

PERVASIP CORP  
Form PRE 14A  
March 27, 2009

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

SCHEDULE 14A  
(Rule 14a-101)  
INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a)  
of the Securities Exchange Act of 1934

Filed by the Registrant   
Filed by a Party other than the Registrant   
Check the appropriate box:

- Preliminary Proxy Statement  
 Confidential, for the use of the Commission only (as permitted by Rule 14a-6(e)(2))  
 Definitive Proxy Statement  
 Definitive Additional Materials  
 Soliciting Material Pursuant to §240.14a-12

PERVASIP CORP.  
(Name of Registrant as Specified in Its Charter)

(Name(s) of Person Filing Proxy Statement, if Other than Registrant)

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(3)	Date Filed:	
(4)		

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PERVASIP CORP.  
75 South Broadway, Suite 400  
White Plains, New York 10601

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

TO BE HELD ON WEDNESDAY, MAY 13, 2009

April \_\_, 2009

To the shareholders of Pervasip Corp.:

Notice is hereby given that the annual meeting of shareholders of Pervasip Corp., a New York corporation, will be held at our executive offices located at 75 South Broadway, White Plains, New York 10601 on Wednesday, May 13, 2009 at 10:00 A.M., local time, for the following purposes:

1. To elect five directors to our board of directors for the fiscal year ending November 30, 2009;
2. To consider and vote upon a proposal to approve and adopt our 2009 Equity Incentive Plan;
3. To consider and vote upon a proposal to approve and adopt our 2007 Contingent Stock Option Plan;
4. To consider and vote upon a proposal to amend our Certificate of Incorporation to increase the total number of shares of capital stock that we are authorized to issue to two hundred fifty-one million (251,000,000) shares, of which two hundred fifty million (250,000,000) shares shall be common stock, par value \$.10 per share, and one million (1,000,000) shares shall be preferred stock, par value \$.10 per share;
5. To consider and vote upon a proposal to amend our Certificate of Incorporation to effect a stock combination, or reverse stock split, pursuant to which up to ten shares of the our common stock would be exchanged for one new share of common stock;
6. To consider and vote upon a proposal to ratify the appointment of Nussbaum Yates Berg Klein & Wolpow, LLP, as our independent registered public accounting firm for the fiscal year ending November 30, 2009; and
7. To consider and act upon such other business as may properly come before the meeting.

The foregoing items of business are more fully described in the proxy statement accompanying this notice. Our board of directors has fixed the close of business on Wednesday, April 1, 2009 as the record date for the determination of shareholders entitled to notice of and to vote at the annual meeting and at any adjournment or postponement thereof.

Whether or not you plan to attend the annual meeting, you should complete, sign, date and promptly return the enclosed proxy card, to ensure that your shares will be represented at the meeting. If you attend the annual meeting and wish to vote in person, you may withdraw your proxy and vote in person. You should not send any certificates representing stock with your proxy card.

Sincerely,

Paul H. Riss  
Chairman of the Board

PERVASIP CORP.  
75 South Broadway, Suite 302  
White Plains, New York 10601

## PROXY STATEMENT

### Date, Time and Place of the Annual Meeting

This proxy statement is furnished to the shareholders of Pervasip Corp. in connection with the solicitation, by order of our board of directors, of proxies to be voted at the annual meeting of shareholders to be held on Wednesday, May 13, 2009 at 10:00 A.M., local time, at our executive offices located at 75 South Broadway, Suite 400, White Plains, New York 10601, and at any adjournment or adjournments thereof. The accompanying proxy is being solicited on behalf of our board of directors. We intend to release this proxy statement and the enclosed proxy card to our shareholders on or about Monday, April 13, 2009.

### Purpose of the Annual Meeting

At the annual meeting, you will be asked to consider and vote upon the following matters:

1. To elect five directors to our board of directors for the fiscal year ending November 30, 2009;
2. To consider and vote upon a proposal to approve and adopt our 2009 Equity Incentive Plan;
3. To consider and vote upon a proposal to approve and adopt our 2007 Contingent Stock Option Plan;
4. To consider and vote upon a proposal to amend our Certificate of Incorporation to increase the total number of shares of capital stock that we are authorized to issue to two hundred fifty-one million (251,000,000) shares, of which two hundred fifty million (250,000,000) shares shall be common stock, par value \$.10 per share, and one million (1,000,000) shares shall be preferred stock, par value \$.10 per share;
5. To consider and vote upon a proposal to amend our Certificate of Incorporation to effect a stock combination, or reverse stock split, pursuant to which up to ten shares of the our common stock would be exchanged for one new share of common stock;
4. To consider and vote upon a proposal to ratify the appointment of Nussbaum Yates Berg Klein & Wolpov, LLP, as our independent registered public accounting firm for the fiscal year ending November 30, 2009; and
5. To consider and act upon such other business as may properly come before the meeting.

