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

FORM 10-Q

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Quarterly Period Ended March 31, 2016

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Transition Period from _____ to _____
Commission file number: 333-144226

ARTVENTIVE MEDICAL GROUP, INC.
(Exact name of registrant as specified in its charter)

Nevada	**26-0148468**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

2766 Gateway Road, Carlsbad, CA 92009
(Address of principal executive offices) (zip code)

(760) 471-7700
(Registrant's telephone number, including area code)

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

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

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☑
(Do not check if a smaller reporting company)			

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 May 16, 2016, there were 63,637,086 shares of registrant's common stock outstanding.

ARTVENTIVE MEDICAL GROUP, INC.
FORM 10-Q
FOR THE THREE MONTHS ENDED MARCH 31, 2016 AND 2015

TABLE OF CONTENTS

PART I – UNAUDITED FINANCIAL INFORMATION

ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

ARTVENTIVE MEDICAL GROUP, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

	March 31, 2016 (Unaudited)	December 31, 2015
ASSETS		
Current assets		
Cash and cash equivalents	$ 10,106	$ 21,781
Accounts receivable	24,976	18,118
Prepaid expenses	6,166	11,655
Inventory	311,411	303,044
Total current assets	352,659	354,598
Fixed assets		
Office equipment	26,870	26,870
Accumulated depreciation	(10,809)	(9,582)
Fixed assets, net	16,061	17,288
Other assets		
Deposits	77,391	81,530
Total other assets	77,391	81,530
Total assets	$ 446,111	$ 453,416
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities		
Accounts payable	$ 1,444,825	$ 924,089
Total current liabilities	1,444,825	924,089
Long-term liabilities		
Notes payable	500,000	500,000
Total long-term liabilities	500,000	500,000
Total liabilities	1,944,825	1,424,089
Stockholders' deficit		
Common stock, $0.001 par value, 100,000,000 shares authorized, 63,687,086 and 63,592,086 shares issued and outstanding at March 31, 2016 and December 31, 2015, respectively	63,687	63,592
Additional paid in capital	17,043,485	17,028,580
Accumulated deficit	(18,605,886)	(18,062,845)

Total stockholders' deficit	(1,498,714)	(970,673)
Total liabilities and stockholders' deficit	$ 446,111	$ 453,416

The accompanying notes are an integral part of these condensed consolidated financial statements.

ARTVENTIVE MEDICAL GROUP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	For the Three Months Ended	
	March 31, 2016	March 31, 2015
REVENUES	$ 45,986	$ 64,187
COST OF SALES	45,986	64,187
GROSS PROFIT	-	-
OPERATING EXPENSES		
Research and development	179,653	301,926
Selling, general and administrative	362,161	585,327
Depreciation expense	1,227	930
Total operating expenses	543,041	888,183
Loss from operations	(543,041)	(888,183)
OTHER INCOME (EXPENSE)		
Interest expense	-	-
Interest income	-	1
Total other income (expense)	-	1
NET LOSS	$ (543,041)	$ (888,182)
LOSS PER SHARE - Basic and Diluted	$ (0.01)	$ (0.01)
WEIGHTED AVERAGE SHARES OUTSTANDING	63,643,586	59,765,175

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

ARTVENTIVE MEDICAL GROUP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	For the Three Months Ended	
	March 31, 2016	March 31, 2015
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (543,041)	$ (888,182)
Adjustments to reconcile net loss to net cash used in operating activities		
Non-cash expenses	-	33,715
Depreciation expense	1,227	930
Changes in operating assets and liabilities:		
Accounts receivable	(6,858)	52
Prepaid expenses	5,489	-
Inventory	(8,367)	(37,949)
Deposits	4,139	(3,862)
Accounts payable	520,736	262,125
Payroll taxes payable	-	61
Accrued expenses	-	(37,500)
Cash used in operating activities	(26,675)	(670,610)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Cash paid for purchase of fixed assets	-	(2,940)
Cash used in investing activities	-	(2,940)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from sale of common stock	15,000	650,000
Issuance of notes payable	-	-
Cash provided by financing activities	15,000	650,000
NET CHANGE IN CASH	(11,675)	(23,550)
CASH AT BEGINNING OF PERIOD	21,781	104,030
CASH AT END OF PERIOD	$ 10,106	$ 80,480
CASH PAID DURING THE YEAR:		
Interest paid	$ -	$ -
Income taxes paid	-	$ -
NON-CASH TRANSACTIONS:		
Accrual of Stock Issuance Cost	$ -	$ 65,000

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

ARTVENTIVE MEDICAL GROUP, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 1 - BASIS OF FINANCIAL STATEMENT PRESENTATION

The accompanying unaudited condensed consolidated financial statements have been prepared by ArtVentive Medical Group, Inc. and its Subsidiary, ArtVentive Medical Group, Canada Inc., (the "Company") pursuant to the rules and regulations of the United States Securities and Exchange Commission ("SEC") and should be read in conjunction with our annual report on Form 10-K for the year ended December 31, 2015 as filed with the SEC under the Securities and Exchange Act of 1934 (the"Exchange Act"). Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted, as permitted by the SEC, although we believe the disclosures which are made are adequate to make the information presented not misleading. The condensed consolidated financial statements reflect, in the opinion of management, all normal recurring adjustments necessary to present fairly our financial position at March 31, 2016 and the results of our operations and cash flows for the periods presented.

The results of operations for interim periods are not necessarily indicative of the results to be expected for the full year, or any other period.

NOTE 2 - ORGANIZATION

The Company is a medical device company focused on developing, manufacturing and marketing a family of endoluminal occlusion devices, known as the Endoluminal Occlusion System (EOS™). Through its patented technology, the Company has developed minimally invasive occlusion devices and procedures capable of achieving immediate, complete, and permanent occlusion of peripheral vasculature. EOS™ was developed by the Company and serves as a proprietary technology platform for several major clinical areas including peripheral and neurological vascular disorders, women's health, interventional oncology and cardiology procedures.

