretionary performance bonus. Mr. Celli will also receive customary benefits including health, life and disability insurance benefits. The agreement was for an initial three-year period that automatically renews for an additional one-year periods.

Effective October 4, 2013, the Company and Robert Joyce, its Chief Operating Officer agreed that Mr. Joyce would serve as Chief Operating Officer at an annual salary of $250,000, increased to $265,000 effective March 1, 2016, would be eligible for participation in equity incentive plans, when formed, and a discretionary performance bonus. Mr. Joyce will also receive customary benefits including health, life and disability insurance benefits. The agreement was for an initial two-year period that automatically renews for an additional one-year periods.

Effective November 2, 2015, the Company and Brian C. Essman, its Chief Financial Officer agreed that Mr. Essman would serve as Chief Financial Officer at an annual salary of $210,000, a grant of 82,500 restricted shares under the BioHiTech Global, Inc. 2015 Equity Incentive Plan and be eligible for a performance bonus up to 35% of base annual salary. Mr. Essman will also receive customary benefits including health, life and disability insurance benefits. The agreement is for an initial two-year period that automatically renews for one-year periods.

Effective October 7, 2013, the Company and William Kratzer, its Chief Technology Officer agreed that Mr. Kratzer would serve as Chief Technology Officer at an annual salary of $125,000, increased to $150,000 effective March 1, 2016, and would be eligible for participation in equity incentive plans, when formed, and a discretionary performance bonus. Mr. Kratzer will also receive customary benefits including health, life and disability insurance benefits. The agreement was for an initial two-year period that automatically renews for an additional one-year periods.

COMPENSATION OF DIRECTORS

At this time, directors receive no cash remuneration for their services as directors of the Company. The Company reimburses directors for expenses incurred in their service to the Board of Directors. In March 2016, each director was granted stock options as presented below.

Compensation of Directors for the Year Ended December 31, 2016

Name	Fees Earned or Paid in Cash	Stock Awards	Option Awards	Non-Equity Incentive Plan Compensation	All Other Compensation	Total
(a)	(b)	(c)	(d)	(e)	(g)	(h)
Frank E. Celli[(1)]	-	-	-	-	-	-
James D. Chambers[(3)]	-	-	$ 26,620	-	-	$ 26,620
Tony Fuller[(2)]	-	-	-	-	-	-
Robert A. Graham[(3)]	-	-	26,620	-	-	26,620
Harriet Hentges[(3)]	-	-	26,620	-	-	26,620
Douglas VanOort[(3)]	-	-	26,620	-	-	26,620

(1) Mr. Celli is also the CEO and receives no compensation as a director.
(2) Mr. Fuller became a director on February 6, 2017.
(3) Each of Director Chambers, Graham, Hentges and VanOort were awarded options for 18,750 shares of common stock at $3.75 per share vesting 1/4th on the date of the grant, March 1, 2016, and 1/4th on each of March 1, 2017, 2018 and 2019.

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

The following table sets forth information relating to the beneficial ownership of the Company's common stock by those persons beneficially holding more than 5% of the Company's common stock, by the Company's directors and executive officers, and by all of the Company's directors and executive officers as a group as of December 31, 2016. In computing the number of shares owned by a person and the percentage ownership of that person in the table below, securities that are currently convertible or exercisable into shares of our common stock, or convertible or exercisable into shares of our common stock within 60 days of the date hereof are deemed outstanding. Such shares, however, are not deemed outstanding for the purposes of computing the percentage ownership of any other person. Except as indicated in the footnotes to the following table, each stockholder named in the table has sole voting and investment power with respect to the shares set forth opposite such stockholder's name.

Shareholder[a]	**Beneficial Ownership**[b]	**Percent of Class**[c]
Frank E. Celli[1]	2,323,286	25.09%
Robert A. Joyce[2]	345,060	4.17%
Brian C. Essman[3]	27,500	0.33%
William Kratzer[4]	14,167	0.17%
Harriet Hentges[5]	9,375	0.11%
Robert A. Graham[6]	809,252	9.82%
James D. Chambers[7]	1,114,273	13.15%
Douglas M. VanOort[8]	900,004	10.85%
Officers and Directors as a Group (8 persons)[9]	4,652,288	48.37%
Other 5% or Greater Shareholders:		
John P. Glauda	974,840	11.85%
Robert Gower	899,595	10.93%
Conundrum Capital Partners LLC[10]	890,629	10.75%
Vincent Paolino[11]	875,613	9.78%
Chun I. Koh[12]	816,941	9.83%
Penn Venture Partners, L.P.	799,877	9.72%

a The address for all officers, directors and beneficial owners is 80 Red Schoolhouse Road, Suite 101, Chestnut Ridge, NY 10977.

b The Series A convertible debt beneficially held by Messrs. Celli, Joyce, Chambers, VanOort, Koh and Conundrum Capital Partners LLC ("CCP") is convertible at the lower of $3.75 per share or several other amounts that are the result of a future event. For purposes of this table, the conversion rate of $3.75 has been utilized, as it is available to the holders as of December 31, 2016. The Series B convertible debt beneficially held by Messrs. Paolino and Chambers is convertible at the lower of $2.75 per share or several other amounts that are the result of a future event. For purposes of this table, the conversion rate of $2.75 has been utilized, as it is available to the holders as of December 31, 2016. Warrants, if any, related to the aforementioned convertible debt have also been assumed exercised for purposes of this table. Options and restricted stock units, to the extent that they are vested or will be vested within 60 days of this table, are also considered exercised.

c Based upon 8,229,712 shares of common stock outstanding as of December 31, 2016, as adjusted for the conversion of debt and the exercise of warrants, options and restricted stock units, if any, for the individual or entity identified.

1 Shares include 506,667 resulting from the conversion of debt, 506,667 resulting from the exercise of warrants and 16,667 vested restricted stock units.

2 Shares include 13,333 resulting from the conversion of debt, 13,333 resulting from the exercise of warrants and 16,667 vested restricted stock units.
3 Shares include 27,500 vested restricted stock units.
4 Shares include 14,167 vested restricted stock units.
5 Shares include 9,375 resulting from the exercise of vested options.
6 Includes 799,877 shares held by Penn Venture Partners, L.P. over which Mr. Graham holds voting and dispositive power. The address for Penn Venture Partners, L.P. is 132 State Street, Harrisburg, Pennsylvania 17101. Shares also include 9,375 resulting from the exercise of vested options.
7 Shares include 32,451 shares held directly, 9,375 resulting from the exercise of vested options, 90,909 shares resulting from the conversion of debt and 90,909 resulting from the exercise of warrants. Shares also include those held by CCP over which Mr. Chambers holds shared voting and dispositive power, which are comprised of 837,296 shares held directly, 26,667 shares resulting from the conversion of debt and 26,666 resulting from the exercise of warrants . The address for CCP is 317 Eatons Landing Drive, Annapolis, Maryland 21401.
8 Includes 837,296 shares held by CCP over which Mr. VanOort holds shared voting and dispositive power. In addition, shares include 26,667 resulting from the conversion of debt and 26,666 resulting from the exercise of warrants by CCP. Shares also include 9,375 resulting from the exercise of vested options.
9 Includes shares and the result of conversions and exercises in notes (1) to (8), less the impact of CCP which is presented as an element of Mr. Chambers' and Mr. VanOort's holdings due to shared voting and dispositive power.
10 Shares include 26,667 resulting from the conversion of debt and 26,666 resulting from the exercise of warrants.
11 Shares include 363,636 shares resulting from the conversion of debt and 363,636 resulting from the exercise of warrants.
12 Shares include 80,000 resulting from the conversion of debt held by Bio Hitech International, Inc. over which Mr. Koh has control.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

BioHitech Realty LLC

BioHiTech currently rents its corporate headquarters, and since 2015, its warehousing space from BioHitech Realty LLC, a company partially owned by Frank E. Celli, our Chief Executive Officer and Chairman, and Michael Franco, a Shareholder. The lease, which expired on October 31, 2014, was replaced by new leases executed in July 2015, which expire in 2020, with a renewal option for an additional five-year period. Rent expense under the leases for the years ended December 31, 2015 and 2014 amounted to $95,430 and $67,225, respectively.

BioHiTech International

The Company has an Exclusive License and Distribution Agreement (the "License Agreement") with BioHiTech International ("BHT-I") (a company owned by Chun-Il Koh, a Company stockholder) Chun-Il Koh, Joyce Taeya Koh and Bong Soon Hwang. The License Agreement, originally executed on May 2, 2007 and as amended most recently on August 30, 2013, provides the Company exclusive rights to sell, lease, use, distribute and manufacture the Eco-Safe Digester products through December 31, 2023 (unless extended by mutual agreement), including:

- The exclusive right and license to sell, lease, license, import, distribute, market, advertise and the Eco-Safe Digester products on a worldwide basis; and
- The exclusive right of first refusal and license to manufacture or to have manufactured all products related to the Eco-Safe Digester, after the existing inventory of BHT-I has been exhausted; and
- The exclusive worldwide right to have made, use, off to sell, sell and import products, systems, methods and accessories covered by BHT-I patents, trademarks and service marks; and
- The exclusive worldwide right and license to have manufactured, sell, lease, license, import, distribute, market, advertise and otherwise promote any future new related technologies developed by BHT-I.

Acquisition of digesters and parts, as well as expenses under the distribution agreement amounted $878,439 and $833,819 for the years ended December 31, 2016 and 2015, respectively.

Other

BioHiTech has also entered into various notes and advances from related parties that are disclosed in the Company's financial statements.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

Audit Fees The aggregate fees for each of the last two years for professional services rendered by the principal accountant for our audits of our annual financial statements and interim reviews of our financial statements included in our fillings with Securities and Exchange Commission on Form 10-K and 10-Qs or services that are normally provided by the accountant in connection with statutory and regulatory filings or engagements for those years were approximately:

December 31, 2016	$	168,354	Marcum, LLP
December 31, 2015	$	155,000	Marcum, LLP
December 31, 2015	$	7,500	Weinberg & Baer, LLC

Audit Related Fees The aggregate fees in each of the last two years for the assurance and related services provided by the principal accountant that are not reasonably related to the performance of the audit or review of the Company's financial statements, and are not reported in paragraph (1) were approximately:

December 31, 2016	$	3,348	Marcum, LLP
December 31, 2015	$	218,000	Marcum, LLP
December 31, 2015	$	-	Weinberg & Baer, LLC

We incurred these fees in connection with registration statements in 2015 and financing transactions in 2016 and 2015.

Tax Fees The aggregate fees in each of the last two years for the professional services rendered by the principal accountant for tax compliance, tax advice and tax planning were approximately:

December 31, 2016	$	-	Marcum, LLP
December 31, 2015	$	-	Marcum, LLP
December 31, 2015	$	-	Weinberg & Baer, LLC

All Other Fees The aggregate fees in each of the last two years for the products and services provided by the principal accountant, other than the services reported in paragraph (1), (2) and (3) were approximately:

December 31, 2016	$	-	Marcum, LLP
December 31, 2015	$	-	Marcum, LLP
December 31, 2015	$	-	Weinberg & Baer, LLC

PART IV

ITEM 15 . EXHIBITS

Number	Description
2.1	Agreement of Merger and Plan of Reorganization between Swift Start Corp., BioHiTech Global, Inc. and Bio Hi Tech America, LLC, dated August 6, 2015 (1)
3.1	Amended and Restated Certificate of Incorporation of BioHiTech Global, Inc. (1)
3.2	By-laws (2)
3.3	Certificate of Formation of Bio Hi Tech America, LLC (1)
3.4	Amended and Restated Operating Agreement of Bio Hi Tech America, LLC (1)
4.1	2015 Equity Incentive Plan (3)
14.1	Code of Ethics
21.1	List of Subsidiaries
31.1	Certification of Chief Executive Officer required by Rule 13a-14(a) or Rule 15d-14(a) under the Securities Exchange Act of 1934, as amended
31.2	Certification of Chief Financial Officer required by Rule 13a-14(a) or Rule 15d-14(a) under the Securities Exchange Act of 1934, as amended
32.1	Certification of Chief Executive Officer required by Rule 13a-14(b) or Rule 15d-14(b) under the Securities Exchange Act of 1934, as amended, and 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Chief Financial Officer required by Rule 13a-14(b) or Rule 15d-14(b) under the Securities Exchange Act of 1934, as amended, and 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 Schema Document.
101.CAL	XBRL Calculation Linkbase Document.
101.DEF	XBRL Definition Linkbase Document.
101.LAB	XBRL Label Linkbase Document.
101.PRE	XBRL Presentation Linkbase Document.