### Voting and Revocation of Proxies; Adjournment

All of our voting securities represented by valid proxies, unless the shareholder otherwise specifies therein or unless revoked, will be voted FOR each of the director nominees set forth herein, FOR the approval of the adoption of our 2009 Stock Option Plan, FOR the approval of the adoption of our 2007 Contingent Stock Option Plan, FOR the amendment to our Certificate of Incorporation to increase the total number of shares of capital stock that we are authorized to issue, FOR the amendment to our certificate of incorporation to effect a reverse stock split, FOR the ratification of Nussbaum Yates Berg Klein & Wolpov, LLP as our independent registered public accounting firm and at the discretion of the proxy holders on any other matters that may properly come before the annual meeting. Our board of directors does not know of any matters to be considered at the annual meeting other than as set forth herein.

If a shareholder has appropriately specified how a proxy is to be voted, it will be voted accordingly. Any shareholder has the power to revoke such shareholder's proxy at any time before it is voted. A shareholder may revoke a proxy by delivering a written statement to our corporate secretary stating that the proxy is revoked, by submitting a subsequent proxy signed by the same person who signed the prior proxy, or by voting in person at the annual meeting.

As of March 27, 2009, we had a total of 26,326,172 shares of common stock outstanding. A plurality of the votes cast at the annual meeting by the shareholders entitled to vote in the election is required to elect the director nominees, the approval by the holders of a majority of our outstanding shares of common stock is required to approve the proposed amendments to our certificate of incorporation and a majority of the votes cast by the shareholders entitled to vote at the annual meeting is required to approve the proposed adoption of our 2009 Stock Option Plan and our 2007 Contingent Stock Option Plan and to take any other action, including the approval of our independent registered public accounting firm. For purposes of determining whether a proposal has received the required vote, abstentions will be included in the vote totals, with the result being that an abstention will have the same effect as a negative vote. In instances where brokers are prohibited from exercising discretionary authority for beneficial holders who have not returned a proxy (so-called "broker non-votes"), those shares will not be included in the vote totals and, therefore, will also have the same effect as a negative vote. Shares that abstain or for which the authority to vote is withheld on certain matters will, however, be treated as present for quorum purposes on all matters.

In the event that sufficient votes in favor of any of the matters to come before the meeting are not received by the date of the annual meeting, the persons named as proxies may propose one or more adjournments of the annual meeting to permit further solicitation of proxies. Any such adjournment will require the affirmative vote of the holders of a majority of the shares of common stock present in person or by proxy at the annual meeting. The persons named as proxies will vote in favor of any such proposed adjournment or adjournments. Under New York law, shareholders will not have appraisal or similar rights in connection with any proposal set forth in this proxy statement.

#### Solicitation

The solicitation of proxies pursuant to this proxy statement will be primarily by mail. In addition, certain of our directors, officers or other employees may solicit proxies by telephone, mail or personal interviews, and arrangements may be made with banks, brokerage firms and others to forward solicitation material to the beneficial owners of shares held by them of record. No additional compensation will be paid to our directors, officers or other employees for such services. We will bear the cost of the solicitation of proxies related to the annual meeting.

#### Quorum and Voting Rights

Our board of directors has fixed Wednesday, April 1, 2009, as the record date for the determination of shareholders entitled to notice of and to vote at the annual meeting. Holders of record of shares of our common stock at the close of business on the record date will be entitled to one vote for each share held. The presence, in person or by proxy, of the holders of a majority of the outstanding voting securities entitled to vote at the annual meeting is necessary to constitute a quorum at the annual meeting.

#### VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The following table sets forth, as of March 27, 2009, the names, addresses and number of shares of our common stock beneficially owned by all persons known to us to be beneficial owners of more than 5% of the outstanding shares of common stock, and the names and number of shares beneficially owned by all of our directors and all of our executive officers and directors as a group (except as indicated, each beneficial owner listed exercises sole voting power and sole dispositive power over the shares beneficially owned). As of March 27, 2009, we had a total of 26,326,172 shares of common stock outstanding.