The Company was incorporated on January 23, 2007. The Company's fiscal year end is December 31. To date, the Company's activities have been committed to the development of EOS™, intellectual property, animal studies, human studies, patent filings, and developing a regulatory strategy for initial clinical indications pertinent to European, manufacturing and FDA submissions and approvals, corporate operations and the raising of equity capital. The Company conducted the required human clinical studies during 2011, achieving 100% clinical and procedural success, validating the safety and efficiency of the EOS™ device. The Company received its CE Mark certification for EOS™ on May 30, 2013. In 2014, the Company began commercialization and commenced marketing with its European distributors. On December 3, 2014, the Company received FDA approval for EOS™ for marketing and sales in the United States.

We currently have one wholly-owned subsidiary, ArtVentive Medical Group, Canada Inc.

NOTE 3 - SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The consolidated financial statements include the transactions of the Company and its Subsidiary. All inter-company accounts and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of the Company's financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Such estimates include deferred tax assets

arising as a result of the operating loss carry forwards. Actual results could differ from those estimates. The Company's periodic filings with the SEC include, where applicable, disclosures of estimates, assumptions, uncertainties and markets that could affect the financial statements and future operations of the Company.

Common Stock Issued for Services

Services purchased and other transactions settled in the Company's common stock and stock options are recorded at the estimated fair value of the stock issued and options granted if that value is more readily determinable than the fair value of the consideration received.

Earnings Per Share of Common Stock

In accordance with accounting guidance now codified as FASB ASC Topic 260, *Earnings per Share*, basic earnings (loss) per share is computed by dividing net income (loss) by weighted average number of shares of common stock outstanding during each period.

Diluted earnings (loss) per share is computed by dividing net income (loss) by the weighted average number of shares of common stock, common stock equivalents and potentially dilutive securities outstanding during the period.

The Company had the following potential common stock equivalents at March 31, 2016:

Common stock warrants	2,415,000
Common stock options	370,000
Total common stock equivalents	2,785,000

Since the Company recorded net losses for the three months ended March 31, 2016 and 2015, the effect of considering any common stock equivalents, if outstanding, would have been anti-dilutive. Therefore, a separate computation of diluted earnings (loss) per share is not presented.

The following table sets forth the computation of earnings per share:

	March 31, 2016	March 31, 2015
Net income (loss)	$ (543,041)	$ (888,182)
Weighted average common shares outstanding	63,643,586	59,765,175
Net (loss) per share	$ (0.01)	$ (0.01)

Property and Equipment

The Company records property and equipment at cost and uses straight-line depreciation methods over estimated useful lives of 5-7 years.

	March 31, 2016	December 31, 2015
Computer equipment	$ 22,124	$ 22,124
Office furniture	4,746	4,746
Less: Accumulated depreciation	(10,809)	(9,582)
Net property and equipment	$ 16,061	$ 17,288

Inventory

The Company's inventory is valued at the lower of cost or market using the first-in, first-out (FIFO) method. As of March 31, 2016 and December 31, 2015, all inventory consisted of finished goods.

As the Company begins its transition from the research and development phase to production, management has estimated the cost of units sold to be equal to the revenue generated on those units. Other direct cost that may be associated with the production of these units has been reflected in research and development expenses.

Foreign Currency Translations

The Company's functional and reporting currency is the U.S. dollar. All transactions initiated in other currencies are translated into U.S. dollars using the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the U.S. dollar at the rate of exchange in effect at the balance sheet date. Unrealized exchange gains and losses arising from such transactions are deferred until realization and are included as a separate component of stockholders' equity (deficit) as a component of other comprehensive income or loss. Upon realization, the amount deferred is recognized in income in the period when it is realized.

Cash and Cash Equivalents

Cash and cash equivalents consist principally of funds on hand, on deposit with banks and liquid investment funds having maturity of three months or less at the time of the purchase. The Company has no cash equivalents. The Company had funds on deposit of $10,106 as of March 31, 2016.

Receivables

The accounts receivable balance of $24,976 as of March 31, 2016 is comprised of balances due from six customers totaling $8,311, $4,800, $3,280, $2,915, $2,850 and $2,790. The accounts receivable balance as of December 31, 2015 was comprised of balances due from four customers totaling $5,760, $5,568, $3,210, and $3,580. The balance of the allowance for bad debts was $0 as of March 31, 2016 and December 31, 2015.

Revenue Recognition

Revenue for the sale of goods in the course of the ordinary activities is measured at the fair value of the consideration received or receivable, net of returns. Revenue for sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of the goods can be estimated reliably, there is no continuing involvement with the goods, and the amount of revenue can be measured reliably.

Concentrations of Credit Risk

Certain financial instruments, which subject the Company to concentration of credit risk, consist of cash and accounts receivable. The Company maintains cash balances at financial institutions, which, from time to time, may exceed Federal Deposit Insurance Corporation insured limits of $250,000. As of March 31, 2016, the Company had no deposits in excess of federally insured limits in its U.S. bank. The Company has not experienced any losses with regard to its bank accounts and believes it is not exposed to any risk of loss on its cash in bank accounts. As of March 31, 2016, six customers represented 100% (33.3%, 19.25%, 13.15%, 11.69%, 11.43% and 11.19%) and as of December 31, 2015, four customers represented 100% (31.8%, 30.7%, 17.7% and 19.8%) of our accounts receivable.

As of March 31, 2016 and December 31, 2015, Medical Murray, accounted for more than 10% of our purchases and accounts payable.

NOTE 4 – NOTES PAYABLE

On April 1, 2014, the Company borrowed $250,000 from an unrelated party and issued a note payable due on or before December 31, 2014, with interest at 3% per annum. On December 31, 2014, the Company and the lender executed an extension of the note, which is due on or before December 31, 2017. The interest remains at 3%. The lender may convert all or part of the debt, including interest, into common stock of the Company at any time at the rate of $1.00 per share.

On April 1, 2014, the Company borrowed an additional $250,000 from an unrelated party and issued a note payable due on or before December 31, 2014, with interest at 3% per annum. On December 31, 2014, the Company and the lender executed an extension of the note, which is due on or before December 31, 2017. The interest remains at 3%. The lender may convert all or part of the debt, including interest, into common stock of the Company at any time at the rate of $1.00 per share.