(1) Previously filed on the Current Report on Form 8-K filed on August 11, 2015.
(2) Previously filed as Exhibit 3.2 of the Registration Statement on Form S-1 filed on November 7, 2013.
(3) Previously filed as Exhibit 4.1 on the Annual Report on Form 10-K filed on March 29, 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.

Dated: March 29, 2017

BIOHITECH GLOBAL, INC.

By: /s/ *Frank E. Celli*
Name: Frank E. Celli
Title: Chairman Chief Executive Officer
(Principal Executive Officer)

By: /s/ *Brian C. Essman*
Name: Brian C. Essman
Title: Chief Financial Officer and Treasurer
(Principal Financial Officer)

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

March 29, 2017

/s/ Frank E. Celli
Name: Frank E. Celli
Title: Chairman, Chief Executive Officer
(Principal Executive Officer)

March 29, 2017

/s/ Brian C. Essman
Name: Brian C. Essman
Title: Chief Financial Officer and Treasurer
(Principal Financial Officer)

March 29, 2017

/s/ James D. Chambers
Name: James D. Chambers
Title: Director

March 29, 2017

/s/ Anthony Fuller
Name: Anthony Fuller
Title: Director

March 29, 2017

/s/ Robert A. Graham
Name: Robert A. Graham
Title: Director

March 29, 2017

/s/ Harriet Hentges
Name: Harriet Hentges
Title: Director

March 29, 2017

/s/ Douglas M. VanOort
Name: Douglas M. VanOort
Title: Director

BioHiTech Global, Inc. and Subsidiaries

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BioHiTech Global, Inc. and Subsidiaries
Consolidated Statements of Operations and Comprehensive Loss

	Year Ended December 31, 2016	Year Ended December 31, 2015
Revenue		
Rental, service and parts	$ 1,371,087	$ 1,023,385
Equipment sales	872,379	415,616
Other	-	74,980
Total revenue	**2,243,466**	**1,513,981**
Cost of revenue		
Rental, service and parts	1,084,251	969,518
Equipment sales	585,673	320,863
Other	-	35,428
Total Cost of revenue	**1,669,924**	**1,325,809**
Gross profit	**573,542**	**188,172**
Operating expenses		
Selling, general and administrative	4,222,152	2,902,465
Research and development	899,400	703,255
Professional fees	1,263,183	1,167,829
Gain on sale of QTags	-	(191,805)
Goodwill impairment	-	10,482
Depreciation and amortization	113,474	141,592
Total operating expenses	**6,498,209**	**4,733,818**
Loss from operations	**(5,924,667)**	**(4,545,646)**
Other expense (income)		
Interest income	-	(8,152)
Interest expense	820,719	465,420
Change in fair value of warrant liability	-	(1,462)
Total other expense	**820,719**	**455,806**
Net loss	**(6,745,386)**	**(5,001,452)**
Other comprehensive income (loss)		
Foreign currency translation adjustment	16,720	(7,801)
Comprehensive loss	**$ (6,728,666)**	**$ (5,009,253)**
Net loss per share - basic and diluted	$ (0.82)	$ (0.68)
Weighted average number of common shares outstanding - basic and diluted	8,229,712	7,316,250

See accompanying notes to consolidated financial statements.

BioHiTech Global, Inc. and Subsidiaries
Consolidated Balance Sheets

	December 31, 2016	December 31, 2015
Assets		
Current Assets		
Cash	$ 325,987	$ 39,195
Accounts and note receivable, net	140,130	316,299
Inventory	706,017	274,304
Prepaid expenses and other current assets	21,865	67,136
Total Current Assets	**1,193,999**	**696,934**
Equipment on operating leases, net	1,023,404	844,494
Equipment, fixtures and vehicles, net	54,356	61,688
Intangible assets, net	267,042	365,038
Other assets	13,500	51,600
Total Assets	**$ 2,552,301**	**$ 2,019,754**
Liabilities and Stockholders' Deficit		
Current Liabilities:		
Line of credit	$ 2,463,736	$ 2,488,753
Accounts payable	1,197,277	1,222,167
Accrued interest payable	411,917	287,888
Accrued expenses	522,727	548,522
Deferred revenue	61,879	48,103
Notes payable	100,000	100,000
Notes payable - related party	275,000	300,000
Advance from related party	1,213,027	710,000
Customer deposits	36,131	29,657
Long-term debt, current portion	8,525	8,260
Total Current Liabilities	**6,290,219**	**5,743,350**
Promissory note - related party	2,500,000	1,710,000
Long term accrued interest	253,000	-
Unsecured subordinated convertible notes, including related parties of $3,800,000, net of deferred financing costs of $118,866	4,956,134	-
Long-term debt, net of current portion	11,048	19,573
Total Liabilities	**14,010,401**	**7,472,923**
Commitments and Contingencies		
Stockholders' Deficit		
Preferred stock, $0.0001 par value; 10,000,000 shares authorized; none issued	-	-
Common stock, $0.0001 par value, 20,000,000 shares authorized; 8,229,712 shares issued and outstanding as of December 31, 2016 and 2015	823	823
Additional paid in capital	9,604,324	8,880,589
Accumulated deficit	(21,072,166)	(14,326,780)
Accumulated other comprehensive gain (loss)	8,919	(7,801)
Total Stockholders' Deficit	**(11,458,100)**	**(5,453,169)**
Total Liabilities and Stockholders' Deficit	**$ 2,552,301**	**$ 2,019,754**

See accompanying notes to consolidated financial statements.

BioHiTech Global, Inc. and Subsidiaries
Consolidated Statements of Cash Flows

	Year Ended December 31,	
	2016	**2015**
Cash flows from operating activities:		
Net loss:	$ (6,745,386)	$ (5,001,452)
Adjustments to reconcile net loss to net cash used in operations:		
Depreciation and amortization	457,102	360,268
Provision for bad debts	93,406	39,247
Stock based employee compensation	674,782	-
Fees paid in stock	48,953	175,000
Fees paid in convertible notes	125,000	-
Interest resulting from amortization of financing costs	77,007	-
Gain on sale of QTags	-	(191,805)
Impairment expense	-	10,482
Website write-down	-	4,273
Change in fair value of warrant liability	-	(1,462)
Changes in operating assets and liabilities	87,736	1,435,022
Net cash used in operations	**(5,181,400)**	**(3,170,427)**
Cash flow from investing activities:		
Proceeds from sale of QTags	-	75,000
Cash acquired from Swift Start	-	18
Purchases of equipment, fixtures and vehicles	(8,146)	(18,320)
Net cash (used in) provided by investing activities	**(8,146)**	**56,698**
Cash flows from financing activities:		
Net change in line of credit	(25,017)	33,040
Proceeds from promissory notes	-	700,000
Proceeds from convertible notes	1,150,000	-
Convertible notes deferred financing costs	(195,873)	-
Proceeds from long-term debt	-	25,080
Repayments of long-term debt	(8,259)	(7,602)
Related party:		
Net increases of advances	503,027	1,165,000
Proceeds from promissory notes	701,973	1,205,000
Repayments of promissory notes	(200,000)	-
Proceeds from convertible notes	3,500,000	-
Net cash provided by financing activities	**5,425,851**	**3,120,518**
Effect of exchange rate on cash	50,487	(7,801)
Net change in cash	**286,792**	**(1,012)**
Cash - beginning of period	39,195	40,207
Cash - end of period	**$ 325,987**	**$ 39,195**

Note 18 includes supplemental cash flow information, non-cash investing and financing activities and changes in operating assets and liabilities.

See accompanying notes to consolidated financial statements.

BioHiTech Global, Inc. and Subsidiaries

Consolidated Statements of Stockholders' Deficit

	Common Stock		Additional Paid in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total
	Shares	Amount				
Balance at January 1, 2015	**6,975,000**	**$ 698**	**$ 6,176,865**		**$ (9,325,328)**	**$ (3,147,765)**
Issuance of warrants in connection with investment advisory agreement	-	-	139,359			139,359
Reverse business combination with Swift Start	525,000	52	10,448			10,500
Conversion of promissory notes	442,735	44	1,549,528			1,549,572
Conversion of senior promissory notes	236,977	24	829,394			829,418
Share-based professional services compensation	50,000	5	174,995			175,000
Foreign currency translation adjustment				$ (7,801)		(7,801)
Net loss					(5,001,452)	(5,001,452)
Balance at December 31, 2015	**8,229,712**	**823**	**8,880,589**	**(7,801)**	**(14,326,780)**	**(5,453,169)**
Share-based employee and director compensation	-	-	674,782			674,782
Share-based professional services compensation	-	-	48,953			48,953
Foreign currency translation adjustment				16,720		16,720
Net loss					(6,745,386)	(6,745,386)
Balance at December 31, 2016	**8,229,712**	**$ 823**	**$ 9,604,324**	**$ 8,919**	**$ (21,072,166)**	**$ (11,458,100)**

See accompanying notes to consolidated financial statements.

Note 1. Basis of Presentation and Going Concern

Nature of Operations -BioHiTech Global, Inc. (the "Company" or "BioHiTech") through its wholly-owned subsidiaries, BioHiTech America, LLC, BioHiTech Europe Limited and E.N.A. Renewables LLC (formerly Entsorga North America, LLC), (collectively "subsidiaries") offers its customers cost-effective and technologically innovative advancements integrating technological, biological and mechanical engineering solutions for the control, reduction and / or reuse of organic and municipal waste.

Basis of Presentation - The accompanying consolidated financial statements include the accounts of the Company and its subsidiaries and have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"). All intercompany transactions have been eliminated in consolidation. Under ASC 280, Segment Reporting, the Company reports as a single segment company.

On January 20, 2016 the Company formed a wholly owned subsidiary, Entsorga North America, LLC ("ENA"). On February 29, 2016, through an amended limited liability agreement, ENA became a 31% equity owner of Apple Valley Waste Conversions, LLC ("AVWC"); an entity that has not previously had any business activities, which is also 20.9% owned by the Chief Executive Officer of the Company, resulting in a combined 51.9% controlling interest by the Company. Additionally, effective March 1, 2016, Entsorgafin, S.p.A., an Italian company with intellectual property rights related to large scale mechanical biological treatment ("MBT") of municipal or regional waste, granted rights to the MBT intellectual property to AVWC for distribution throughout 11 north and mid-Atlantic eastern states. Entsorgafin S.p.A. through a subsidiary, owns 6.2% of AVWC.

The accounts of business acquisitions are included in the consolidated financial statements from the dates of acquisition.

Reclassifications to certain prior period amounts have been made to conform to current period presentation. These reclassifications have no effect on previously reported net loss.

Going Concern - For the year ended December 31, 2016, the Company had a net loss of $6,745,386, incurred a consolidated loss from operations of $5,924,667 and used net cash in consolidated operating activities of $5,181,400. At December 31, 2016, consolidated stockholders' deficit amounted to $11,458,100 and the Company had a consolidated working capital deficit of $5,096,220. The Company does not yet have a history of financial stability. Historically the principal source of liquidity has been the issuance of debt and equity securities. These factors raise substantial doubt about the Company's ability to continue as a going concern.

The accompanying consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. These consolidated financial statements do not include any adjustments relating to the recovery of the recorded assets or the classification of the liabilities that might be necessary should the Company be unable to continue as a going concern. The ability of the Company to continue as a going concern is dependent on management's further implementation of the Company's on-going and strategic plans, which include continuing to raise funds through debt and/or equity raises. Should the Company be unable to raise adequate funds, certain aspects of the on-going and strategic plans may require modification.

The Company is presently in the process of raising additional non-registered convertible debt and capital for general operations, as well as for investment in several strategic initiatives. There is no assurance that the Company will be able to raise sufficient debt or capital to sustain operations or to pursue other strategic initiatives.

Note 2. Summary of Significant Accounting Policies

Use of Estimates — The preparation of consolidated financial statements, in conformity with GAAP requires the extensive use of management's 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 periods. Actual results could differ from these estimates. Estimates are used when accounting for items and matters including, but not limited to, allowance for uncollectible accounts receivable, obsolete, slow moving and excess inventory, asset valuations, including goodwill and intangibles, and useful lives, employee benefits, taxes and other provisions and contingencies.

Foreign Operations — Assets and liabilities denominated in foreign currencies are translated into U.S. dollars at the exchange rates existing at the respective balance sheet dates. Income and expense items are translated at the average rates during the respective periods. Translation adjustments resulting from fluctuations in exchange rates are recorded as a separate component of other comprehensive income (loss) while transaction gains and losses are recorded in net earnings (loss). Deferred taxes are not provided on cumulative foreign currency translation adjustments as the Company presently expects foreign earnings to be permanently reinvested.

