ISSUER DISCLOSURE STATEMENT

QUARTERLY REPORT
FOR THE 3 MONTHS ENDED SEPTEMBER 30, 2015

FORTUNE INDUSTRIES, INC.

DATED: NOVEMBER 16, 2015

ALL INFORMATION FURNISHED HEREIN HAS BEEN PREPARED FROM THE BOOKS AND RECORDS OF FORTUNE INDUSTRIES, INC. *("COMPANY")* IN ACCORDANCE WITH RULE 15c2-11 PROMULGATED UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED.

NO DEALER, SALESMAN OR ANY OTHER PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS NOT CONTAINED HEREIN IN CONNECTION WITH THE COMPANY. ANY REPRESENTATIONS NOT CONTAINED HEREIN MUST NOT BE RELIED UPON AS HAVING BEEN MADE OR AUTHORIZED BY THE COMPANY.

DELIVERY OF THIS INFORMATION DOES NOT IMPLY THAT THE INFORMATION CONTAINED HEREIN IS CORRECT AS OF ANY TIME SUBSEQUENT TO THE DATE OF THIS ISSUER INFORMATION AND DISCLOSURE STATEMENT.

Item 1: **The Name of the Issuer and its Predecessor (If Any)**

The Company's name is Fortune Industries, Inc. The Company was formerly known as Gamma International Ltd.; American Gaming & Entertainment Ltd.; WOW Entertainment, Inc.; Fortune Diversified Industries, Inc.

Item 2: **The Address of its Principal Executive Offices**

9020 Overlook Blvd., Suite 201
Brentwood, TN 37027
Phone: 615-665-9060
Fax: 615-312-0995

Item 3: **Security Information**

Trading Symbol: FDVF

Exact Title and Class of Securities Outstanding:

CUSIP:	34965Y 107	
Par Value	$0.000010	
Total Shares Authorized:	150,000,000	Common Stock
Total Shares Outstanding:	55,456,734	Shares of Common Stock
Transfer Agent:	American Stock Transfer & Trust Company 6201 15th Avenue Brooklyn, NY 11219 800-937-5449	

Is the Transfer Agent registered under the Exchange Act? Yes x **No** ___

There are no restrictions on the transfer of securities other than may apply under SEC Rule 144. There have been no trading suspension orders issued by the SEC in the past 12 months.

Item 4: **Issuance History**

Date Issued	Purchaser	Shares Issued	Price per Share	Status	State of Issuance
None					

Item 5: **Financial Statements**

The unaudited financial statements for the three month period ended September 30, 2015 are included with this Disclosure Statement.

Item 6. **Describe the Issuer's Business, Products and Services**

General

Fortune Industries, Inc. is a holding company of providers of full service human resources outsourcing services primarily through co-employment relationships with the company's clients. The terms "we," "our," "us," "the Company," and "management" as used herein refers to Fortune Industries, Inc. and its subsidiaries unless the context otherwise requires.

Our operations are largely decentralized from the corporate office. Autonomy is given to subsidiary entities and there are few integrated business functions (i.e., marketing, purchasing and accounting). Day-to-day operating decisions are made by subsidiary management teams. Our corporate management team assists in operational decisions when deemed necessary, selects subsidiary management teams and handles capital allocation among our operations.

We were incorporated in Delaware in 1988 under the name Gamma International Ltd. The Company's name was initially changed to American Gaming & Entertainment Ltd. and managed casinos and gambling operations as a publicly traded company on the NYSE. Simultaneously with a change of control, our name was changed to WOW Entertainment, Inc. in 2000. We divested the casinos and gambling operation and conducted business primarily in the entertainment industry. In July 2001, the Company's name was changed to Fortune Diversified Industries, Inc. at which time we exited the entertainment industry and was restructured to make acquisitions in wireless communications infrastructure services, distribution, electronics and outsourced human resource service through expansion in 2004 to the Professional Employer Organization (PEO) industry. Between 2004 and 2008, we acquired four (4) PEO subsidiaries which became the largest segment of our portfolio. In 2006, the Company re-domesticated from Delaware to Indiana and changed its name to Fortune Industries, Inc. On November 30, 2008, the Company divested all of the non-PEO subsidiaries and has been operating as a pure play Professional Employer Organization since that time. On July 1, 2013 controlling interest in the Company was acquired by CEP, Inc., a corporation owned by the executive management team and the Issuer voluntarily delisted from the NYSE.

Operations

The Company's operations are comprised of Professional Employer Organizations (PEOs) which provide full-service human resources outsourcing services primarily through co-employment relationships with their clients. These PEOs include Professional Staff Management, Inc. and related entities ("PSM"); CSM, Inc. and related subsidiaries ("CSM"); and Employer Solutions Group, Inc. and related subsidiaries ("ESG").