Long-term debt consists of the following:

	March 31, 2016	December 31, 2015
Note payable to a private party, interest at 3.0%, interest and principal due December 31, 2017	$ 250,000	$ 250,000
Note payable to a private party, interest at 3.0%, interest and principal due December 31, 2017	250,000	250,000
	500,000	500,000
Less current maturities of long-term debt	-	-
Long-term debt	$ 500,000	$ 500,000

Maturities on long-term debt are as follows:

2016	$ -
2017	500,000
	$ 500,000

NOTE 5 - STOCKHOLDERS' EQUITY

Effective April 22, 2008, the Company forward-split its issued common stock on a ratio of 5.8 shares for each original share. As a result of this transaction, 11,078,000 shares were issued. Effective February 12, 2010, the Company forward-split its issued common stock on a ratio of 1.65 shares for each one prior share. As a result of this transaction, 8,442,200 shares were issued. Consideration for the issue of additional shares has been charged against additional paid in capital. The forward stock splits adjustments have been applied retroactively.

Stock issuances in private placements during the three months ended March 31, 2016 and the years ended December 31, 2015 and December 31, 2014 are as follows:

Stock Issuance Date	Common Shares	Proceeds Received
January 7, 2014	400,000	$ 400,000
February 11, 2014	400,000	400,000
March 6, 2014	300,000	300,000
May 23, 2014	100,000	100,000
June 24, 2014	1,000,000	1,000,000
July 23, 2014	500,000	500,000
August 29, 2014	250,000	250,000
September 29, 2014	150,000	150,000
September 30, 2014	100,000	100,000
October 15, 2014	100,000	100,000
November 7, 2014	80,000	80,000
November 28, 2014	70,000	70,000
December 4, 2014	250,000	250,000
December 15, 2014	250,000	250,000
December 29, 2014	250,000	250,000

Total for year ended December 31, 2014	4,200,000	$	4,200,000
January 23, 2015	250,000	$	250,000
February 27, 2015	150,000		150,000
March 15, 2015	100,000		100,000
March 31, 2015	150,000		150,000
April 23, 2015	150,000		150,000
May 4, 2015	100,000		100,000
May 29, 2015	500,000		500,000
June 1 2015	500,000		500,000
July 17, 2015	200,000		200,000
August 8, 2015	50,000		50,000
August 27, 2015	300,000		300,000
September 28, 2015	250,000		250,000
October 26, 2015	150,000		150,000
November 20, 2015	100,000		100,000
December 12, 2015	100,000		100,000
Total for year ended December 31, 2015	3,050,000	$	3,050,000
January 18, 2016	15,000	$	15,000
Total for three months ended March 31, 2016	15,000	$	15,000

On May 5, 2015, 980,800 shares were issued for finder's fees valued at $980,800.

On August 12, 2015, 25,000 shares were issued for finder's fees valued at $25,000.

On January 22, 2016, 80,000 shares were issued for finder's fees valued at $80,000.

NOTE 6 - GOING CONCERN AND LIQUIDITY CONSIDERATIONS

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates, among other things, the realization of assets and satisfaction of liabilities in the normal course of business. As of March 31, 2016, the Company had a negative working capital balance of $1,092,166 and an accumulated deficit of $18,605,886. These factors raise substantial doubt about the Company's ability to continue as a going concern. Management is in the process of evaluating various financing alternatives for operations, as the Company will need to finance future research and development activities and general and administrative expenses through fund raising in the public or private equity markets. Management believes that it will be able to secure the necessary financing as a result of ongoing financing discussions with third party investors and existing shareholders. However, there is no assurance that the Company will be successful with those initiatives, and it does not have any firm commitments from investors at this time.

NOTE 7 - RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

The Company has reviewed Accounting Standards Update ("ASU") through ASU No. 2016-11 which contain technical corrections to existing guidance or affect guidance to specialized industries or entities. These updates have no current applicability to the Company or their effect on the financial statements would not have been significant.

NOTE 8 - PROVISION FOR INCOME TAXES

The Company recognizes the tax effects of transactions in the year in which such transactions enter into the determination of net income, regardless of when reported for tax purposes. Deferred taxes are provided in the financial statements under ASC Topic 740, *Income Taxes*, to give effect to the resulting temporary differences which may arise from differences in the bases of fixed assets, depreciation methods, allowances, and start-up costs based on the income taxes expected to be payable in future years. Exploration and development stage deferred tax assets arising as a result of net operating loss carry forwards have been offset completely by a valuation allowance due to the uncertainty of their utilization in future periods. Tax operating loss carry forwards generated during the period from January 23, 2007 (date of inception) through March 31, 2016 of approximately $18.4 million will begin to expire in 2027. Accordingly, deferred tax assets of approximately $7,731,000 (2015 – $7,594,000) related to net operating loss carryforwards and $168,000 related to stock-based compensation were offset in full by the valuation allowance.

The Company has no tax positions at March 31, 2016 and December 31, 2015 for which the ultimate deductibility is highly certain but for which there is uncertainty about the timing of such deductibility.

The Company's tax returns for the years ended December 31, 2015, 2014, 2013 and 2012 are open for examination under Federal Statute of Limitations and for the years ended December 31, 2015, 2014 and 2013 under the State of California Statute of Limitations.

The Company recognizes interest accrued related to unrecognized tax benefits in interest expense and penalties in operating expenses. The Company had no accruals for interest and penalties since inception.

A reconciliation of the provision for income tax expense with the expected income tax computed by applying the federal statutory income tax to income before provision for income taxes is as follows:

	For the Three Months Ended March 31,	
	2016	**2015**
Income tax (benefit) computed at Federal statutory tax rate of 34%	$ (184,634)	$ (290,518)
Change in valuation allowance	232,639	366,053
State taxes (net of federal benefit)	(48,005)	(75,535)
	$ -	$ -

NOTE 9 - WARRANTS AND OPTIONS

During the year ended December 31, 2015, the Company granted 3,050,000 warrants to purchase shares of Common Stock of which all have a 1-year exercise term, of which 2,400,000 remain outstanding at March 31, 2016. During the quarter ended March 31, 2016, 15,000 warrants were issued. The Company valued all warrants utilizing a Black-Scholes option-pricing model and the fair value was recorded as additional paid-in capital.