The Company pays Value Added Tax ("VAT") or similar taxes ("input VAT") within the normal course of its business in in the United Kingdom on merchandise and/or services it acquires. The Company also collects VAT or similar taxes on behalf of the government ("output VAT") for merchandise and/or services it sells. If the output VAT exceeds the input VAT, then the difference is remitted to the government, usually on a monthly basis. If the input VAT exceeds the output VAT, this creates a VAT receivable. The Company either requests a refund of this VAT receivable or applies the balance to expected future VAT payables.

Product and Services Revenue Recognition — The Company recognizes revenue for the majority of its products sold upon transfer of title and the passage of the risk of ownership, which is generally upon shipment to the customer. Revenue from services is recognized as services are performed.

The Company recognizes revenue from multiple-element arrangements when (i) persuasive evidence of an arrangement exists, (ii) delivery has occurred, (iii) the fee is fixed or determinable, and (iv) collectability of the sale is reasonably assured. The Company's arrangements do not contain general rights of return.

Deferred revenue represents amounts billed to customers or payments received from customers prior to providing services and for which the related revenue recognition criteria have not been met.

The Company records taxes collected from customers and remitted to governmental authorities on a net basis.

Lease Revenue Recognition — The Company recognizes revenue from the rental of the digester units ratably on a monthly basis over the term of the lease, as it has determined that the rental agreements entered into in connection with its Eco Safe Digester units qualify as operating leases, for which the Company is the operating lessor. In order to determine lease classification as operating, the Company evaluates the terms of the rental agreement to determine if the lease includes any of the following provisions which would indicate sales type lease treatment:

- Transfer of ownership of the digester unit,
- Bargain purchase option at the end of the term of the lease,
- Lease term is greater than 75% of the economic life of the digester unit, or
- Present value of minimum lease payments exceed 90% of the fair value of the digester unit at inception of the lease.

In addition, the Company also considers the following:

- Collectability of the minimum lease payments is reasonably predictable, and
- No important uncertainties surround the amount of unreimbursable costs yet to be incurred by the Company under the lease.

Accounts and Notes Receivable, net **—** Receivables and notes are stated net of allowances for doubtful accounts and primarily include trade receivables, notes receivable and miscellaneous receivables. Specific customer provisions are made when a review of significant outstanding amounts, utilizing information about customer creditworthiness and current economic trends, indicates that collection is doubtful. In addition, provisions are made at differing rates, based upon the age of the receivable and the Company's historical collection experience.

Inventory **—** Inventory include parts, assemblies and finished equipment, which are stated at the lower of cost, based on the First-In, First-Out (FIFO) or specific identification methods or market, net of excess and slow moving reserves. Provisions for excess and obsolete inventories are made at differing rates, utilizing historical data and current economic trends, based upon the age and type of the inventory.

Equipment, Fixtures and Vehicles, Including Equipment Leased to Others **—** Equipment, fixtures and vehicles, including equipment leased to others, is stated at cost less accumulated depreciation and amortization. Depreciation is provided using the straight-line method over the estimated useful lives of the related assets, as follows:

	Years
Equipment leased to others	5 - 7
Computer software and hardware	3 - 5
Vehicles	5
Furniture and fixtures	7 - 15

Long-Lived Assets **—** The Company assesses potential impairments to its long-lived assets if events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Indefinite-lived intangible assets are reviewed annually for impairment, or more frequently if events or changes in circumstances indicate that the carrying value may not be recoverable. An impaired asset is written down to its estimated fair value based upon the most recent information available. Estimated fair market value is generally measured by discounting estimated future cash flows.

Goodwill **—** Goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that it is more likely than not that the fair value of a reporting unit is below its carrying value. The Company may perform a qualitative and quantitative assessments to determine if it is more likely than not that the fair value is less than its carrying amount..

In performing qualitative analysis, the Company considers various factors, including the excess of prior year estimates of fair value compared to carrying value, the effect of market or industry changes and the actual results compared to projected results. Based on this qualitative analysis, if management determines that it is more likely than not that the fair value of the reporting unit is greater than its carrying value, no further impairment testing is performed. In performing quantitative analysis, the Company considers comparable market valuations and expected future discounted cash flows to be generated. If the carrying value exceeds the fair value, the Company performs an additional fair value measurement calculation to determine the impairment loss, which is charged to operations in the period identified.

Amortization **—** Certain costs to acquire and develop computer software are capitalized and amortized over their estimated useful life using the straight-line method, up to a maximum of five years. Other intangible assets, except for those intangible assets with indefinite lives, are recognized separately from goodwill and are amortized over their estimated useful lives.

Shipping Costs **—** Shipping and handling charges are recorded gross in both the revenue and in cost of revenue and amounted to $45,973 and $35,341 for the years ended December 31, 2016 and 2015, respectively.

Advertising **—** The Company expenses advertising costs as incurred. Advertising expense amounted to $61,489 and $22,218 for the years ended December 31, 2016 and 2015, respectively.

***Research and Development* —** All research and development costs incurred by the Company are expensed as incurred.

Fair Value Measurements — Certain assets and liabilities are required to be recorded at fair value on a recurring basis. Fair value is determined based on the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants. Assets measured at fair value on a nonrecurring basis include long-lived assets held and used, long-lived assets held for sale, goodwill and other intangible assets. The fair value of cash and cash equivalents, accounts receivable, short-term debt and accounts payable approximate their carrying values. The three-tier value hierarchy, which prioritizes valuation methodologies based on the reliability of the inputs, is:

Level 1 — Valuations based on quoted prices for identical assets and liabilities in active markets.
Level 2 — Valuations based on observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.
Level 3 — Valuations based on unobservable inputs reflecting the Company's own assumptions, consistent with reasonably available assumptions made by other market participants.

The Company had no financial instruments measured at fair value on a recurring basis as of December 31, 2016 and 2015. During 2015, a warrant was issued with a fair value of $139,359 on the date of the issuance and the fair value was reclassified to additional paid in capital.

A goodwill impairment amount of $10,482 is included in operating expenses in the consolidated statement of operations and comprehensive loss for the year ended December 31, 2015. This level 3 measurement was based on unobservable inputs (which reflect the Company's internal market assumptions) that are supported by little or no market activity and are significant to the fair value measurement.

Deferred Financing Costs - Deferred financing costs relating to issued debt are included as a reduction to the applicable debt and amortized as interest expense over the term of the related debt instruments.

Financial Instruments, Convertible Instruments, Warrants and Derivatives - The Company reviews its convertible instruments for the existence of embedded conversion features that may require bifurcation. If certain criteria are met, the bifurcated derivative financial instrument is required to be recorded at fair value and adjusted to market at each reporting period end date. The Company also reviews and re-assesses, at each reporting date, any common stock purchase warrants and other freestanding derivative financial instruments and classifies them on the consolidated balance sheet as equity, assets or liabilities based upon the nature of the instruments.

Comprehensive Income (Loss) - Comprehensive income (loss) for the Company consists of net earnings (loss) and foreign currency translation.

Income Taxes - Deferred income taxes are determined based on the estimated future tax effects of differences between the financial statement and tax bases of assets and liabilities given provisions of enacted laws. Deferred income tax provisions and benefits are based on changes to the asset or liabilities from year to year. In providing for deferred taxes, the Company considers tax regulations of the jurisdictions in which it operates, estimates the future taxable income and available tax planning strategies. If tax regulations, operating results or the ability to implement tax planning and strategies vary, adjustments to the carrying value of deferred tax assets and liabilities may be required. Valuation allowances are recorded related to deferred tax assets based on the "more than likely" criteria.

The Company recognizes the financial statement benefit of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For tax positions meeting the more likely than not threshold, the amount recognized in the financial statements is the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement with the relevant tax authority.

As a result of the Swift Start Reverse Merger (Note 3), the Company's results of operations are taxed as a C Corporation. Prior to the merger, the Company's operations were taxed as a limited liability company, whereby the Company elected to be taxed as a partnership and income or loss was required to be reported by each respective member on their separate income tax returns. Therefore, no provision for income taxes has been provided in the accompanying financial statements for periods prior to August 6, 2015.

Stock-Based Compensation - The Company accounts for stock-based compensation in accordance with ASC 718, "Compensation - Stock Compensation." ASC 718 requires generally that all equity awards be accounted for at their "fair value." This fair value is measured on the grant date for stock-settled awards. Fair value is equal to the underlying value of the stock for "full-value" awards such as restricted stock and performance shares, and is estimated using an option-pricing model with traditional inputs for "appreciation" awards such as stock options and stock appreciation rights.

Costs equal to these fair values are recognized as expense ratably over the requisite service period based on the number of awards that are expected to vest, or in the period of the grant for awards that vest immediately and have no future service condition. For awards that vest over time, cumulative adjustments in later periods are recorded to the extent actual forfeitures differ from the Company's initial estimates; previously recognized compensation cost is reversed if the service or performance conditions are not satisfied and the award is forfeited. The expense resulting from share-based payments is recorded in the accompanying consolidated statements of operations based upon the classification of the underlying employees or service providers with a corresponding increase to additional paid in capital.

Subsequent modifications to outstanding awards result in incremental cost if the fair value is increased as a result of the modification. Thus, a value-for-value stock option repricing or exchange of awards in conjunction with an equity restructuring does not result in additional compensation cost.

Loss per Share **–** The Company computes basic loss per share using the weighted-average number of shares of common stock outstanding and diluted loss per share, while the diluted loss per share also includes the effects of dilutive instruments using the "treasury method."

The Company's potential dilutive instruments include options, convertible debt and warrants. These instruments have not been considered in the calculation of diluted loss per share as they are anti-dilutive for the reported periods.

Note 3. Acquisitions and Disposals

Swift Start Reverse Merger - On August 6, 2015, the Company (formerly known as Swift Start Corp.) executed an Agreement of Merger and Plan of Reorganization with BioHiTech America, LLC ("BHTA") and BioHiTech Global, Inc., a wholly-owned subsidiary of the Company ("Acquisition"), pursuant to which Acquisition merged with and into BHTA in a reverse merger (the "Merger"), with BHTA surviving as a wholly-owned subsidiary of the Company. As consideration for the Merger, the Company issued the interest holders of BHTA an aggregate of 6,975,000 shares of its common stock, par value $0.0001 per share (the "Common Stock"), in accordance with their pro rata ownership of BHTA's membership interests. In connection with the Merger, the Company's interest holders retired and canceled an aggregate of 8,515,000 shares of its common stock. Following the consummation of the Merger, the issuance of the 6,975,000 shares of common stock to BHTA's interest holders and the retirement of the 8,515,000 shares of common stock, the Company had 7,500,000 shares of common stock issued and outstanding, with the former BHTA interest holders beneficially owning approximately 93% of such issued and outstanding shares of common stock. The Company also amended its Certificate of Incorporation to (i) change its name to BioHiTech Global, Inc. and (ii) to amend the number of its authorized shares of capital stock from 200,000,000 to 30,000,000 shares, of which 20,000,000 shares were designated common stock, par value $0.0001 per share and 10,000,000 shares were designated "blank check" preferred stock, par value $0.0001 per share.

The Merger was accounted for as a reverse business combination. Under this method of accounting, the Company was treated as the acquiring company for financial reporting purposes. The net liabilities of Swift Start are stated at fair value, while the assets and liabilities of the Company are recognized at their historical basis. Pursuant to the reverse business combination, the Company has restated its consolidated statements of stockholders' deficiency on a recapitalization basis, so that all accounts are now presented as if the reverse business combination had occurred at the beginning of the earliest period presented. The operating results for Swift Start are included in the consolidated financial statements from the effective date of the reverse business combination of August 6, 2015 and do not have a material impact on the financial statements. The $10,500 of net assets and fair value of Swift Start were immaterial as of the merger and in addition to recognizing $18 of cash acquired, $10,482 was initially recognized as goodwill based upon historical stock acquisition prices of Swift Start. As part of management's evaluation of goodwill as of December 31, 2015, it was determined that the goodwill did not have a continuing value to the Company and it was written off as an impairment charge. Supplemental pro forma information has not been presented because the effect of the acquisition was deminimus to the Company's consolidated financial results.

Sale of QTags Operations - On May 29, 2015, the Company consummated the sale of its QTags operations to CBI Mobile (Bahamas) Ltd. ("CBI Mobile") for an aggregate sales price of $290,000 plus certain accounts receivable, less certain deferred revenue. CBI Mobile also acquired the developed technology, customer and client contracts and customer lists associated with QTags. CBI Mobile paid the Company $75,000 cash at closing and the balance of $215,000 in the form of a promissory note ("Secured Promissory Note"). The Secured Promissory Note originally bore interest at 9.5% per annum and had a maturity of May 29, 2016. CBI Mobile defaulted on the Secured Promissory Note and subsequently entered into a forbearance agreement extending the maturity date to November 29, 2016, increasing the interest rate to 15%, and requiring monthly principal repayments. As of December 31, 2016, CBI Mobile was in default of the forbearance agreement. As of December 31, 2016 and 2015, the balance outstanding on the Secured Promissory Note, which amounted to $52,043 and $110,011, respectively, has been included as a component of Accounts and Note Receivable and has been considered by the Company in establishing its allowance for doubtful accounts.