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Name and Address	Number of Shares Beneficially Owned	Percent of Shares Beneficially Owned
Paul H. Riss Pervasip Corp. 75 South Broadway, Suite 400 White Plains, New York 10601	2,985,334(1)	11.06%
Laurus Capital Management, LLC 335 Madison Avenue, 10th Floor New York, NY 10017	2,629,985(2)	9.08%
Mark Richards 5955 T.G. Lee Blvd. Suite 100 Orlando, Florida 32822	1,110,000(3)	4.06%
Greg M. Cooper Cooper, Niemann & Co., CPAs, LLP PO Box 190 Mongaup Valley, New York 12762	245,000(4)	*
Scott Widham 9865 Litzsinger Road St Louis, Missouri 63124	200,000(5)	*
Cherian Mathai 75 South Broadway, Suite 400 White Plains, New York 10601	100,000(6)	*
All directors and executive officers as a group (six individuals)	4,640,334	16.46%

\* Less than 1%.

(1) Includes 100,000 shares of common stock subject to options and 560,000 shares of common stock subject to warrants that are presently exercisable or exercisable within 60 days after March 27, 2009.

(2) Based on 9.99% of the total of 26,326,172 shares of common stock outstanding as of March 27, 2009. Certain warrants issued to Laurus Capital Management, LLC and its affiliates ("Investors") contain an issuance limitation prohibiting the Investors from exercising or converting those securities to the extent that such exercise would result in beneficial ownership by the Investors of more than 9.99% of the shares then issued and outstanding. Other warrants issued to the Investor group contain an issuance limitation prohibiting the Investors from exercising or converting those securities to the extent that such exercise would result in beneficial ownership by the Investors of more than 4.99% of the shares then issued and outstanding (the "4.99% Issuance Limitation"). The 4.99% Issuance Limitation may be revoked upon 75 days notice and is automatically null and void upon an event of default (as defined in and pursuant to the terms of the applicable instrument). The 4.99% Issuance Limitation may be waived by the Investors upon at least 61 days prior notice to us and shall automatically become null and void following notice to us of the occurrence and continuance of an event of default (as defined in and pursuant to the terms of the applicable instrument). We have not received any notices from the Investors that we are in default. In total, the Investors possess warrants that allow them to purchase up to 159,852,573 shares of common stock, or approximately 80% of the fully diluted shares of common stock outstanding.





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- (3) Includes 1,000,000 shares of common stock subject to options that are presently exercisable or exercisable within 60 days after March 27, 2009.
- (4) Includes 205,000 shares of common stock subject to options that are presently exercisable or exercisable within 60 days after March 27, 2009.
- (5) Includes 200,000 shares of common stock subject to options that are presently exercisable or exercisable within 60 days after March 27, 2009.
- (6) Includes 100,000 shares of common stock subject to options that are presently exercisable or exercisable within 60 days after March 27, 2009.

### ELECTION OF DIRECTORS (Proxy Item 1)

Our amended and restated by-laws provide that the number of our directors shall be at least three, except that when all the shares are owned beneficially and of record by fewer than three shareholders, the number of directors may be less than three but not less than the number of shareholders. Subject to the foregoing limitation, such number may be fixed from time to time by action of our board of directors or of the shareholders, or, if the number of directors is not so fixed, the number shall be five. In March 2005, our board of directors fixed the number of directors at five. The board currently consists of five members, and all of those members are standing for re-election. The term of office of the directors is one year, expiring on the date of the next annual meeting, or when their respective successors shall have been elected and shall qualify, or upon their prior death, resignation or removal.

Except where the authority to do so has been withheld, it is intended that the persons named in the enclosed proxy will vote for the election of the nominees to our board of directors listed below to serve until the date of the next annual meeting and until their successors are duly elected and qualified. Although our directors have no reason to believe that the nominees will be unable or decline to serve, in the event that such a contingency should arise, the accompanying proxy will be voted for a substitute (or substitutes) designated by our board of directors.

#### Directors and Officers

The following table sets forth certain information regarding our director nominees, as furnished by the nominees as of March 27, 2009. All of the following individuals currently serve as directors of our company.

Name	Age	Principal Occupation for Past Five Years and Current Public Directorships or Trusteeships
Paul H. Riss	53	Director since 1995; Chairman of our board of directors since March 2005; our Chief Executive Officer since August 1999 and our Chief Financial Officer and Treasurer since November 1996.
Greg M Cooper	49	Director since April 2004; partner for more than five years of Cooper, Niemann & Co., CPAs, LLP, certified public accountants; member of the board of directors of Mid Hudson Cooperative Insurance Company in Montgomery, New York, a privately-held insurance company.
Mark Richards	49	Director since January 2008; Chief Information Officer of VoX Communications Corp., our wholly owned subsidiary, since October 2004. Prior to joining VoX Communications, Mr. Richards served as the Chief Operating Officer of Volo

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Communications, a voice-over-Internet company from March 2004 to August 2004, and as the Acting Chief Executive Officer for Epicus Communications, a competitive local exchange carrier, from September 2000 to January 2004.