The following is a summary of the Company's warrant activity as of March 31, 2016:

	Warrants	Weighted Average Exercise Price
Outstanding - December 31, 2014	4,200,000	$ 1.50
Granted	3,050,000	1.50
Exercised	-	-
Forfeited	(4,200,000)	1.50
Outstanding – December 31, 2015	3,050,000	$ 1.50
Exercisable – December 31, 2015	3,050,000	$ 1.50

Granted	15,000	$ 1.50
Exercised	-	-
Forfeited	(650,000)	$ 1.50
Outstanding – March 31, 2016	2,415,000	$ 1.50
Exercisable – March 31, 2016	2,415,000	$ 1.50

Warrants outstanding and exercisable at March 31, 2016 are as follows:

Warrants Outstanding			Warrants Exercisable		
Exercise Price	Number Outstanding	Weighted Average Remaining Contractual Life (in Years)	Weighted Average Exercise Price	Number Exercisable	Weighted Average Exercise Price
$ 1.50	50,000	0.04 years	$ 1.50	50,000	$ 1.50
$ 1.50	150,000	0.06 years	$ 1.50	150,000	$ 1.50
$ 1.50	100,000	0.09 years	$ 1.50	100,000	$ 1.50
$ 1.50	500,000	0.15 years	$ 1.50	500,000	$ 1.50
$ 1.50	500,000	0.17 years	$ 1.50	500,000	$ 1.50
$ 1.50	200,000	0.29 years	$ 1.50	200,000	$ 1.50
$ 1.50	300,000	0.41 years	$ 1.50	300,000	$ 1.50
$ 1.50	250,000	0.49 years	$ 1.50	250,000	$ 1.50
$ 1.50	150,000	0.57 years	$ 1.50	150,000	$ 1.50
$ 1.50	100,000	0.64 years	$ 1.50	100,000	$ 1.50
$ 1.50	100,000	0.70 years	$ 1.50	100,000	$ 1.50
$ 1.50	15,000	0.80 years	$ 1.50	15,000	$ 1.50

Warrant activity is as follows:

Warrants issued during the first quarter of 2016, totaled 15,000.

Warrants issued during 2015, totaling 650,000, expired during the first quarter of 2016.

Warrants issued during 2014, totaling 4,200,000, expired during 2015.

Effective April 16, 2015, 50,000 warrants were issued. The warrants allow the purchase of common shares at an exercise price of $1.50. There is no vesting period, and the warrants expire in 1 year.

Effective April 23, 2015, 150,000 warrants were issued. The warrants allow the purchase of common shares at an exercise price of $1.50. There is no vesting period, and the warrants expire in 1 year.

Effective May 4, 2015, 100,000 warrants were issued. The warrants allow the purchase of common shares at an exercise price of $1.50. There is no vesting period, and the warrants expire in 1 year.

Effective May 28, 2015, 500,000 warrants were issued. The warrants allow the purchase of common shares at an exercise price of $1.50. There is no vesting period, and the warrants expire in 1 year.

Effective June 1, 2015, 500,000 warrants were issued. The warrants allow the purchase of common shares at an exercise price of $1.50. There is no vesting period, and the warrants expire in 1 year.

Effective July 17, 2015, 200,000 warrants were issued. The warrants allow the purchase of common shares at an exercise price of $1.50. There is no vesting period, and the warrants expire in 1 year.

Effective August 12, 2015, 25,000 warrants were issued. The warrants allow the purchase of common shares at an exercise price of $1.50. There is no vesting period, and the warrants expire in 1 year.

Effective August 27, 2015, 300,000 warrants were issued. The warrants allow the purchase of common shares at an exercise price of $1.50. There is no vesting period, and the warrants expire in 1 year.

Effective September 28, 2015, 250,000 warrants were issued. The warrants allow the purchase of common shares at an exercise price of $1.50. There is no vesting period, and the warrants expire in 1 year.

Effective October 26, 2015, 150,000 warrants were issued. The warrants allow the purchase of common shares at an exercise price of $1.50. There is no vesting period, and the warrants expire in 1 year.

Effective November 20, 2015, 100,000 warrants were issued. The warrants allow the purchase of common shares at an exercise price of $1.50. There is no vesting period, and the warrants expire in 1 year.

Effective December 12, 2015, 100,000 warrants were issued. The warrants allow the purchase of common shares at an exercise price of $1.50. There is no vesting period, and the warrants expire in 1 year.

Effective January 18, 2016, 15,000 warrants were issued. The warrants allow the purchase of common shares at an exercise price of $1.50. There is no vesting period, and the warrants expire in 1 year.

The following is a summary of the Company's stock options activity:

	Options	Weighted Average Exercise Price
Granted – 2015	265,000	$ 1.00
Exercised – 2015	(50,000)	0.001
Forfeited – 2015	(150,000)	1.00
Outstanding – December 31, 2015	370,000	$ 1.00
Exercisable – December 31, 2015	230,000	$ 1.00
Granted	-	$ -
Exercised	-	-
Forfeited	-	-
Outstanding – March 31, 2016	370,000	$ 1.00
Exercisable – March 31, 2016	230,000	$ 1.00

Options outstanding and exercisable at March 31, 2016 are as follows:

Options Outstanding			Options Exercisable		
Range of Exercise Price	Number Outstanding	Weighted Average Remaining Contractual Life (in Years)	Weighted Average Exercise Price	Number Exercisable	Weighted Average Exercise Price
$ 1.00	35,000	1.84 years	$ 1.00	35,000	$ 1.00
$ 1.00	10,000	1.92 years	$ 1.00	10,000	$ 1.00
$ 1.00	10,000	2.74 years	$ 1.00	10,000	$ 1.00
$ 1.00	50,000	7.67 years	$ 1.00	50,000	$ 1.00
$ 1.00	10,000	8.81 years	$ 1.00	10,000	$ 1.00
$ 1.00	100,000	9.08 years	$ 1.00	100,000	$ 1.00
$ 1.00	40,000	9.21 years	$ 1.00	-	$ 1.00
$ 1.00	15,000	9.41 years	$ 1.00	15,000	$ 1.00
$ 1.00	100,000	9.48 years	$ 1.00	-	$ 1.00

The Company's stock option activity is as follows:

Effective November 2, 2010, the Board of Directors of the Company granted 50,000 non-statutory stock options to a current consultant at an exercise price of $.001 per share with the vesting date of November 2, 2013 and an expiration date of November 2, 2016. These options were exercised on August 7, 2015.