Note 4. Accounts and Note Receivable, net

Accounts and note receivable consists of the following:

	December 31,	
	2016	**2015**
Accounts receivable	$ 206,219	$ 271,862
Note receivable (Note 3)	52,043	110,011
Less: allowance for doubtful accounts and note receivable	(118,132)	(65,574)
	$ 140,130	$ 316,299

Allowance for doubtful accounts activities are as follows:

	Year Ended December 31,	
	2016	**2015**
Balance at beginning of year	$ 65,574	$ 72,179
Provision for doubtful accounts	93,406	39,247
Amounts written off	(40,848)	(45,852)
Balance at end of year	$ 118,132	$ 65,574

Note 5. Inventory
Inventory, comprised of finished goods and parts or assemblies, consist of the following:

	December 31, 2016	December 31, 2015
Equipment	$ 191,240	$ 194,791
Parts and assemblies	514,777	79,513
	$ 706,017	$ 274,304

Note 6. Equipment on Operating Leases, net
Equipment on operating leases consist of the following:

	December 31, 2016	December 31, 2015
Leased equipment	$ 1,870,569	$ 1,601,005
Less: accumulated depreciation	(847,165)	(756,511)
	$ 1,023,404	$ 844,494

During the years ended December 31, 2016 and 2015, depreciation expense included in cost of revenue, amounted to $343,628 and $218,676, respectively.

The Company is a lessor of Eco Safe digester units under non-cancellable operating lease agreements expiring through December 2021. During the years ended December 31, 2016 and 2015, revenue under the agreements, which is included in rental, service and parts revenue, amounted to $697,965 and $504,950, respectively.

The minimum future estimated contractual payments to be received under these leases as of December 31, 2016 is as follows:

Year Ending December 31,	
2017	$ 693,361
2018	557,107
2019	391,611
2020	243,483
2021 and thereafter	77,362
Total minimum lease income	$ 1,962,924

Note 7. Equipment, Fixtures and Vehicles, net
Equipment, fixtures and vehicles consist of the following:

	December 31, 2016	December 31, 2015
Computer software and hardware	$ 93,543	$ 85,397
Furniture and fixtures	48,196	48,196
Vehicles	69,253	69,253
	210,992	202,846
Less: accumulated depreciation and amortization	(156,636)	(141,158)
	$ 54,356	$ 61,688

During the years ended December 31, 2016 and 2015, depreciation expense amounted to $15,478 and $24,290, respectively.

Note 8. Intangibles Assets, net

Intangible assets consist of the following:

	Useful Lives (Years)	Remaining Weighted Average Life (Years)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
December 31, 2016:					
Distribution agreements	10	2.8	$ 902,000	$ (637,667)	$ 264,333
Website	3	0.3	23,388	(20,679)	2,709
Intangible assets, net			$ 925,388	$ (658,346)	$ 267,042
December 31, 2015:					
Distribution agreements	10	3.8	$ 902,000	$ (547,467)	$ 354,533
Website	3	1.3	23,388	(12,883)	10,505
Intangible assets, net			$ 925,388	$ (560,350)	$ 365,038

During the years ended December 31, 2016 and 2015, amortization expense, included in depreciation and amortization of operating expenses, amounted to $97,996 and $117,302, respectively.

At December 31, 2016, future annual estimated amortization expense is summarized as follows:

Year Ending December 31,	
2017	92,909
2018	90,200
2019	43,533
2020	20,200
2021	20,200
Total	$ 267,042

Note 9. Risk Concentrations

The Company operates as a single segment on a worldwide basis though its subsidiaries, resellers and independent sales agents. Gross revenues and net non-current tangible assets on a domestic and international basis is as follows:

	United States	International	Total
2016:			
Revenue, for the year ended December 31, 2016	$ 1,681,490	$ 561,976	$ 2,243,466
Non-current tangible assets, as of December 31, 2016	1,019,664	71,596	1,091,260
2015:			
Revenue, for the year ended December 31,2015	$ 1,398,640	$ 115,341	$ 1,513,981
Non-current tangible assets, as of December 31, 2015	940,336	17,446	957,782

Credit risk - Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash and accounts receivable.

The Company minimizes credit risk associated with cash by periodically evaluating the credit quality of its primary financial institutions. At times, the Company's cash may be uninsured or in deposit accounts that exceed the Federal Deposit Insurance Corporation ("FDIC") in the USA and the Financial Conduct Authority ("FCA") in the UK insurance limits. During the years ended December 31, 2016 and 2015, the Company had not experienced losses on these accounts and management believes the Company is not exposed to significant risks on such accounts.

Major customers - During the year ended December 31, 2016, no customers represented at least 10% of revenues. During the year ended December 31, 2015, two customers accounted for at least 10% of revenues, each accounting for 13% of revenues.

As of December 31, 2016 two customers represented at least 10% of accounts receivable, accounting for 22% and 10% of accounts receivable. As of December 31, 2015 four customers represented at least 10% of accounts receivable, accounting for 17%, 15%, 11% and 10% of accounts receivable.

Vendor concentration - During the year ended December 31, 2016, two vendors represented at least 10% of costs of revenue, each accounting for 32% (BioHiTech International, a 10% shareholder and another 1.9% shareholder) of the combined cost of revenues and change in inventory. During the year ended December 31, 2015, two vendors represented at least 10% of cost of revenues, accounting for 63% (BioHiTech International, a related party) and 11% of cost of revenues.

As of December 31, 2016, two vendors represented at least 10% of accounts payable, accounting for 32% (a 1.9% shareholder) and 21% of accounts payable. As of December 31, 2015, two vendors represented at least 10% of accounts payable, accounting for 37% (BioHiTech International, a related party) and 12% of accounts payable, respectively.

Note 10. Related Party Transactions

Related parties include Directors, Senior Management Officers, and shareholders, plus their immediate family, who own a 5% or greater ownership interest at the time of a transaction. The table below presents direct related party assets and liabilities and other transactions or conditions as of or during the periods indicated.

		December 31,	
		2016	**2015**
Assets:			
Intangible assets, net	(a)	$ 264,333	$ 354,533
Liabilities:			
Accounts payable		85,374	470,490
Accrued interest payable		390,812	275,517
Long term accrued interest		187,667	-
Notes payable		275,000	300,000
Advance from related party	(b)	1,213,027	710,000
Promissory note - related parties	(c)	2,500,000	1,710,000
Series A - Unsecured subordinated convertible notes	(d)	2,250,000	-
Series B - Unsecured subordinated convertible notes	(e)	1,250,000	-
Series V - Unsecured subordinated convertible notes	(f)	300,000	-
Other:			
Line of credit guarantee	(g)	2,463,736	2,488,753

The table below presents direct related party expenses or transactions for the periods indicated. Compensation and related costs for employees of the Company are excluded from the table below.

		Year Ended December 31	
		2016	**2015**
S, G & A - Rent expense	(h)	$ 52,657	$ 67,225
Cost of revenues - Rent expense	(h)	42,773	-
S, G & A - Consulting expense	(a)	200,000	200,000
Interest expense		572,345	339,363
Cost of revenue, inventory or equipment on operating leases acquired	(a and i)	1,355,780	633,819

There were no revenues earned from related parties during the years ended December 31, 2016 and 2015.

(a) ***Distribution Agreement*** - BioHiTech has an exclusive license and distribution agreement (the "License Agreement") with BioHiTech International ("BHT-I"), a company owned by Chun-Il Koh, a BioHiTech shareholder and other unrelated parties. The License Agreement provides distribution rights to the Eco-Safe Digester through December 31, 2023 (unless extended by mutual agreement) and for annual payments to Mr. Koh in the amount of $200,000 for the term of the License Agreement and a 2.5% additional commission on all sales closed by Mr. Koh.

(b) ***Advance from Related Party*** - The Company's Chief Executive Officer has advanced the Company funds for operating and capital purposes. The advances bear interest at 13% and are unsecured and due on demand. There are no financial covenants related to this advance and there are no formal commitments to extend any further advances.

(c) ***Promissory Note** - **Related Party*** - On June 25, 2014, the Company initially entered into a secured promissory note with the Company's Chief Executive Officer in the aggregate amount of $1,000,000 (the "Promissory Note"). This note has been amended effective July 31, 2015 and January 1, 2016. The amended note provides for up to $2,500,000 in borrowings, an interest rate of 13% per annum, which is subject to prospective reduction to 10% upon the Company's completion of raising $6,000,000 in connection with an offering of unsecured subordinated convertible notes and warrants and is due on the earlier of (a) a change of control, (b) an event of non-payment default, (c) the two-year anniversary of the Promissory Note, or (d) a Qualified Financing. For purposes of the Promissory Note, a Qualified Financing is defined as the first issuance of debt or equity by the Company through which the Company received gross proceeds of a minimum of $5,000,000 from one or more financial institutions or accredited investors. In connection with the January 1, 2016 amendment, $263,027 of accrued interest was added to the outstanding balance of the note.

(d) ***Series A Unsecured Subordinated Convertible Notes and Warrants*** - In connection with the Company's issuance of unsecured subordinated convertible notes and warrants in 2016, as further disclosed in Note 11, certain related parties participated in such offering.

(e) ***Series B Unsecured Subordinated Convertible Notes and Warrants*** - In connection with the Company's issuance of unsecured subordinated convertible notes and warrants in 2016, as further disclosed in Note 11, certain related parties participated in such offering.

(f) ***Series V Unsecured Subordinated Convertible Notes*** – In connection with the Company's issuance of unsecured subordinated convertible notes in 2016, as further disclosed in Note 11, BioHiTech International, see note a, above, exchanged $300,000 in accounts payable by the Company for a $300,000 note.

(g) ***Line of Credit*** - Under the terms of the line of credit, several related parties have personally guaranteed the line and are contingently liable should the Company not meet its obligations under the line.

(h) ***Facility Lease*** - The Company leases its corporate headquarters and warehouse space from BioHiTech Realty LLC, a company owned by two stockholders of the Company, one of whom is the Chief Executive Officer. The lease expires in 2020, with a renewal option for an additional five-year period. Minimum lease payments as of December 31, 2016 under these operating leases are:

Year Ending December 31,		
2017	$	97,066
2018		98,524
2019		100,003
2020		41,926
Total	$	337,519

(i) ***Inventory Acquisition*** – During 2016 the Company commenced acquiring certain sub-assemblies for final assembly by the Company from a company controlled by a 1.9% shareholder of BioHiTech.

Note 11. Line of Credit, Notes Payable, Advance, Promissory Note, Convertible Promissory Notes and Long Term Debt
Notes, lines, advances and long term debts are comprised of the following:

	December 31, 2016				**December 31, 2015**			
		Total		**Related Party**		**Total**		**Related Party**
Line of credit	$	2,463,736	$	-	$	2,488,753	$	-
Unsecured subordinated convertible notes:						-		-
Series A		3,310,500		2,250,000		-		-
Series B		1,220,634		1,250,000		-		-
Series V		425,000		300,000		-		-
Promissory note - related party		2,500,000		2,500,000		1,710,000		1,710,000
Notes payable		375,000		275,000		400,000		300,000
Advances		1,213,027		1,213,027		710,000		710,000
Long term debt - other, current and long term portion		19,573		-		27,833		-

Line of Credit - The Company has a revolving line of credit with a bank which provides for aggregate borrowings of up to $2,500,000. The line of credit is due on demand and bears interest at the prime rate plus 0.5% (4.25% and 4.0% at December 31, 2016 and 2015, respectively), which is recorded as a component of interest expense. The line of credit is secured by the Company's assets, is personally guaranteed by certain stockholders of the Company and does not contain any financial covenants. The line of credit also provides for letters of credit aggregating $250,000. As of December 31, 2016, there were no letters of credit outstanding. During the years ended December 31, 2016 and 2015 the average balance outstanding under the line was $2,459,453 and $2,405,197, and the average interest rate was 4.02% and 3.77%,respectively.

Series A Unsecured Subordinated Convertible Promissory Notes – During 2016, the Company entered into a series of Securities Purchase Agreements (the “Purchase Agreement”) with certain accredited investors (the “Investors”), pursuant to which the Company agreed to sell and the Investors agreed to purchase in a private placement offering (the “Private Placement”) units (the “Units”) in the aggregate offering amount of $3,400,000, of which $2,250,000 was with related parties.