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|----------------|----|--|
| Cherian Mathai | 52 | Director since March 27, 2008. He is the President of Sophia Associates Inc., a management consulting and advisory firm since 2007. Mr. Mathai co-founded and served as the Chief Operating Officer of Tralliance Corporation, the registry for .travel Internet Top Level Domain from January 2002 to June 2007. Prior to co-founding Tralliance Corporation, he co-founded fare one, Inc., an Internet-based tool for travel agents for instantaneous published fare comparisons, and served as its Chief Financial Officer. |
| Scott Widham   | 51 | Director since March 27, 2008. He is a Principal in CAS, LLC, a technology and telecom consulting company since 2007. Prior to commencing at CAS, Mr. Widham served from 2001 to 2007 as the President – Sales and Marketing, the President – Corporate Development and the Co-CEO of Broadwing Corporation, a voice, data and video service provider acquired by Level 3. Mr. Widham serves on the board of directors of Priva Technologies, Stages and Game Rail.  |

## Vote Required

Assuming a quorum is present, a plurality of the votes cast at the annual meeting of shareholders by the shareholders entitled to vote in the election, either in person or by proxy, is required to elect the director nominees.

Our board of directors recommends a vote FOR the election of each of the nominees listed above.

## DIRECTORS AND OFFICERS

Biographical information concerning our directors and officers is set forth above under the caption “Election of Directors – Directors and Officers”.

### Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), requires our directors and executive officers, and persons who own more than ten percent of a registered class of our equity securities (“10% Shareholders”), to file with the Securities and Exchange Commission (the “Commission”) initial reports of ownership and reports of changes in ownership of our common stock and other equity securities. Officers, directors and 10% Shareholders are required by Commission regulation to furnish us with copies of all Section 16(a) forms they file.

Based solely on our review of the copies of such reports received by us, we believe that for the fiscal year ended November 30, 2008, all Section 16(a) filing requirements applicable to our officers, directors and 10% shareholders were complied with, except for two directors, Cherian Mathai and Scott Widham, who did not file an Initial Statement of Beneficial Ownership of Securities on Form 3 on a timely basis.

## Board Meetings and Committees; Management Matters

Our board of directors held nine meetings during the fiscal year ended November 30, 2008. During fiscal 2008, each director attended at least 75% of the board of directors and committee meetings of which he was a member during such time as he served as a director. We do not have a formal policy regarding attendance by members of our board of directors at the annual meeting of shareholders, and we strongly encourage all members of our board of directors to attend the annual meeting of shareholders. However, to minimize travel costs, we have asked our out-of-state directors to attend the May 13, 2009 meeting telephonically rather than in person.

Two of the members of our board of directors at the time of the 2007 annual meeting of shareholders were in attendance at the 2007 annual meeting of shareholders held on June 7, 2007. Our out-of-town directors did not attend. From time to time, the members of our board of directors act by unanimous written consent pursuant to the laws of the State of New York. No fees are paid to directors for attendance at meetings of the board of directors.

## Compensation Committee

We have a compensation committee currently composed of Greg M Cooper and Scott Widham. Mr. Widham is the Chairman of the committee. The compensation committee establishes remuneration levels for our executive officers. The compensation committee did not meet during the fiscal year ended November 30, 2008.

## Nominating Committee

Our board of directors does not have a nominating committee. Our entire board of directors is responsible for this function. Due to the relatively small size of our company and the resulting efficiency of a board of directors that is also limited in size, our board of directors has determined that it is not necessary or appropriate at this time to establish a separate nominating committee. Our board of directors intends to review periodically whether such a nominating committee should be established.

Our board of directors uses a variety of methods for identifying and evaluating nominees for director. It regularly assesses the appropriate size of the board of directors, and whether any vacancies exist or are expected due to retirement or otherwise. If vacancies exist, are anticipated or otherwise arise, our board of directors considers various potential candidates for director. Candidates may come to their attention through current members of our board of directors, shareholders or other persons. These candidates are evaluated at regular or special meetings of our board of directors, and may be considered at any point during the year. Our board of directors will consider candidates for director that are nominated by shareholders in accordance with the procedures regarding the inclusion of shareholder proposals in proxy materials set forth in the section entitled "Shareholder Proposals" in this proxy statement. In evaluating such recommendations, our board of directors uses the qualifications and standards discussed below and seeks to achieve a balance of knowledge, experience and capability on our board of directors.