Effective February 1, 2013, the Board of Directors of the Company granted 20,000 non-statutory stock options to a current consultant at an exercise price of $1.00 per share with the vesting date of February 1, 2013 and an expiration date of February 1, 2018.

Effective February 1, 2013, the Board of Directors of the Company granted 5,000 non-statutory stock options to a current consultant at an exercise price of $1.00 per share with the vesting date of February 1, 2013 and an expiration date of February 1, 2018.

Effective February 1, 2013, the Board of Directors of the Company granted 10,000 non-statutory stock options to a current consultant at an exercise price of $1.00 per share with the vesting date of February 1, 2013 and an expiration date of February 1, 2018.

Effective March 1, 2013, the Board of Directors of the Company granted 10,000 non-statutory stock options to a current consultant at an exercise price of $1.00 per share with the vesting date of March 1, 2013 and an expiration date of March 1, 2018.

Effective December 27, 2013, the Board of Directors of the Company granted 10,000 non-statutory stock options to a current consultant at an exercise price of $1.00 per share with the vesting date of December 27, 2013, and an expiration date of December 27, 2018.

Effective January 1, 2015, the Board of Directors of the Company granted 200,000 non-statutory stock options to a then current employee at an exercise price of $1.00 per share with 50,000 of the shares vested on January 1, 2016 and the additional 75% of the shares exercisable on each of the next succeeding three anniversaries of January 1. The 50,000 vested stock options remain outstanding, while the 150,000 non-vested options were forfeited through a voluntary resignation on September 4, 2015.

Effective January 23, 2015, the Board of Directors of the Company granted 10,000 non-statutory stock options to a current consultant at an exercise price of $1.00 per share with the vesting date of January 23, 2015, and an expiration date of January 23, 2025.

Effective April 30, 2015, the Board of Directors of the Company granted 100,000 non-statutory stock options to a current consultant at an exercise price of $1.00 per share with the vesting date of April 30, 2015, and an expiration date of April 30, 2025.

Effective June 15, 2015, the Board of Directors of the Company granted 40,000 non-statutory stock options to a current employee at an exercise price of $1.00 per share with 25% of the shares exercisable on June 15, 2016 and an additional 25% exercisable on each of the next succeeding three anniversaries of June 15, on a cumulative basis, so that the option, or any unexercised portion, shall be fully exercisable on and after June 15, 2019. The stock options have an expiration date of June 15, 2025.

Effective August 28, 2015, the Board of Directors of the Company granted 15,000 non-statutory stock options to a current consultant at an exercise price of $1.00 per share with the vesting date of August 28, 2015, and an expiration date of August 28, 2025.

Effective September 22, 2015, the Board of Directors granted 100,000 stock options deemed an Incentive Stock Option (ISO) to a current employee, at an exercise price of $1.00 per share with 25% exercisable on September 22, 2016; and an additional 25% exercisable on each of the next succeeding three anniversaries of September 22nd, on a cumulative basis, so that the Option, or any unexercised portion, shall be fully exercisable on and after September 22, 2019. The stock options have an expiration date of September 22, 2025.

The Company valued these options utilizing a Black-Scholes option-pricing model and the fair value was recorded as additional paid-in capital.

NOTE 10 - SUBSEQUENT EVENTS

The Company evaluated all events or transactions that occurred after March 31, 2016, up through the date these unaudited condensed consolidated financial statements were issued and it was determined there were no reportable events.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Forward-Looking Statements

This report contains forward-looking statements. The following discussion should be read in conjunction with the financial statements and related notes contained in our Annual Report on Form 10-K, as filed with the Securities & Exchange Commission on April 14, 2016. Certain statements made in this discussion are "forward-looking statements" within the meaning of The Private Securities Litigation Reform Act of 1995. Forward-looking statements are projections in respect of future events or financial performance. In some cases, you can identify forward-looking statements by terminology such as "may", "should", "expects", "plans", "anticipates", "believes", "estimates", "predicts", "potential" or "continue" or the negative of these terms or other comparable terminology. Forward-looking statements made in a quarterly report on Form 10-Q may include statements about our:

- ability to obtain sufficient capital or strategic business arrangements to fund our operations and realize our business plan;
- belief as to whether a meaningful and profitable global market can be established for the ArtVentive Endoluminal Occlusion Devices (ArtVentive EOS™) as a minimally invasive occlusion device;
- belief that our medical device seems superior to other options;
- expectations regarding our ability to obtain and maintain intellectual property protection for our technology;
- ability to commercialize products in light of the intellectual property rights of others;
- ability to obtain funding for operations, inventory and scale-up of our medical devices;
- future agreements with third parties in connection with the commercialization of our technologies;
- size and growth potential of the markets for our product candidates, and our ability to serve those markets;
- regulatory developments in the United States and foreign countries;
- ability to contract with third-party suppliers and manufacturers and their ability to perform adequately;
- success as it is compared to competing therapies that are or may become available;
- ability to attract and retain key scientific or management personnel and to expand our management team;
- accuracy of estimates regarding expenses, future revenue, capital requirements, profitability, and needs for additional financing;
- need to raise additional funds on an immediate basis which may not be available on acceptable terms or at all;
- expenditures not resulting in commercially successful revenues; and
- extensive industry regulation, and how that will continue to have a significant impact on our business, especially our product development, manufacturing and distribution capabilities.

These statements are only predictions and involve known and unknown risks, uncertainties and other factors, including the risks in the section entitled "Risk Factors" set forth in this Annual Report on Form 10-K for the year ended December 31, 2015, any of which may cause our company's or our industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. These risks may cause the Company's or its industry's actual results, levels of activity or performance to be materially different from any future results, levels of activity or performance expressed or implied by these forward-looking statements.