Each Unit is comprised of a convertible promissory note and warrants to purchase shares of the Company's common stock. Each note bears interest at the rate of 8% per annum and is due on the earlier of: (i) 24 months (February 10, 2018); (ii) the date the common stock is listed on The Nasdaq stock market or NYSE MKT; or (iii) a "Change of Control" of the Company, which is defined as a liquidation, dissolution, winding up, change in voting control or sale of all or substantially all of the Company's assets. Each note sold is convertible into shares of Common Stock equal to the outstanding principal amount under the note, plus any accrued and unpaid interest, divided by a conversion price (the "Conversion Price") equal to the lowest of: (i) the trading price on the date of the listing; (ii) the price per share paid by investors in a subsequent underwritten public offering in connection with the listing; (iii) the lowest price paid by investors in a subsequent offering of the Company's securities, including the Series B offering; (iv) the per share price in a change of control transaction; or (v) $3.75 per share. Prior to maturity, an investor may elect, at its option and in its sole discretion, to convert all or a portion of the outstanding principal amount under the note, plus any accrued and unpaid interest, into shares of Common Stock at a conversion price equal to $3.75 per share.

The warrants are exercisable for a period of five years into shares of common stock equal to the number of shares of common stock into which the notes are convertible at an exercise price equal to 120% of the conversion price of the notes.

The embedded conversion feature and warrants issued in the transaction are not indexed to the Company's common stock. However, the embedded conversion feature and warrants did not meet the definition of a derivative and therefore such conversion feature was not bifurcated from the underlying note payable and the warrants were not recorded as a derivative liability.

As of December 31, 2016, the balance of the outstanding notes amounted to $3,400,000 and is presented net of unamortized deferred offering costs of $89,500, resulting from deferred offering costs of $165,230 less $75,730 of accumulated amortization. These costs are being amortized as a component of interest expenses over the original 24-month terms of the notes, unless there is an early maturity. During 2016 interest resulting from the amortization of deferred offering costs amounted to $75,730. Interest expense on the notes is due at the maturity of the notes and has been presented as a non-current liability.

Series B Unsecured Subordinated Convertible Promissory Notes – During 2016, the Company entered into a series of Securities Purchase Agreements (the "Purchase Agreement") with certain accredited investors (the "Investors"), who were also shareholders of the Company, pursuant to which the Company agreed to sell and the Investors agreed to purchase in a private placement offering (the "Private Placement") units (the "Units") in the aggregate offering amount of $1,250,000.

Each Unit is comprised of a convertible promissory note and warrants to purchase shares of the Company's common stock. Each note bears interest at the rate of 8% per annum and is due on the earlier of: (i) 24 months (November 18, 2018); (ii) the date the common stock is listed on The Nasdaq stock market or NYSE MKT; or (iii) a "Change of Control" of the Company, which is defined as a liquidation, dissolution, winding up, change in voting control or sale of all or substantially all of the Company's assets. Each note sold is convertible into shares of Common Stock equal to the outstanding principal amount under the note, plus any accrued and unpaid interest, divided by a conversion price (the "Conversion Price") equal to the lowest of: (i) the trading price on the date of the listing; (ii) the price per share paid by investors in a subsequent underwritten public offering in connection with the listing; (iii) the lowest price paid by investors in a subsequent offering of the Company's securities; (iv) the per share price in a change of control transaction; or (v) $2.75 per share. Prior to maturity, an investor may elect, at its option and in its sole discretion, to convert all or a portion of the outstanding principal amount under the note, plus any accrued and unpaid interest, into shares of Common Stock at a conversion price equal to $2.75 per share.

The warrants are exercisable for a period of five years into shares of common stock equal to the number of shares of common stock into which the notes are convertible at an exercise price equal to 120% of the conversion price of the notes.

The embedded conversion feature and warrants issued in the transaction are not indexed to the Company's common stock. However, the embedded conversion feature and warrants did not meet the definition of a derivative and therefore such conversion feature was not bifurcated from the underlying note payable and the warrants were not recorded as a derivative liability.

As of December 31, 2016, the balance of the outstanding notes amounted to $1,250,000 and is presented net of unamortized deferred offering costs of $29,366, resulting from deferred offering costs of $30,643 less $1,277 of accumulated amortization. These costs are being amortized as a component of interest expenses over the original 24-month terms of the notes, unless there is an early maturity. During 2016 interest resulting from the amortization of deferred offering costs amounted to $1,277. Interest expense on the notes is due at the maturity of the notes and has been presented as a non-current liability.

Series V Subordinated Convertible Promissory Note – During 2016, the Company entered into a series of convertible promissory notes. Each note bears interest at the rate of 8% per annum and is due on the earlier of: (i) 24 months (February 10, 2018); (ii) the date the common stock is listed on The Nasdaq stock market or NYSE MKT; or (iii) a "Change of Control" of the Company, which is defined as a liquidation, dissolution, winding up, change in voting control or sale of all or substantially all of the Company's assets. Each note sold is convertible into shares of Common Stock equal to the outstanding principal amount under the note, plus any accrued and unpaid interest, divided by a conversion price (the "Conversion Price") equal to the lowest of: (i) the trading price on the date of the listing; (ii) the price per share paid by investors in a subsequent underwritten public offering in connection with the listing; (iii) the lowest price paid by investors in a subsequent offering of the Registrant's securities, including the Series B offering; (iv) the per share price in a change of control transaction; or (v) $3.75 per share. Prior to maturity, an investor may elect, at its option and in its sole discretion, to convert all or a portion of the outstanding principal amount under the note, plus any accrued and unpaid interest, into shares of common stock at a conversion price equal to $3.75 per share.

Notes Payable - During the year ended December 31, 2015, the Company entered into two unsecured promissory notes, which do not contain any financial covenants. As of December 31, 2016, the notes each have a remaining balance outstanding of $100,000 and $275,000 with interest at the rate of 10.0% and mature in July and September 2017, respectively.

Long Term Debt - Represents two loans collateralized by vehicles with interest ranging from 1.9% to 4.98%, each with amortizing principal payment requirements.

Maturities of Non-Current Promissory Note, Long Term Debt and Unsecured Subordinated Convertible Notes – as of December 31, 2016, excluding deferred finance costs, which are being amortized as interest expense, are as follow:

Year Ending December 31,	**Amortizing**	**Non-Amortizing***	**Total**
2017	$ 8,525	$ -	$ 8,525
2018	5,410	7,575,000	7,580,410
2019	5,200	-	5,200
2020	438	-	438
Total	$ 19,573	$ 7,575,000	$ 7,594,573

* Certain non-amortizing notes are subject to earlier maturities. The table above presents all non-amortizing notes at their time period maturity condition.

Senior Convertible Promissory Notes — During the year ended December 31, 2015, the Company entered into senior convertible promissory notes in the totaling $800,000 (the "Senior Convertible Promissory Notes") with interest at 9% per annum, which is recorded as a component of interest expense. The Senior Convertible Promissory Notes were due on the earlier of the two-year anniversary of the respective Senior Convertible Promissory Notes or the consummation of a Qualified Financing. The holders were issued a five-year warrant to purchase equity interests of the Company valued at 10% of the dollar amount of the Senior Convertible Promissory Notes. If a Qualified Financing (the first issuance of equity by the Company through which the Company receives gross proceeds of a minimum of $5,000,000 from one or more financial institutions or accredited investors) occurs prior to the expiration date of such warrants, then the exercise price of the warrants will be equal to 120% of the Closing Price. If a Qualified Financing does not occur prior to the expiration date of the warrants, then the warrants will be deemed null and void and will expire worthless.

On October 27, 2015, all amounts outstanding under the Senior Convertible Promissory Notes, inclusive of $29,418 accrued interest, were converted into 236,977 shares of the Company's common stock at a conversion price of $3.50 per share, which was mutually agreed to by the Company and the debt holders.

Convertible Promissory Notes — During the years ended December 31, 2015 and 2014, the Company entered into convertible promissory notes of $500,000 and $900,000, respectively, totaling $1,400,000 (the "Convertible Promissory Note") with interest at 13% per annum, which is recorded as a component of interest expense. The Convertible Promissory Notes were due on the earlier of (a) a change of control (as defined in the Convertible Promissory Note), (b) an event of default (as defined in the Convertible Promissory Note), or (c) the two-year anniversary of the Convertible Promissory Note. In the event that there is a Qualified Financing (the first issuance of equity by the Company through which the Company receives gross proceeds of a minimum of $4,000,000 from one or more financial institutions or accredited investors.) prior to the repayment of the Convertible Promissory Notes, the Convertible Promissory Notes would automatically be converted into equity interests of the Company on terms no less favorable to the lenders than the terms provided to the investors in connection with the Qualified Financing.

On October 27, 2015, all amounts outstanding under the Convertible Promissory Notes, inclusive of accrued interest amounting to $149,572, were converted into 442,735 shares of the Company's common stock at a conversion price of $3.50 per share, which was mutually agreed to by the Company the debt holders.

Interest Expense - All interest on the Company's various debts are recognized as interest expense in the accompanying consolidated financial statements.

Note 12. Equity Transactions
The Company has had the following equity related transactions over the two years ended December 31, 2016:

Swift Start Reverse Merger – In connection with the reverse merger with Swift Start (See Note 3), the equity accounts of the Company have been retroactively conformed to the present capital structure. Prior to the Swift Start transaction, the capital section of the primary company was comprised of two-classes of membership in a limited liability company structure. All classes converted into common stock on equal terms.

Maxim Warrants - In connection with the issuance of the Series A Units described in Note 11, the Company agreed to issue warrants to Maxim Group LLC, the placement agent, that are exercisable into 10% of the total number of shares of common stock that the notes are convertible under the notes at an exercise price of $3.75 per share. The warrants expire 5 years from the date of issuance of the underlying notes.

The unsecured subordinated convertible promissory notes contain conversion features that are required to be measured when the contingency is resolved. The terms of the conversion feature in the notes, and hence the Maxim Warrants, do not permit the Company to compute the number of common shares that the note holders will receive upon conversion. Accordingly, the Company must wait until the contingent event occurs to compute the number of shares that may be issued pursuant to the warrants.

Barksdale Warrants - In connection with an Offering of BHTA in October 2013 of Class B Common Interests BHTA agreed to issue Barksdale Global Holdings, LLC ("Barksdale") warrants to purchase a number of Class B Common Interests of BHTA, as now converted into Common Stock of the Company. The warrants were subsequently issued on June 30, 2015, whereby Barksdale was issued a warrant to purchase up to $140,000 of BHTA's Class B Common Interests on or before the expiration date of June 30, 2020. The warrant is exercisable during the period commencing upon the consummation of the Company's next successive equity raise in which the Company receives gross proceeds of a minimum of $5.0 million ("Qualified Financing"). If the Company does not consummate a Qualified Financing prior to the expiration date, the warrant shall never be exercisable. Notwithstanding the forgoing, Barksdale may not exercise the warrant within 12 months of the consummation date of the Merger.

The Company estimated the fair value of the warrant on the measurement date to be $14,182 (or $10,744 per warrant) using a Black-Scholes option-pricing model with the following assumptions: (1) expected volatility of 50.24%, (2) risk-free interest rate of 1.42% and (3) expected life of five years. During 2015, as a result of the issuance of the warrants, the Company reclassified the warrant liability to stockholders' deficit.

Other Warrants - In connection with prior debt offerings that have been converted into equity, warrants expiring between May and July of 2020 representing an $80,000 purchase equity interest remain outstanding. The warrants allow the holders to acquire up to $80,000 of the Company's common stock at a price of 120% of the closing price of the Company's first issuance of equity in one, or a series of related transactions, through which the Company receives gross process of $5,000,000 or more from one or more financial institutions or "accredited investors". Should the Company not consummate such an issuance of equity by the expiration of the warrants, the warrants shall never be exercisable.

Issuance of Restricted Stock in Connection with Investor Relations Services Agreement – During 2015, the Company entered into a one-year investor relations consulting agreement, which was not renewed in 2016. In addition to monthly cash fees, the Company issued 50,000 shares of fully vested restricted common stock at a per share price of $3.50, the price at which the promissory notes converted at on October 27, 2015.

Strategic Consulting Agreement – During 2016, the Company entered into a strategic consulting agreement for a twelve-month term, subject to a sixty-day termination option by either party, which was exercised by the Company resulting in a termination effective December 31, 2016. In addition to monthly cash fees, the agreement also included issuing Series V convertible debt in the amount of $25,000 per month. As of December 31, 2016, $125,000 of such Series V convertible debt was outstanding.