Qualifications for consideration as a director nominee may vary according to the particular areas of expertise that may be desired in order to complement the qualifications that already exist among our board of directors. Among the factors that our directors consider when evaluating proposed nominees are their independence, financial literacy, business experience, character, judgment and strategic vision. Other considerations would be their knowledge of issues affecting our business, their leadership experience and their time available for meetings and consultation on company matters. Our directors seek a diverse group of candidates who possess the background skills and expertise to make a significant contribution to our board of directors, our company and our shareholders.

## Audit Committee

We have an audit committee that, during the fiscal year ended November 30, 2008, was composed of Greg M Cooper, Cherian Mathai and Scott Widham. Each audit committee member is an independent director as defined by the rules

of the National Association of Securities Dealers. The audit committee is governed by a written charter approved by our board of directors and attached as Annex A to our 2007 proxy statement, which was filed with the Commission on May 15, 2007.

Our board of directors has determined that Greg M Cooper qualifies as an “audit committee financial expert,” as defined under the rules of the Commission adopted pursuant to the Sarbanes-Oxley Act of 2002. Our board of directors has determined that Mr. Mathai and Mr. Widham are financially literate and experienced in business matters and fully qualified to monitor the performance of management, the public disclosures by our company of our financial condition and performance, our internal accounting operations, and our independent auditors.

#### Report of the Audit Committee

The audit committee reviews our financial reporting process on behalf of our board of directors. Management has the primary responsibility for the financial statements and the reporting process, including the system of internal controls. The independent auditors are responsible for performing an independent audit of the consolidated financial statements to ensure that those statements were prepared in accordance with generally accepted accounting principles and report thereon to our board of directors. The audit committee reviews and monitors these processes.

Within this framework, the audit committee has reviewed and discussed the audited financial statements with management and the independent auditors. Management has affirmed to the audit committee that our consolidated financial statements were prepared in accordance with generally accepted accounting principles. The audit committee has discussed with the independent auditors those matters required to be discussed by Statement of Auditing Standards No. 61 (Codification of Statements on Auditing Standards, AU § 380).

In addition, the audit committee has received the written disclosures and the letter from the independent auditors required by Independence Standards Board Standard No. 1 (Independent Standards Board Standard No. 1, Independence Discussions with Audit Committees), and has also discussed with the independent auditors, the auditor’s independence from management and our company. In connection with the new standards for independence of our independent auditors promulgated by the Commission, the audit committee has undertaken to consider whether the provision of any non-audit services (such as internal audit assistance and tax-related services) by our independent auditors is compatible with maintaining the independence of the independent auditors when the independent auditors are also engaged to provide non-audit services.

The audit committee also discussed with our independent auditors the overall scope and plans for their audit, their evaluation of our internal controls and the overall quality of our financial reporting.

In reliance on the reviews and discussions referred to above, the audit committee has recommended to the board of directors that the audited consolidated financial statements be included in our Annual Report on Form 10-KSB for the year ended November 30, 2008, which was filed with the Commission on March 2, 2009.

#### Audit Committee

Greg M Cooper, Member  
Cherian Mathai, Member  
Scott Widham, Member

#### Shareholder Communications

Our board of directors has implemented a process for our shareholders to send communications to our board of directors. Any shareholder desiring to communicate with our board of directors, or with specific individual directors, may do so by writing to Mr. Eric M. Hellige, Corporate Secretary, at Pervasip Corp., 75 South Broadway, Suite 400, White Plains, New York 10601. The Corporate Secretary has the authority to disregard any inappropriate communications or to take other appropriate actions with respect to any such inappropriate communications. If deemed an appropriate communication, the Corporate Secretary will submit a shareholder’s correspondence to the

Chairman of the board of directors or to any specific director to whom the correspondence is directed.

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Code of Ethics

We have adopted a code of business conduct and ethics for our directors, officers and employees, including our chief executive officer and chief financial officer. In addition, we have adopted a supplemental code of ethics for our financial executives and all employees in our accounting department. The text of our codes are posted on our Internet website at [www.pervasip.com](http://www.pervasip.com).



EXECUTIVE COMPENSATION

Summary of Cash and Certain Other Compensation

The following table sets forth, for the fiscal years indicated, all compensation awarded to, earned by or paid to Mr. Paul H. Riss, our Chairman, Chief Executive Officer and Chief Financial Officer and Mr. Mark Richards, our Chief Information Officer (collectively, the "Named Executives"). We have no other executive officers.

Fiscal 2008 Summary Compensation Table

Name and Principal Position