Although the Company believes that the expectations reflected in the forward-looking statements are reasonable, it cannot guarantee future results, levels of activity or performance. Moreover, neither the Company nor any other person assumes responsibility for the accuracy and completeness of these forward-looking statements. The Company is under no duty to update any forward-looking statements after the date of this report to conform these statements to actual results.

As used in this quarterly report and unless otherwise indicated, the terms "we," "us", "our", "Artventive Medical Group" or the "Company" refer to Artventive Medical Group, Inc. and its wholly-owned Subsidiary, ArtVentive

Medical Group, Canada Inc., ("AMG Canada"). Unless otherwise specified, all dollar amounts are expressed in United States dollars.

Corporate Overview

ArtVentive Medical Group, Inc. is a medical device corporation focused on developing, manufacturing and marketing a family of endoluminal occlusion devices, known as the ArtVentive Endoluminal Occlusion System ("ArtVentive EOS™" or "EOS™"). Through our patented technology, we have developed minimally invasive occlusion devices and procedures capable of achieving immediate, complete, and permanent occlusion of peripheral vasculature. In our belief, EOS™ represents a paradigm shift in the vessel occlusion marketplace, through our use of a unique technology platform that, when deployed, immediately occludes a vessel and does not depend on waiting for blood or fluids to clot around the device. We believe that this new, novel technology significantly reduces risks to both patients and doctors, is more cost effective than currently available products, and has the potential to become the standard of care in the vessel occlusion market.

The ArtVentive EOS™ is our proprietary technology platform which we plan to expand from peripheral vascular to neurological vascular disorders, women's contraceptive health, varicose veins, interventional oncology and cardiology procedures.

We were incorporated on January 23, 2007 in the State of Nevada as Big Bear Resources, Inc. We changed our name to Uranium Plus Resource Corporation on March 21, 2008. On January 9, 2010, we completed the acquisition of all of the assets of ArtVentive Medical Inc., a California company, and changed our name, on January 26, 2010, to ArtVentive Medical Group, Inc. to concentrate on developing, manufacturing and marketing the ArtVentive EOS™ family of devices.

Based on the work of Dr. Leon Rudakov, Ph.D. and Dr. Philippe Gauilloud, MD, we developed our first prototype of the ArtVentive EOS™ in 2010. Since inception, our activities have been focused on our corporate operations, research and development, EOS™ device design and testing, implementation of quality controls and protocols, animal studies, and regulatory strategy for FDA and European submissions and approvals. In December 2010, the Company formally froze the EOS™ device design for the peripheral category of indications in preparation for the regulatory phase and prior to commercialization in Europe, followed by the United States. We protect our technology with 8 approved patents and 29 patents pending.

We outsource certain operations to assist us in the implementation of our strategic plan to develop, manufacture and commercialize our products. These companies provided the following services:

- Medical Murray Inc. is our manufacturer and a leader in the field of medical device development and manufacturing that is ISO certified and FDA registered.

- Alvamed, Inc. (formerly Northwest Clinical Research Group, Inc.) develops our regulatory and clinical strategy, provides a platform of quality control and communicates with the FDA and the European Notified Body.

- Lublin University Clinic, Poland and University Clinic of UZ Leuven of Belgium conducted successful post-market clinical studies on 20 patients using ArtVentive EOS™ devices (for OCCLUDE I and II) to study and demonstrate, through clinicians' experience, publications and conference presentations, EOS™ safety and clinical efficiency.

In September of 2010, we implemented our Quality Management System (QMS), based on the requirements of the following regulations and international standards:

- US FDA Quality System Regulation, 21 CFR 820
- EU Medical Device Directive (MDD), EEC 93/42
- Canada Medical Devices Regulations (CMDR), SOR/98-282
- ISO 13485:2003 Medical Devices – Quality Management Systems - Requirements Regulatory Purposes

We completed a comprehensive ISO Certification audit performed by BSI Product Services ("BSI"). BSI is an international ISO 9000/ISO Registrar and CE Mark notified body required for the European regulatory approval and subsequent CE Mark certification. The audit confirmed that the Company's document and quality control systems were up to ISO standards and in compliance with international requirements for the maintaining quality of the products without non-conformities.

Our common stock is currently listed on the OTC Market, Pink tier, under the symbol "AVTD".

Our Product

EOS™ is a minimally invasive occlusion device and procedure capable of achieving immediate, complete, and permanent occlusion of peripheral vasculature. EOS™ is designed to be deployed into an artery, vein or tube using our patented catheter and placed precisely in the correct place to cut off blood or fluid supply immediately, completely and permanently. The EOS™ delivery catheter is designed to permit fast and controlled deployment, with instantaneous occlusion of the treated vessel making it safer and more effective than other treatment modalities.

The major advantage of the ArtVentive EOS™ is its immediate action of occluding target sites. Most of all devices require much more time and radiation to perform the same type of procedure.

We received our CE Mark certification for EOS™ on May 30, 2013, and implemented the planned EOS™ peripheral device transfer from research and development to commercialization, marketing, and exploratory distribution throughout Europe, simultaneous to making our U.S. Food and Drug Administration ("FDA") application. The FDA granted us 510(k) clearance for the following sizes of EOS™ as a therapy in patients with peripheral vasculature requiring occlusion:

FDA 510(k) Clearance Granted	Product/Size	Commercial Introduction
December 9, 2014	5mm, 8mm EOS™ and Guide Catheter	February 2015
September 25, 2015	11mm EOS™ and Guide Catheter	December 2015

In 2015, we commenced limited commercialization of our product targeting key hospitals in Europe as proctoring centers. We plan to expand our efforts in Europe and the United States in 2016 as well as expand the sizes of EOS™ to perform occlusions in a wider variety of vascular applications.

Recent Corporate Developments

Since the commencement of the year through March 31, 2016, we have experienced the following corporate developments:

Resignation of Director

On April 25, 2016, the Board of Directors accepted the resignation of H. James Graham as Executive Chairman and a member of the Board of Directors, effective May 31, 2016.

Results of Operations

Comparison of the Three Months Ended March 31, 2016 to the Three Months Ended March 31, 2015

Revenue

We recognize revenue via the sale of the EOS™ device to the Company's distributors in Europe and through direct sales in the U.S. We invoice customers when products are shipped. For the three months ended March 31, 2016, our total revenues were $45,986, as compared to $64,187 for the same period in 2015, a decrease of 28%. The

decrease in revenue is attributable to decreased sales of the EOS™ device to European distributors that was mainly due to a realignment of the the Company's sales strategy in the Europen market.