Shareholder Information and Marketing Agreement – During 2016, the Company entered into a service agreement for an initial three-month term, subject to a termination option after the initial 30-day period. In addition to monthly cash fees, the Company will issue 8,000 shares of restricted common stock that will vest over the three-month period. The accompanying financial statements reflect the vesting of such shares based upon the daily closing prices of the Company's common stock.

Public Relations and Corporate Communications Agreement – During 2016, the Company entered into a service agreement for a twelve-month term. In addition to monthly cash fees, the Company will issue 15,000 shares of fully vested restricted common stock at a per share price of $2.40, which is reflected as an expense in the accompanying financial statements. The agreement also requires an additional 10,000 shares of fully vested restricted common stock be granted at the beginning of the second six-month period of the agreement, which will result in an expense at that time.

Note 13. Equity Incentive Plans

During 2015, the Company established the BioHiTech Global, Inc. 2015 Equity Incentive Plan, which is available to eligible employees, directors, consultants and advisors of the Company and its affiliates. The plan allows for the granting of incentive stock options, nonqualified stock options, reload options, stock appreciation rights, and restricted stock representing up to 750,000 shares. The Plan is administered by the board of directors. Effective March 1, 2016, the Company granted nonqualified options for 371,250 shares. Effective April 15, 2016, the Company granted 347,500 restricted stock units. As of December 31, 2016, there were 38,750 shares available under the Plan for future grants.

Stock Options - The fair value of options is estimated on the date of grant using the Black-Scholes option pricing model. The valuation determined by the Black-Scholes pricing model is affected by the Company's stock price as well as assumptions regarding a number of highly complex and subjective variables. These variables include, but are not limited to, expected stock price volatility over the term of the awards, and actual and projected employee stock option exercise behaviors. The risk free rate is based on the U.S. Treasury rate for the expected life at the time of grant, volatility is based on the average long-term implied volatilities of peer companies, the expected life is based on the estimated average of the life of options using the simplified method, and forfeitures are estimated on the date of grant based on certain historical data. The Company utilizes the simplified method to determine the expected life of its options due to insufficient exercise activity during recent years as a basis from which to estimate future exercise patterns. The expected dividend assumption is based on the Company's history and expectation of dividend payouts.

Forfeitures are required to be estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates.

On March 1, 2016, the Company granted 371,250 stock options to employees and directors for future services. These options had a fair value of $520,210 using the Black-Scholes option pricing model with the following assumptions:

Risk-free interest rate	1.3 - 1.5%
Expected dividend yield	0.00%
Expected volatility	28.8 - 30.3%
Expected term in years	5.0 - 6.0

The options vest over four years. During the year ended December 31, 2016, compensation expense related to the stock options amounted to $245,635.

The weighted-average grant date fair value of options granted on March 1, 2016 was $520,210. Total unrecognized compensation expense related to unvested stock options at December 31, 2016 amounts to $263,895 and is expected to be recognized over a weighted average period of 2.1 years.

The following table summarizes the Company’s stock option activity for the year ended December 31, 2016:

	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (in Years)	Aggregate Intrinsic Value
Outstanding - December 31, 2015	-	-	-	-
Granted	371,250	$ 3.75	9.17	-
Exercised	-	-	-	-
Forfeited or Canceled	(7,500)	3.75	-	-
Outstanding – December 31, 2016	363,750	$ 3.75	9.17	$ -
Exercisable – December 31, 2016	90,418	$ 3.75	9.17	$ -

The following table summarizes the Company’s stock option activity for non-vested options for the year ended December 31, 2016:

	Number of Options	Weighted Average Grant Date Fair Value
Balance at December 31, 2015	-	
Granted	371,250	$ 3.75
Vested	(90,418)	(3.75)
Forfeited or Canceled	(7,500)	(3.75)
Balance at December 31, 2016	273,332	$ 3.75

Restricted Stock Units – On April 15, 2016, the Company granted 347,500 restricted stock units (“RSU”) to certain employees. 15,833 of the RSUs vested immediately and the remaining units vest over a three-year period, subject to continued service on each applicable vesting date. The RSUs have no voting or dividend rights. The fair value of the common stock on the date of the grant was $4.05 per share based upon the quoted closing price of the Company’s common stock on the grant date. The aggregate grant date fair value of the award amounts to $1,407,375 which will be recognized as compensation expense over the vesting period. As of December 31, 2016, the aggregate intrinsic value of the unvested RSUs, determined by multiplying the anticipated number of RSUs that will vest by the closing market price of the underlying common stock, was $746,251.

During the year ended December 31, 2016, compensation expense related to the RSUs amounted to $429,146.

Total unrecognized compensation expense related to the unvested RSUs at December 31, 2016 amounts to $978,229 and is expected to be recognized over a weighted average period of 2.16 years.

The following table summarizes the Company’s RSU activity for the year ended December 31, 2016:

	Number of Shares
Unvested balance at December 31, 2015	-
Granted	347,500
Vested	(15,833)
Forfeited or Canceled	-
Unvested balance at December 31, 2016	331,667

Note 14. Income Taxes

The following table presents the components of income tax expense (benefit) from operations for the year ended December 31, 2016 and 2015.

	Year Ended December 31, 2016	Year Ended December 31, 2015
US Federal:		
Deferred	$ (1,932,456)	$ (1,055,914)
State and local:		
Deferred	(681,025)	(215,098)
Non-US:		
Deferred	(69,203)	-
Change in valuation allowance	2,682,684	1,271,012
Income tax provision	$ -	$ -

The following table presents a reconciliation of differences between the Federal statutory tax rate and the Company's effective income tax rate for the year ended December 31, 2016 and 2015:

	Year Ended December 31, 2016	Year Ended December 31, 2015
U. S. Federal Statutory rate	(34.0)%	(34.0)%
Non-U.S. losses	0.6	1.0
Losses incurred before change in corporate tax status	-	14.3
Local taxes, net of benefit	(6.8)	(2.8)
Other	0.4	-
	(39.8)	(21.5)
Change in valuation allowance	39.8	21.5
Effective income tax rate	-%	-%

The following table presents the Company's net deferred tax assets and valuation allowance as of December 31, 2016 and 2015:

	December 31, 2016	December 31, 2015
Deferred tax assets:		
Net operating losses - Federal	$ 2,341,288	$ 1,067,247
Net operating losses - State	691,582	217,765
Net operating losses - Non-US	69,203	-
Stock-based compensation - Federal	246,069	-
Stock-based compensation - State	77,440	-
Accrued liabilities - Federal	412,346	-
Accrued liabilities - State	129,768	-
	3,967,696	1,285,012
Deferred tax liabilities:		
Property and equipment - Federal	(11,333)	(11,333)
Property and equipment - State	(2,667)	(2,667)
	(14,000)	(14,000)
Net deferred tax assets	3,953,696	1,271,012
Valuation allowance	(3,953,696)	(1,271,012)
Net deferred tax assets	$ -	$ -

The net operating loss carryovers may be subject to limitation under Internal Revenue Code Section 382 should there be greater than a 50% ownership change as determined under the regulations. At December 31, 2016, the Company had net operating loss carryforwards for federal, state and non-US income tax purposes of approximately $7,198,649. The federal net operating loss carryforwards will expire, if not utilized, beginning December 31, 2035. There were no net operating losses for federal corporate income tax purposes prior to the year ended December 31, 2015. US Federal income tax returns for the years ended December 31, 2015 and later are open for examination and audit.

Note 15. Commitments and Contingencies

From time to time, the Company is involved in legal matters arising in the ordinary course of business. While the Company believes that such matters are currently not material, there can be no assurance that matters arising in the ordinary course of business for which the Company is, or could be, involved in litigation, will not have a material adverse effect on its business, financial condition or results of operations.

Note 16. Employee 401(k) Savings Plan

During 2015 the Company established a defined contribution retirement savings plan qualified under Section 401(k) of the Internal Revenue Code, which became operative effective January 1, 2016. Under the plan, employees may contribute a percentage of eligible compensation on both a before-tax and after-tax basis. The Company may match a percentage of employee’s before-tax contributions, but is not required to do so, as the annual matching contributions are discretionary. No contributions have been made to the plan by the Company.

Note 17. Operating Leases

The Company rents its headquarters and attached warehousing space from a related party (see Note 10) and their research and development office from an unrelated party under operating leases. The research and development office lease commenced in October 2015 and will expire in 2018, subject to one renewal option for an additional one-year period. The total future minimum lease payments under all of these leases is:

Year Ending December 31,		
2017		119,480
2018		115,710
2019		100,003
2020		41,926
Total	$	377,119

Total rent expense under all operating leases amounted to $128,903 and $105,925 for the years ended December 31, 2016 and 2015, respectively.

Note 18. Supplemental Consolidated Statement of Cash Flows Information

Changes in non-cash operating assets and liabilities, as well as other supplemental cash flow disclosures, are as follows:

	Year Ended December 31,	
	2016	**2015**
Changes in operating assets and liabilities:		
Accounts and note receivable	$ 79,743	$ (62,225)
Inventory	(997,535)	(271,171)
Prepaid expenses and other assets	42,722	(47,602)
Accounts payable	281,787	953,087
Accrued interest payable	640,056	373,608
Accrued expenses	12,800	493,461
Deferred revenue	16,360	653
Customer deposits	11,803	(4,789)
Net change in operating assets and liabilities	**$ 87,736**	**$ 1,435,022**
Supplementary cash flow information:		
Cash paid during the year for:		
Interest	$ 106,251	$ 91,811
Income taxes	-	-
Supplementary Disclosure of Non-Cash Investing and Financing Activities:		
Transfer of inventory to leased equipment	$ 531,392	$ 233,900
Series V Notes issued in settlement of accounts payable with a related party	300,000	-
Accrued interest added to principle of promissory note - related party	263,027	-
Conversion of senior promissory notes and related accrued interest into common stock	-	829,418
Warrants issued in connection with advisory services	-	139,359
Goodwill recognized in connection with Swift Start acquisition	-	10,482
Advances to vendors applied to inventory	-	44,700
Conversion of promissory notes and related accrued interest into common stock	-	1,549,572
Conversion of advances from related party to promissory note	-	505,000

Note 19. Recent Accounting Pronouncements

Statement of Cash Flows **–** In August 2016, the FASB issued Accounting Standards Update No. 2016-15, *Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments* ("ASU 2016-15"). The update amends the guidance in Accounting Standards Codification 230, *Statement of Cash Flows*, and clarifies how entities should classify certain cash receipts and cash payments on the statement of cash flows with the objective of reducing the existing diversity in practice related to eight specific cash flow issues. The amendments in this update are effective for annual periods beginning after December 15, 2017, and interim periods within those fiscal years. Early adoption is permitted. The Company does not expect the adoption of ASU 2016-15 to have a material impact on its consolidated financial statements.

Revenue from Contracts with Customers - In April 2016, the FASB issued Accounting Standards Update ("ASU") No. 2016-10, "Revenue from Contracts with Customers - Identifying Performance Obligations and Licensing" (Topic 606). The amendments clarify two aspects of ASU No. 2014-09, "Revenue from Contracts with Customers," by providing (1) guidance for identifying performance obligations and (2) licensing implementation guidance. Public business entities should apply the guidance similar to Update 2014-09 to annual reporting periods beginning after December 15, 2017, including interim periods within that reporting period. Earlier application is permitted only as of annual reporting periods beginning after December 15, 2016, including interim reporting periods within that reporting period. In May 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") ASU No. 2014-09, "Revenue from Contracts with Customers" (ASU 2014-09). ASU 2014-09 provides guidance for revenue recognition and affects any entity that either enters into contracts with customers to transfer goods or services or enters into contracts for the transfer of nonfinancial assets and supersedes the revenue recognition requirements in Topic 605, "Revenue Recognition," and most industry-specific guidance. The core principle of ASU 2014-09 is the recognition of revenue when a company transfers promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. ASU 2014-09 defines a five-step process to achieve this core principle and, in doing so, companies will need to use more judgment and make more estimates than under the current guidance. These may include identifying performance obligations in the contract, estimating the amount of variable consideration to include in the transaction price and allocating the transaction price to each separate performance obligation. ASU 2014-09, as amended, is effective for fiscal years beginning after December 15, 2017 and interim periods therein, using either of the following transition methods: (i) a full retrospective approach reflecting the application of the standard in each prior reporting period with the option to elect certain practical expedients, or (ii) a retrospective approach with the cumulative effect of initially adopting ASU 2014-09 recognized at the date of adoption (which includes additional footnote disclosures). The Company does not anticipate that the adoption, by means of a retrospective approach with a cumulative effect, if any, will have a material effect on its consolidated financial position or results of operations.