The licensed PEOs bill their clients under Professional Services Agreements. The billing includes amounts for the client's gross wages, payroll taxes, employee benefits, workers' compensation insurance and HR administration fee. The administration fee charged by the PEOs is typically a blend of a percentage of the gross payroll and a flat fee per employee per pay period and is sufficient to allow the companies to provide payroll administration services, human resources consulting services, worksite safety training and employment regulatory compliance for no additional fees.

The component of the administration fee related to administration varies, in part, according to the size of the client, the amount and frequency of payroll payments and the delivery method of such payments. The component of the administration fee related to health, workers' compensation and unemployment insurance is based, in part, on the client's historical claims experience. Charges by the PEOs are invoiced along with each periodic payroll delivered to the client.

Through the co-employment contractual relationship, the PEOs become the statutory employer and as such, all payroll-related taxes are filed on these PEOs' federal, state and local tax identification numbers. The clients are not required to file any payroll related taxes on their own behalf. The calculations of amounts the PEOs owe and pay the various government and employment insurance vendors are based on the experience levels and activity of the PEOs unless state regulations specify a different method.

Customers

Customers represent a wide variety of industries including healthcare, professional services, financial, software development, manufacturing, logistics, telemarketing and construction. Combined, these organizations provide co-employment services to over 14,400 employees in 47 states. Management's focus is on providing PEO services to small and medium-sized businesses with 10 to 200 employees. While worksite employees are located throughout the United States, the client operations are primarily headquartered in Arizona, Colorado, Indiana, Tennessee and Utah.

Competition

The Company competes with other PEOs, third-party payroll processing and human resources consulting companies and in-house human resources divisions. The PEO industry is highly fragmented between local, regional and national PEO operators.

Vendor Relationships

The PEOs provide employee benefits to worksite employees under arrangements with a variety of vendors. These PEOs provide group health insurance coverage to the customers' worksite employees through Humana, Anthem, Met Life and various other fully-insured policies or service contracts.

The PEOs also provide collateralized fully insured high deductible workers compensation insurance coverage for our customers' worksite employees through Liberty Mutual ("Liberty"), Zurich Insurance Group ("Zurich") and various other fully insured policies. Under the Liberty policy, the PEOs are liable for the first $250,000 of claims per accident with a $2.0 million annual corporate aggregate. Under the Zurich policy, the PEOs are liable for the first $350,000 of claims per accident. The Zurich policy has no aggregate coverage.

Industry Regulation

Numerous federal and state laws and regulations relating to employment matters benefit plans and employment taxes affect the operations of the Company or specifically address issues associated with co-employment. Many of these federal and state laws were enacted before the development of non-traditional employment relationships, such as professional employer organizations, temporary employment and other employment-related outsourcing arrangements and therefore, do not specifically address the obligations and responsibilities of a professional employer organization.

Other federal and state laws and regulations are relatively new and administrative agencies and federal and state courts have not yet interpreted or applied these regulations to the Company's business or its industry. The development of additional regulations and interpretation of those regulations can be expected to evolve over time. In addition, from time to time, states have considered and may in the future consider, imposing certain taxes on gross revenues or service fees of the Company and its competitors.

Many states have passed laws that have licensing, registration or other regulatory requirements for professional employer organizations and several other states are currently considering similar regulations. Such laws vary from state to state, but generally codify the requirements that a professional employer organization must reserve a right to hire, terminate and discipline client employees and secure workers' compensation insurance coverage. The Company delegates or assigns such rights to the client where allowed under state law. The laws also generally provide for monitoring the fiscal responsibility of professional employer organizations and in many cases, the licensure of the controlling officers of the professional employer organization.

In addition, some states through legislative or other regulatory action may propose to modify the manner in which the Company is allowed to provide services to its clients. Such regulatory action could increase the administrative cost associated with providing such services.

ERISA Requirements

Employee pension and welfare benefit plans are also governed by the Employee Retirement Income Security Act (ERISA). ERISA defines an "employer" as "any person acting directly as an employer, or indirectly in the interest of an employer, in relation to an employee benefit plan." ERISA defines the term "employee" as "any individual employed by an employer." The courts have held that the common law test of employment must be applied to determine whether an individual is an employee or an independent contractor under ERISA. However, in applying that test, control and supervision are less important for ERISA purposes when determining whether an employer has assumed responsibility for an individual's benefits status. A definitive judicial interpretation of "employer" in the context of a professional employer organization or employee leasing arrangement has not been established.

If the Company were found not to be an employer for ERISA, Code purposes or the tax qualification requirements of the Code, the Company would be subject to liabilities, including penalties, with respect to its cafeteria benefits plan for failure to withhold and pay taxes applicable to salary deferral contributions by its clients' employees. In addition, as a result of such a finding, the Company and its plans would not enjoy, with respect to client employees, the preemption of state laws provided by ERISA and could be subject to varying state laws and regulation, as well as to claims based upon state common laws.

Government Regulation

The PEOs are subject to various federal, state and local laws and regulations pertaining to various employee benefit plans, employee retirement plans (such as the 401(k)), Section 125 cafeteria plans, group health plans, welfare benefit plans and health care flexible spending accounts.