Expenses

Our expenses for the three months ended March 31, 2016 are summarized as follows in comparison to our expenses for the three months ended March 31, 2015:

	Three Months Ended March 31,	
	2016	**2015**
Revenues	$ 45,986	$ 64,187
Cost of sales	45,986	64,187
Research and development	179,653	301,926
Selling, general and administration	362,161	585,327
Depreciation expense	1,227	930
Financial expenses (income), net	-	(1)
Loss before income taxes	$ (543,041)	$ (882,182)

Research and Development Expenses

	Three Months Ended March 31,	
	2016	**2015**
Salaries and related expenses	$ 49,070	72,322
Other research and development expenses	130,583	229,604
Total	$ 179,653	$ 301,926

For the three months ended March 31, 2016 and 2015, our gross profit was zero since the volume of unit production was not enough to achieve profitable per unit costs of sales. We expect manufacturing costs to decrease over the next twelve months with increased sales volume and the successful negotiation of a unit price cost from our manufacturing partner. Research and development costs decreased by $122,273 for the three months ended March 31, 2016, from the comparative period of 2015. The decrease is due to our transitioning from the research and development stage of our product to the commercial stage. We expect research and development costs to be ongoing due to the enhancement of current products and the development of new devices.

Selling, General and Administrative Expenses

	Three Months Ended March 31,	
	2016	**2015**
Salaries and related expenses	$ 24,276	$ 100,707
Stock-based compensation	-	-
Professional fees	73,887	157,624
Rent and related expenses	3,392	3,288
Business development	40,013	72,373
Other general and administrative expenses	220,593	251,335
Total	$ 362,161	$ 585,327

For the three months ended March 31, 2016 and 2015, general and administrative expenses decreased by $223,166 for the three months ended March 31, 2016 from the comparative period 2015. This was due in part to an effort by management to reduce certain general and administrative expenses and business development expenses. Salaries and related expenses decreased by $76,431 due to the reduced use of sales personnel and the realignment of the Company's sales strategy in the Europen market during the first quarter of 2016. We expect wages and salaries to increase substantially in the next twelve months as we expand our management, support staff and the sales team. Any increases are expected to be due to the initialization and transfer of the EOS™ device from research and

ongoing development to commercialization. We anticipate continued professional fees, mainly from regulatory, legal and accounting, due to ongoing public company reporting requirements.

Liquidity and Financial Condition

Working Capital Deficiency

	March 31, 2016	December 31, 2015
Current assets	$ 352,659	$ 354,598
Current liabilities	1,444,825	924,089
Working capital deficiency	$ (1,092,166)	$ (569,491)

The increase in current liabilities is mainly due to an increase in accounts payable.

Cash Flows

	Three Months Ended March 31,	
	2016	2015
Net loss	$ (543,041)	$ (888,182)
Net cash used in operating activities	(26,675)	(670,610)
Net cash used in investing activities	-	(2,940)
Net cash provided by financing activities	15,000	650,000
Increase (decrease) in cash and cash equivalents	$ (11,675)	$ (23,550)

As of March 31, 2016, our cash and cash equivalents balance was $10,106. The Company does not expect its current cash and operating income to be sufficient to meet its financial needs for continuing operations over the next twelve months.

Net cash used in operations for the three months ended March 31, 2016 was $26,675 mainly due to the net loss of $623,041 that was incurred during the period.

Net cash provided by financing activities for the three months ended March 31, 2016 was $15,000 due to issuances of common stock for cash.

We need to raise additional operating capital on an immediate basis. There is no historical financial information about the Company on which to base an evaluation of our performance. We have generated minimal revenues from operations. Management cannot guarantee that it will be successful in its business operations. The business is subject to risks inherent in the medical device business enterprise in a highly competitive industry, including limited capital resources, and possible cost overruns due to the price and cost increases in supplies and services.

The Company believes it does not have enough cash on hand or will be able to generate enough income from operations to pay operating costs for the next twelve months. In order to carry out the business plan, including the expansion of the product line and manufacturing of the EOS medical devices, the Company will be required to seek equity or debt financing. If management is unable to raise sufficient funds to increase its manufacturing and deliver products, as well as enhance and develop new innovative devices, the Company will have to curtail its operations until such funds are received. There is no guarantee that the Company will be successful in raising such funds.

Management believes that current cash resources will not allow us to meet current working capital requirements through 2016. Without additional sources of cash and/or the deferral, reduction, or elimination of significant planned expenditures, the Company will not have the cash resources to remain as a going concern thereafter. Management anticipates that it will require an additional $5,000,000 over the next 12 to 18 months to further develop its devices and increased manufacturing projections, for marketing, branding and launching into North American markets, in addition to the continued development of its research and development pipeline and new and innovative devices based on the EOS™ technology platform.

Going Concern

The audited consolidated financial statements contained in this report have been prepared assuming that the Company will continue as a going concern. The Company has cumulative net losses through March 31, 2016 of approximately $19 million, as well as negative cash flows from operating activities. The Company's cash and cash equivalents balance as of March 31, 2016 is $10,106. These factors raise substantial doubt about the Company's ability to continue as a going concern. Management is in the process of evaluating various financing alternatives for operations, as the Company will need to finance future research and development activities and general and administrative expenses through fund raising in the public or private equity markets.

While we will actively seek to identify sources of liquidity, there are no assurances that such additional sources of liquidity can be obtained on terms acceptable to us on a commercially reasonable basis, or at all. These factors raise substantial doubt about our ability to continue as a going concern. Furthermore, our "going concern" may make it more difficult for us to raise funds.

The consolidated financial statements do not include any adjustments that may be necessary should the Company be unable to continue as a going concern. The Company's continuation as a going concern is dependent on its ability to obtain additional financing as may be required and ultimately to attain profitability. If the Company raises additional funds through the issuance of equity, the percentage ownership of current shareholders could be reduced, and such securities might have rights, preferences or privileges senior to its common stock. Additional financing may not be available upon acceptable terms, or at all. If adequate funds are not available or are not available on acceptable terms, the Company may not be able to take advantage of prospective business endeavors or opportunities, which could significantly and materially restrict its future plans for developing its business and achieving commercial revenues. If the Company is unable to obtain the necessary capital, the Company may have to cease operations.