Stock Compensation - In March 2016, FASB issued ASU No. 2016-09, "Compensation - Stock Compensation: Improvements to Employee Share-Based Payment Accounting" (Topic 718). The amendments in this ASU is to significantly reduce the complexity and cost of accounting for excess tax benefits and tax deficiencies related to employee share-based payment transactions, which include restricted stock and stock options. Also, ASU No. 2016-09 requires an entity to run excess tax benefits and deficiencies through its income statement, which in effect eliminates the concept of additional paid-in capital. For public business entities, the amendments in this ASU are effective for financial statements issued for annual periods beginning after December 15, 2016, including interim periods within those annual periods. The Company will evaluate the effects, if any, that adoption of this ASU will have on its consolidated financial position or results of operations.

Leases - In February 2016, the FASB issued new lease accounting guidance (ASU No. 2016-02, *Leases).* Under the new guidance, at the commencement date, lessees will be required to recognize a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis; and a right-of use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. The new guidance is not applicable for leases with a term of 12 months or less. Lessor accounting is largely unchanged. Public business entities should apply the amendments in ASU 2016-02 for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. Early application is permitted upon issuance. Lessees (for capital and operating leases) and lessors (for sales-type, direct financing, and operating leases) must apply a modified retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements. The modified retrospective approach would not require any transition accounting for leases that expired before the earliest comparative period presented. Lessees and lessors may not apply a full retrospective transition approach. The Company will evaluate the effects, if any, that adoption of this ASU will have on its consolidated financial position or results of operations.

Inventory - In July 2015, the FASB issued ASU No. 2015-11, "Inventory (Topic 330): Simplifying the Measurement of Inventory" ("ASU 2015-11"). ASU 2015-11 requires inventory measured using any method other than last-in, first out ("LIFO") or the retail inventory method to be subsequently measured at the lower of cost or net realizable value, rather than at the lower of cost or market. This ASU is effective prospectively for fiscal years beginning after December 15, 2016 and their related interim periods. Early application is permitted. The Company does not anticipate that the adoption will have a material effect on its consolidated financial position or results of operations.

Note 20. Subsequent Events

The Company evaluates subsequent events and transactions that occur after the balance sheet date up to the date that the financial statements are available to be issued. Any material events that occur between the balance sheet date and the date that the financial statements were available for issuance are disclosed as subsequent events, while the financial statements are adjusted to reflect any conditions that existed at the balance sheet date. Based upon this review, except as discussed below, the Company did not identify any recognized or non-recognized subsequent events that would have required adjustment or disclosure in the financial statements.

Series B Unsecured Subordinated Convertible Promissory Notes – During January, February and March 2017, the Company closed on additional notes amounting to $625,000, including $500,000, with officers of the Company.

Promissory Note and Advances – Related Party – Effective February 1, 2017, The Company entered into a Fourth Amended and Restated Secured Promissory Note that increased the available balance from $2,500,000 to $4,500,000, and changed the maturity from January 1, 2018 to February 1, 2019. In connection with entering into the new note, previously unsecured advances amounting to $ 1,213,027 were added to the existing note.

Authorized Common Shares – On January 25, 2017, the Company's Board of Directors approved to increase the authorized number of common shares, $0.0001 par, from 20,000,000 to 50,000,000. The increase was approved by a majority of the principle amount outstanding of Series Debt holders, as required by the terms of the Series Debt, and is subject to future approval by the shareholders of the Company.

2017 Executive Stock Incentive Plan – On January 25, 2017, the Company's Board of Directors approved the 2017 Executive Equity Incentive Plan, which provides for a range of grants of up to 1,000,000 shares, that is subject to future approval by the shareholders of the Company.

Entsorga West Virginia LLC ("EWV") Investment – Effective January 1, 2017, the Company executed several agreements to acquire up to approximately a 40% interest in EWV from the original investors at their original purchase price of $60,000 for each 1% of interest in EWV. The agreement provides for a required investment of $1,034,028, representing a 17.2% interest, with the remaining 23.1% being at the option of the Company. The agreement was subject to the approval of the EWV bond trustee, which was granted on March 20, 2017. On March 21, 2017, the Company completed the required investment acquisition of $1,034,028 for a 17.2% interest, which will be recognized utilizing the equity method of accounting. The acquisition by the Company was funded by a short-term advance from the Company's Chief Executive Officer.

EWV represents the first deployment of the Entsorga High Efficiency Biological Treatment ("HEBioT") technology in the United States. Such deployment is currently underway in Martinsburg, WV. EWV has its own intellectual property agreement with Entsorgafin S.p.A. that is not part of the agreement that Apple Valley Waste Conversions, LLC has with Entsorgafin S.p.A. The EWV plant has received its necessary permits and EWV has closed on its financing to construct the facility and held its groundbreaking ceremony in January 2016, is currently under construction and is expected to begin commercial operations in the second half of 2017. The facility will be able to accept up to 110,000 tons per year of municipal solid waste delivered from the surrounding areas. Its facility will consist of a 54,000-square foot industrial building located on approximately 12 acres of leased property. The facility will include a plant which will be equipped with HEBioT technology and will ultimately be able to produce approximately 50,000 tons per year of EPA recognized renewable fuel. EWV and the facility are collateral to a financing through Tax Exempt Industrial Development Bonds issued by the West Virginia Economic Development Authority in the amount of $25,000,000. In addition to the debt financing, the EWV initial investors contributed approximately $6,000,000 in equity to the project.

New York MBT Facility Site Acquisition – On March 1, 2017 the Town Board of the Town of New Windsor, NY approved an agreement that provides for the Company to acquire approximately 12 acres of land at Stewart International Airport for purposes of development of a mechanical biological treatment (MBT) plant utilizing the Company's Entsorga technology for $1,092,000, subject to certain conditions that must be satisfied before closing. The agreement also provides for monthly option payments amounting to $3,500 for the first twelve months, followed by monthly payments of $6,000 for the next twelve months, if needed, while conditions are met. The monthly option payments will be used to reduce the amount owed at closing. If the parties are unable to satisfy all conditions within 24 months the option payments will not be refunded. Formal execution of the agreement is subject to a public opposition period through March 31, 2017 that would require a specified number and population of voters to object to prevent its execution. The Company is not aware of any opposition satisfying the public opposition requirements that would prevent the agreement from being executed.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Audit Committee of the
Board of Directors and Stockholders'
of BioHiTech Global, Inc. and Subsidiaries

We have audited the accompanying consolidated balance sheets of BioHiTech Global, Inc. and Subsidiaries (the "Company") as of December 31, 2016 and 2015, and the related consolidated statements of operations and comprehensive loss, changes in stockholders' 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 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 BioHiTech Global, Inc. and Subsidiaries, as of December 31, 2016 and 2015, and the consolidated results of its operations and comprehensive loss and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As more fully described in Note 1 of the financial statements, the Company has incurred a substantial loss from operations and had negative cash flow from operations for the year ended December 31, 2016. Notwithstanding the foregoing, the Company has minimal availability for additional borrowings from its existing credit facilities, which could result in the Company not having sufficient liquidity or minimum cash levels to operate its business. These conditions among others raise substantial doubt about the Company's ability to continue as a going concern. Management's plan in regard to these matters is also described in Note 1. The consolidated financial statements do not include any adjustments that might result from the outcome of these uncertainties.

/s/ Marcum LLP
Marcum LLP
Melville, NY
March 29, 2017

Exhibit 14.1

BIOHITECH GLOBAL, INC.

Code of Business Conduct and Ethics

Introduction

This Code of Business Conduct and Ethics sets out basic principles which directors, officers, employees, agents and representatives (including consultants) of BioHiTech Global, Inc., its subsidiaries and affiliates (collectively, the "Company") are expected to abide by. Persons subject to this policy must conduct themselves accordingly and avoid even the appearance of improper conduct.

This Code does not cover every issue that may arise. If you have any questions about the proper course of conduct in any situation, you should seek assistance from your manager, the Company's legal counsel or other Company resources. Section 16 of this Code prescribes certain guidelines to follow if you are in a situation which you believe may violate or lead to a violation of this Code or applicable law. Waivers of this Code for executive officers and directors may only be made pursuant to the procedures described in Section 12 of this Code.

This Code does not supercede applicable law. If any law conflicts with a policy of this Code, you must comply with the law.

Violators of this Code are subject to disciplinary action, up to and including termination of employment. Violations of this Code may also mean that you are breaking the law, subjecting you (and possibly the Company) to criminal or civil sanctions or penalties.

1. Compliance with Laws, Rules and Regulations

General. You must respect and obey the laws and regulations of the jurisdictions in which the Company operates. You are responsible to sufficiently educate yourself regarding the details of any laws applicable to you so that you have a basic understanding of the laws applicable to your activities. Management personnel are expected to educate and oversee their subordinates' compliance with applicable laws and regulations.

You should promptly raise any concern that you or others may have about possible violations of any Company policies or applicable law. You must also cooperate with any Company investigations of possible violations of any Company policies or applicable laws.

The following are some laws which are regularly applicable to the Company's activities. The Company also periodically adopts and disseminates separate policies designed to address compliance with specific laws and regulations.

Money Laundering Prevention. The Company is committed to full compliance with all applicable anti-money laundering laws. The Company should conduct business only with reputable customers. You should understand how applicable laws that prohibit money laundering and that require reporting of cash or suspicious transactions apply to the activities you perform on behalf of the Company. You should also be alert for types of payments that are often associated with money laundering activity – for example, multiple money orders or travelers checks, large amounts of cash, checks on behalf of a customer from an unknown third party, or checks drawn on banks located in jurisdictions which do not have effective anti-money laundering laws. If you encounter a warning sign, raise your concern with Company legal counsel and be sure to resolve your concern before proceeding further with the transaction. Resolution of concerns should include management review and should be well documented.

Anti-Trust Laws. The Company is committed to compliance with all applicable competition laws, regulations, policies and treaties. The Company's officers and management personnel must oversee and, if necessary, adopt policies and procedures addressing contacts with competitors, obtaining and handling data concerning competitors and participating in trade associations and professional societies. Do not propose or enter into any agreements or understandings – express or implied, formal or informal, written or oral – (i) with any competitor regarding any aspect of the competition between the Company and the competitor; (ii) with customers which restrict the price or other terms at which the customer may resell or lease any product or service to third parties; or (iii) with suppliers which restrict the price or other terms at which the Company may resell or lease any product or service to third parties. You should consult with Company legal counsel in connection with business arrangements that could raise competition law issues, including: (i) exclusive arrangements for the purpose or sale of products or services, (ii) bundling of goods or services, (iii) agreements that restrict a customer's ability to use or resell a Company product or service, (iv) technology licensing agreement that restrict the freedom of the licensee or licensor, (v) selective discounting, (vi) distribution arrangement with competitors, and (vii) agreements to add a Company employee to another entity's board of directors.

The Company may hold training sessions to promote compliance with specific laws and regulations upon request.

2. Conflicts of Interest

You are expected to avoid conflicts of interest that materially interfere with the interests of the Company or that may make it difficult for you to objectively and effectively perform your duties to the Company. A "conflict of interest" exists when a person's private interests or actions interferes in any way or appears to interfere with the interests of the Company. A conflict situation can arise when an employee, officer or director takes actions or has interests that may make it difficult to perform his or her Company work objectively and effectively. Conflicts of interest may also arise when and employee, officer or director, or a family member, receives improper personal benefits as a result of his or her position in the Company. Loans to, or guarantees of obligations of, employees, officers and directors and their family members by the Company may create conflicts of interest and in certain instances are prohibited by law. It is a conflict of interest for a Company employee, officer or director to work for a competitor, customer or supplier. You should avoid any direct or indirect business connection with our customers, suppliers and competitors, except as required on our behalf. Conflicts of interest are prohibited as a matter of Company policy, except as approved by the Board of Directors. Conflicts of interest may not always be obvious. If you have a question or become aware of any conflict or potential conflict you should bring it to the attention of a supervisor, manager or other appropriate personnel.

3. Insider Trading

You are not permitted to use or share any confidential information about the Company for stock trading purposes or for any other purpose except the conduct of the Company's business. All non-public information about the Company should be considered confidential information. It is illegal to use non-public information for personal financial benefit or to "tip" others who might make an investment decision on the basis of this information.

Employees, officers and directors must comply with insider trading and other securities laws and Company policies regarding securities transactions and handling of confidential information. The rules outlined below apply to transactions in the Company's common stock (including stock options), preferred stock and debt instruments, if any. The rules in certain instances also apply to purchases or sales of securities of other companies and to transactions in foreign securities markets. Insider trading is both unethical and illegal and will be firmly dealt with by the Company. Additionally, individuals and the Company are subject to severe civil and criminal penalties for insider trading.