The federal, state and local regulations also apply to the payment of taxes based upon wages paid to the employees through the payroll process. These taxes include the withholding of income tax, obligations under the Federal Income Contribution Act ("FICA") which includes both Social Security and Medicare taxes, the Federal Unemployment Tax Act ("FUTA") and the State Unemployment Tax Act ("SUTA").

In addition, compliance with COBRA, HIPAA and ERISA (for employee benefit plans sponsored solely by our PEOs) regulations are required. Certain states also have varying regulations regarding licensing, registration or certification requirements for PEOs.

The Company's Primary SIC Code is 7363 for Services-Help Supply Services.

Item 7: **Description of Issuer Facilities**

The administrative and executive offices of the Company are located at 9020 Overlook Blvd., Suite 201, Brentwood, TN 37027. The facility comprises 8,050 sq. ft. The Company also has leased offices at the following locations:

6801 Lake Plaza Dr. Ste. D-405, Indianapolis, IN
4844 N 3000W, Ste. 100, Provo, UT
3760 E. 15th St. Ste. 201, Loveland, CO
3275 W. Ina Road, Ste. 160, Tucson, AZ
4650 E. Cotton Center Blvd, Suite 110, Phoenix, AZ

Item 8: **Officers, Directors and Control Persons**

Name	**Position**
Tena Mayberry	President/CEO/Director
Randy Butler	Secretary/CFO/Director
Marc Fortune	Director

The following is a brief summary of the business experience of the each of the foregoing:

Tena Mayberry. Tena Mayberry was elected President of the Issuer on April 13, 2009 and CEO on January 15, 2010. Ms. Mayberry was named president of Century II, a subsidiary of the Issuer, in 2007, after serving four years as COO, two years as a senior vice president and four years as vice president. Prior to joining Century II, Ms. Mayberry served in management positions with Contract Sales Manager, Kroger Co. and Norell Temporary Services. Ms. Mayberry graduated from Tennessee Technological University with a Bachelor of Science degree in marketing and business management.

Randy Butler. Randy Butler became Chief Financial Officer of the Issuer on April 29, 2009. Prior to his election as CFO, Mr. Butler joined Century II, a subsidiary of the Issuer, on May 1, 2006 as the Controller and assumed responsibility for all financial functions of PSM, Inc., another subsidiary of the Issuer in May 2008. Prior to Century II, Mr. Butler was the Controller for PFIC Corporation, a broker-dealer Union Planters Bank, where he was in the Financial Services Division of Union Planters Bank. Mr. Butler graduated with honors from the University of Tennessee with a Bachelors of Science degree in accounting.

Marc Fortune. Marc Fortune is a private investor and management consultant. He was CEO of Century II, Inc. from 1997 until 2005. In 1990, Mr. Fortune founded CSM, an outsourced sales management company. Mr. Fortune served 11 years as a product manager with Aladdin Industries and 6 years with Rodgers Construction where he was vice president of business development. Mr. Fortune has an undergraduate business degree from Marquette University and holds an MBA from Vanderbilt.

Legal/Disciplinary History

None of our officers or directors has been convicted in any criminal proceeding or named as a defendant in a pending criminal proceeding. None of them have been the subject of an order, judgment or decree permanently or temporarily enjoining, barring, suspending or otherwise limiting their involvement in any type of business, securities, commodities or banking activities. There has been no finding or judgment by a court of competent jurisdiction, the SEC, CFTC or a state securities regulator or a violation of federal or state securities or commodities laws against any of them. There is no order of self-regulatory organization that permanently or temporarily bars, suspends or otherwise limits their respective involvement in any type of business or securities activities.

Beneficial Shareholders

The following table sets forth information with respect to beneficial ownership of the Company's Common Stock as of September 30, 2015 by each person who is known to beneficially own more than 5% of our common stock and each of our officers and directors.

Title of Class	Name & Address	Beneficial Ownership	Percent of Class
Common Stock	CEP, Inc. 9020 Overlook Blvd. Ste.201 Brentwood, TN 37027	50,658,406	91.3 %

Item 9: **Third Party Providers**

Legal Counsel

Robert C. Laskowski
520 SW Yamhill, Suite 600
Portland, OR 97204-1329
Telephone: 503-241-0780
Email: rcl@roblaw.us

Auditor

Somerset CPA's, P.C.
3925 River Crossing Parkway, Suite 300
Indianapolis, Indiana 46240
Telephone: 317-472-2200
www.somersetcpas.com

Investor Relations Consultant

None

Item 10: **Certification**

I, Tena Mayberry, certify that:

1. I have reviewed this Quarterly Report of Fortune Industries, Inc.

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

3. Based on my knowledge, the financial statements and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of and for, the periods presented in the Disclosure Statement.

Dated: November 16, 2015

/s/ Tena Mayberry

Title: President and Chief Executive Officer