We expect that our operating expenses will increase over the next twelve months to build-up our sales and marketing efforts to sell EOS™ into existing and new markets. As of March 31, 2016, we had cash and cash equivalents of $10,106. We do not expect to raise capital through debt financing from traditional lending sources, since we are not currently producing revenue and cannot assure a lender that we will be able to successfully achieve commercial revenues from the development of our technology. Therefore, we only expect to raise money through equity financing via the sale of our common stock. If we cannot raise the money that we need in order to continue to operate our business, we will be forced to delay, scale back or eliminate some or all of our proposed operations. If any of these were to occur, there is a substantial risk that our business would fail. If we are unsuccessful in raising additional financing, we may need to curtail, discontinue or cease operations.

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to stockholders.

Effects of Inflation

We do not believe that inflation has had a material impact on our business, revenues or operating results during the periods presented.

Critical Accounting Policies and Estimates

Our significant accounting policies are more fully described in the notes to our financial statements included herein for the quarter ended March 31, 2016.

Newly Issued Accounting Pronouncements

See Note 7 to our financial statements included herein for the three months ended March 31, 2016 for a discussion of Recently Issued Accounting Pronouncements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable.

ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

The Company maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in the Company's reports filed under the Securities Exchange Act of 1934, as amended, 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 president and chief executive officer (who is the Company's principal executive officer) and the Company's chief financial officer, treasurer, and secretary (who is the Company's principal financial officer and principal accounting officer) to allow for timely decisions regarding required disclosure. In designing and evaluating the Company's disclosure controls and procedures, the Company's management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and the Company's management is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. The ineffectiveness of the Company's disclosure controls and procedures was due to material weaknesses identified in the Company's internal control over financial reporting, described below.

Management's Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over the Company's financial reporting. In order to evaluate the effectiveness of internal control over financial reporting, as required by Section 404 of the Sarbanes-Oxley Act of 2002. Our management, with the participation of the Company's principal executive officer and principal financial officer has conducted an assessment, including testing, using the criteria in Internal Control - Integrated Framework, issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") (2013). Our system of internal control over financial reporting is designed 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. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. This assessment included review of the documentation of controls, evaluation of the design effectiveness of controls, testing of the operating effectiveness of controls and a conclusion on this evaluation. Based on this evaluation, the Company's management concluded its internal control over financial reporting was not effective as of March 31, 2016. The ineffectiveness of the Company's internal controls over financial reporting was due to the following material weaknesses which are indicative of many small companies with limited staff:

(i) inadequate segregation of duties consistent with control objectives;
(ii) an ineffective internal audit function or risk assessment function for which such functions are important to the monitoring or risk assessment component of internal control;
(iii) ineffective controls over period end financial disclosure and reporting processes; and
(iv) Lack of an independent board and, therefore, lack of oversight by a functioning audit committee.

Our management believes the weaknesses identified above have not had any material effect on our financial statements. However, we are currently reviewing our disclosure controls and procedures related to these material weaknesses and expect to implement changes as soon as practicable, including identifying specific areas within our governance, accounting and financial reporting processes to add adequate resources to remediate these material weaknesses.

Our management will continue to monitor and evaluate the effectiveness of our internal controls and procedures and our internal controls over financial reporting on an ongoing basis and is committed to taking further action and implementing additional enhancements or improvements, as necessary and as funds allow.

Because of its inherent limitations, internal controls over financial reporting may not prevent or detect misstatements. 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. All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting during the three months ended March 31, 2016 that have materially affected, or are reasonably likely to materially affect our internal control over financial reporting.

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The Company knows of no material pending legal proceedings to which the Company or its Subsidiaries are a party or of which any of its properties, or the properties of its Subsidiaries, are the subject. In addition, the Company does not know of any such proceedings contemplated by any governmental authorities.

The Company knows of no material proceedings in which any of the Company's directors, officers or affiliates, or any registered or beneficial stockholder is a party adverse to the Company or its Subsidiaries or has a material interest adverse to the Company or its Subsidiaries.

ITEM 1A. RISK FACTORS

An investment in the Company's common stock involves a number of very significant risks. You should carefully consider the risk factors included in the "Risk Factors" section of the Annual Report on Form 10-K for the year ended December 31, 2015 that was filed on April 14, 2016, in addition to other information contained in those reports and in this quarterly report in evaluating the Company and its business before purchasing shares of its common stock. The Company's business, operating results and financial condition could be adversely affected due to any of those risks.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

During the three months ended March 31, 2016, the Company issued 15,000 common shares to a private investor for proceeds of $15,000.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable.

ITEM 5. OTHER INFORMATION

On April 25, 2016, the Board of Directors accepted the resignation of H. James Graham as Executive Chairman and a member of the Board of Directors, effective May 31, 2016.

ITEM 6. EXHIBITS

Exhibits required by Regulation S-K

No.	Description
31.1*	Certification Statement of the Chief Executive Officer pursuant to Section 302 of the Sarbanes Oxley Act of 2002
31.2*	Certification Statement of the Chief Financial Officer pursuant to Section 302 of the Sarbanes Oxley Act of 2002
32.1*	Certification Statement of the Chief Executive Officer pursuant to Section 906 of the Sarbanes Oxley Act of 2002
32.2*	Certification Statement of the Chief Financial Officer pursuant to Section 906 of the Sarbanes Oxley Act of 2002
101*	Interactive Data Files pursuant to Rule 405 of Regulation ST.

*Filed herewith

SIGNATURES

Pursuant to the requirements 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.

ARTVENTIVE MEDICAL GROUP, INC.

By: /s/ Leon Rudakov
Leon Rudakov
President and Chief Technology Officer (Principal Executive Officer, Principal Financial Officer and Principal Accounting Officer)
Date: May 16, 2016

By: /s/ H. James Graham
H. James Graham
Executive Chairman
Date: May 16, 2016