Employees, officers and directors must comply with the following rules:

- You may not trade Company securities while you possess material nonpublic information about the Company's operations, activities, plans or financial results. However, in limited circumstances from time to time, certain employees may trade Company securities pursuant to a prearranged contract, instruction or plan that complies with federal and state law, provided such contract, instruction or plan, or amendment thereof, is approved by the Executive Chairman of the Board of Directors or the Chairman's designee in consultation with legal counsel.

- Information is material when it could affect someone's decision to buy, hold or sell a Company's securities. Material information includes a Company's anticipated earnings, plans to acquire or sell significant businesses, and changes in senior executives. Limit transactions to times when it can reasonably be assumed that all material information about a Company has been disclosed. Allow two business days between the time material information has been made public through news services and the time you place your buy or sell order, so the information can be absorbed by the financial markets.

- Unless otherwise permitted by Securities and Exchange Commission rules, you may not trade securities of other companies when you possess material nonpublic information about those companies. Also, you may not trade securities of other companies when such trade is otherwise unlawful or creates a conflict of interest.

- You may not disclose material nonpublic information about the Company or another Company to anyone (i) inside the Company, unless they need to know the information for business purposes; or (ii) outside the Company, unless you obtain prior approval from management in consultation with legal counsel. The information belongs to the Company, and you may not misappropriate it for anyone's benefit. Giving a tip based on material nonpublic information is unethical and illegal, and is prohibited, even if you don't profit from it.

- You may not buy or sell put or call options on the Company's stock, and you may not sell Company stock short. Contracts which may have short selling features to them (e.g. forward sales contracts) may only be entered into with the approval of the Executive Chairman of the Board of Directors or the Chairman's designee.

- Whenever buying or selling Company securities, you must tell the broker about your relationship with the Company to facilitate a determination of whether you have "insider" status under securities laws.

- These rules apply to members of your family and anyone else sharing your home. Therefore, you must use discretion when discussing your work with friends or family members, as well as with other employees.

4. Corporate Opportunities

Directors, officers and employees of the Company owe a duty to the Company to advance its legitimate interests when the opportunity arises. You are prohibited from taking for yourself personally opportunities that are discovered through the use of Company property, information or position without the consent of the Board of Directors. You may not, directly or indirectly, compete with the Company.

5. Competition and Fair Dealing

The Company seeks to outperform its competition fairly and honestly. You should endeavor to respect the rights of and deal fairly with the Company's customers, suppliers, competitors and employees. Stealing proprietary information, possessing trade secret information that was obtained without the owner's consent or inducing such disclosures by past or present employees of other companies is prohibited. You may not use corporate property, information or position for improper personal gain.

6. Discrimination and Harassment

The Company values the diversity of its employees and is committed to providing equal opportunity in all aspects of employment. Illegal harassment or discrimination, including, but not limited to, derogatory comments based on race or ethnicity and unwelcome sexual advances, of any kind will not be tolerated.

7. Health and Safety

It is the Company's policy to provide each employee with a safe and healthy work environment. You are responsible for contributing to our efforts to maintain a safe and healthy workplace by following safety and health rules and practices and reporting accidents, injuries and unsafe equipment, practices or conditions. You should report to work in condition to perform your duties, free from the influence of illegal drugs or alcohol. Violence and threatening behavior are not permitted.

8. Record-Keeping

The Company requires honest and accurate recording and reporting of information at all levels in order to make responsible business decisions (including, for example, reporting the number of hours worked). Business expenses must be documented and recorded accurately. If you are uncertain whether a certain expense is legitimate, ask your supervisor or a member of our accounting office.

The Company's books, records, accounts and financial statements must be maintained in reasonable detail, must appropriately reflect the Company's transactions and must conform both to applicable legal requirements and to the Company's system of internal controls. Unrecorded or "off the books" funds or assets should not be maintained unless permitted by applicable law or regulation and approved by the Board of Directors, the Audit Committee or the Company's internal auditor.

All records and communications can become public. You should avoid exaggeration, derogatory remarks, guesswork, or inappropriate characterizations of people and companies that can be misunderstood. This policy applies equally to e-mail, internal memos, and formal reports. Records should be retained or destroyed according to the Company's record retention policy. In the event of litigation or governmental investigation, records may not be destroyed without the approval of the Company's legal counsel or legal department.

9. Confidentiality

You must maintain the confidentiality of confidential information entrusted to you by the Company or its customers, except where disclosure is required by law or regulation. Confidential information includes all non-public information that might be of use to competitors, or harmful to the Company or its customers, if disclosed, and all information that suppliers and customers have entrusted to us. This obligation continues after employment ends.

10. Protection and Proper Use of Company Assets

You should endeavor to protect the Company's assets and ensure their efficient use. Any suspected incident of fraud or theft should be immediately reported for investigation. Company equipment and supplies should not be used for non-Company business, though incidental personal use may be permitted. The obligation to protect the Company's assets includes its proprietary information, including intellectual property such as trade secrets, patents, trademarks, and copyrights, as well as business, marketing and service plans, engineering and manufacturing ideas, designs, databases, records, salary information and any unpublished financial data and reports.

11. Payments to Government Personnel

The U.S. Foreign Corrupt Practices Act prohibits giving anything of value, directly or indirectly, to officials of foreign governments or foreign political candidates in order to obtain or retain business. In addition, the U.S. government has a number of laws and regulation regarding gratuities which may be accepted by U.S. government personnel. State, local and foreign governments may have similar rules. The promise, offer or delivery to any government official or employee, or any political candidate, of a gift, favor or other gratuity in violation of these rules is a violation of Company policy and a criminal offense.

12. Waivers of the Code of Business Conduct and Ethics

Waivers of this Code for executive officers or directors may be made only by the Board or a Board committee and will be promptly disclosed as required by law or regulation.

13. Reporting any Illegal or Unethical Behavior

It is the policy of the Company not to allow retaliation for reports of violations of law or misconduct by others made in good faith by employees. You are encouraged to talk to supervisors, managers or other appropriate personnel about observed illegal or unethical behavior or if you are in doubt about the best course of action in a particular situation. You are expected to cooperate in internal investigations of misconduct.

Employees must read the Company's Complaint Procedures for Accounting and Auditing Matters which describes the Company's procedures for the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters. Employees may submit good faith concerns regarding questionable accounting or auditing matters without fear of dismissal or retaliation of any kind. Any employee who attempts to or encourages others to retaliate against an individual who has reported a violation will be subject to disciplinary action.

14. Interacting With Media/Outside Communications

Communications made on behalf of the Company must be approved by senior management, and personal views must be kept separate from Company views. Employees and officers may not speak publicly for the Company without the specific approval of senior management. All media inquiries regarding the Company must be referred to senior management. You may not use Company stationery or titles in communications involving non-Company business. An exception is allowed for occasional use of stationery for routine correspondence in connection with appropriate outside civic, public service or charitable activities when approved by an officer of the Company.

15. Improper Influence on Conduct of Auditors

You are prohibited from dealing directly or indirectly or taking any action to coerce, manipulate, mislead or fraudulently influence the Company's independent auditors for the purpose of rendering the financial statements of the Company materially misleading. Prohibited actions include but are not limited to those actions taken to coerce, manipulate, mislead or fraudulently influence an auditor:

- To issue or reissue a report on the Company's financial statements that is not warranted in the circumstances (due to material violations of generally accepted accounting principles, generally accepted auditing standards or other professional or regulatory standards).
- Not to perform audit, review or other procedures required by generally accepted auditing standards or other professional standards.
- To withdraw an issued report.
- Not to communicate matters to the Company's Audit Committee.

16. Compliance Procedures.

It is the Company's policy to ensure prompt action against violations of this Code. Recognizing that we cannot anticipate every potential situation that may arise and that it may at times be difficult to know if certain actions violate this Code, it is important that we have a way to approach new questions or problems. You should keep the following steps in mind:

- Make sure you have all the facts. We must be as fully informed as possible in order to reach the right solutions.

- Ask yourself if what you are being asked to do seems unethical or improper. Use your judgment and common sense. If something seems unethical or improper, it probably is.

- Clarify your responsibility and role. In most situations, you will share responsibility with others. Are your colleagues informed? It may help to get others involved and discuss the problem.

- Discuss the problem with your supervisor or an officer of the Company. In many cases, your supervisor will be more knowledgeable about the question, and will appreciate being brought into the decision making process. It is your supervisor's responsibility to help solve the problem. Supervisors should seek advice from the Company's counsel or from other sources if appropriate.

- Seek help from Company resources. In rare instances it may not be appropriate to discuss an issue with your supervisor or you may feel uncomfortable approaching your supervisor. In such instances discuss the situation with an officer of the Company, your human resources department or the Company's counsel.

- You may report ethical violations in confidence without fear of retaliation. If your situation requires that your identity be kept secret, your anonymity will be protected. The Company does not permit retaliation of any kind against employees for good faith reports of ethical violations.

- Always ask first, act later. If you are unsure of what to do in any situation, seek guidance before you act.

17. Leadership Responsibilities

The obligations of officers and supervisory personnel go beyond those required of all employees and other persons subject to this Code. Officers and supervisors are expected to:

- Lead by example by setting the proper tone at the top.
- Personally lead compliance efforts through meetings, reports and regular monitoring of compliance matters and programs, as appropriate.
- Ensuring that employees understand that business results are never more important than compliance.
- Encouraging employees to raise their integrity questions and concerns.
- Considering employee compliance with Company policies when evaluating employees.
- Identifying compliance risks associated with the Company's operations.
- Ensuring that employees, subsidiaries, affiliates and, where appropriate, third parties understand the requirements of the Company's policies and applicable law.
- Implementing procedures to identify heightened compliance risks and/or violations.
- Ensuring that employees are able to raise concerns without fear of retaliation.
- Conducting periodic compliance review with the assistance of independent Company staff or the Company's internal audit staff, if available.
- Taking prompt actions in response to any identified weaknesses or violations.

Code of Conduct Acknowledgment

I acknowledge that I have received the Code of Business Conduct and Ethics of BioHiTech Global, Inc.

I understand that I am required to comply with the policies described in the Code.

I will promptly raise any concerns I may have about possible violations of the Code to a Company manager, the Company's legal counsel, the Company's internal or external auditor, or a member of the Company's audit committee.

I understand that my agreement to comply with the Code does not constitute a contract of employment.

Name (print)

Signature

Date

Exhibit 21.1

Subsidiaries	Ownership
Bio Hi Tech America, LLC (Delaware limited liability Company)	100%
BioHiTech Europe Limited (A private company limited by shares registered in England and Wales)	100%
E.N.A Renewables LLC (Formerly Entsorga North America, LLC) (Delaware limited liability Company)	100%
Apple Valley Waste Conversions, LLC (Delaware limited liability Company)	31%

Exhibit 31.1
Certification
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Frank E. Celli, certify that:

1. I have reviewed this annual report on Form 10-K for the year ended December 31, 2016 of BioHiTech Global, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal over financial reporting;

5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 29, 2017

/s/ Frank E. Celli
Name: Frank E. Celli
Title: Chairman, Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2
Certification
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Brian C. Essman, certify that:

1. I have reviewed this annual report on Form 10-K for the year ended December 31, 2016 of BioHiTech Global, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal over financial reporting;

5. The registrant's other certifying officer and I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 29, 2017

/s/ Brian C. Essman
Name: Brian C. Essman
Title: Chief Financial Officer and Treasurer
(Principal Accounting Officer)

Exhibit 32.1

**CERTIFICATION PURSUANT TO
18 U.S.C. §1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report on Form 10-K (the "Report") of BioHiTech Global, Inc. (the "Company") for the fiscal year ended December 31, 2016, the undersigned Frank E. Celli, the Chief Executive Officer of the Company, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of the undersigned's knowledge and belief:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: March 29, 2017

/s/ Frank E. Celli
Name: Frank E. Celli
Title: Chairman, Chief Executive Officer
(Principal Executive Officer)

A signed original of this written statement required by Section 906 has been provided to BioHiTech Global, Inc. and will be retained by BioHiTech Global, Inc. and furnished to the Securities and Exchange Commission upon request.

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. §1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report on Form 10-K (the "Report") of BioHiTech Global, Inc. (the "Company") for the fiscal year ended December 31, 2016, the undersigned Brian C. Essman, the Chief Financial Officer of the Company, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of the undersigned's knowledge and belief:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: March 29, 2017

/s/ Brian C. Essman
Name: Brian C. Essman
Title: Chief Financial Officer and Treasurer
(Principal Accounting Officer)

A signed original of this written statement required by Section 906 has been provided to BioHiTech Global, Inc. and will be retained by BioHiTech Global, Inc. and furnished to the Securities and Exchange Commission upon request.