
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

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

Date of Report (Date of earliest event reported) is August 10, 2005

YP CORP.

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of incorporation
or jurisdiction)

000-24217

(Commission File Number)

85-0206668

(IRS Employer Identification Number)

4840 E. Jasmine Street, Suite 105, Mesa, Arizona

(Address of principal
executive office)

85205

(Zip Code)

Registrant's telephone number, including area code: (480) 654-9646

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

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01. Entry into a Material Definitive Agreement.

On August 10, 2005, YP and John Raven amended that certain Employment Agreement dated September 21, 2004 pursuant to which Mr. Raven provided services to YP. Mr. Raven was previously appointed Chief Technology Officer of YP in September 2003. He became the Chief Operating Officer on June 23, 2005.

Under the Amendment No. 1 to the Employment Agreement, Mr. Raven will be entitled to an initial annual base salary of \$181,500 beginning July 1, 2005, and, thereafter, annual increases of at least 10%. He will also receive \$30,000 and 25,000 shares of YP's Restricted Stock as additional performance bonuses.

All other material terms of Mr. Raven's original Employee Agreement remain in full force and effect.

Item 1.02. Termination of a Material Definitive Agreement.

On August 11, 2005, YP Corp. ("YP") terminated the Termination Agreements with each of Sunbelt Financial Concepts, Inc. ("Sunbelt"), an entity controlled by Angelo Tullo, Advertising Management & Consulting Services, Inc. ("AMCS"), an entity controlled by Gregory Crane, and Advanced Internet Marketing, Inc. ("AIM"), an entity controlled by DeVal Johnson. These Termination Agreements concerned the termination of the prior Executive Consulting Agreements with each such entity. YP made final payouts to these entities under the Termination Agreements ahead of schedule in an effort to conclude the continuing relationships resulting from those agreements. The final payouts to these entities totaled approximately \$1,000,000.

The portion of the termination payments attributable to consulting services are amortized over the contractual period of service. Accordingly, the remaining unamortized balance of approximately \$212,000 at June 30, 2005 will be charged to expense in the fourth quarter of fiscal 2005. The non-compete portion of the termination agreements remain unchanged and will continue to be expensed over the life of the non-compete agreements.

Item 9.01. Financial Statements and Exhibits.

Exhibit No.	Item
10	Amendment No.1 to Employee Agreement for John Raven.

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 hereunto duly authorized.

Date: August 12, 2005

YP CORP.

/s/ Peter Bergmann

Peter Bergmann, Chairman and Chief
Executive Officer

AMENDMENT NO. 1

EMPLOYMENT AGREEMENT

This Amendment No. 1 to the Employment Agreement (the "Amendment") is made as of August 10, 2005 (the "Effective Date") by and among **YP Corp.**, a Nevada corporation (the "Company"), and **John Raven** ("Executive").

Background

Company and Executive previously entered into that certain Employment Agreement dated September 21, 2004 ("Original Agreement") pursuant to which Executive provided services to the Company as Chief Technology Officer.

The Company and Executive now desire to amend the Original Agreement to clarify and define certain of the provisions in the Original Agreement.

Agreement

In consideration of the mutual premises contained herein and other good and valuable consideration, receipt of which is hereby acknowledged, the parties to this Amendment agree as follows:

1. Except as expressly provided in this Amendment, the Original Agreement will remain unchanged and in full force and effect; provided, however, nothing contained in the Original Agreement will have the effect of preventing or limiting, in any way, the terms of this Amendment. Furthermore, if any conflict arises between the terms of this Amendment and the terms of the Original Agreement, this Amendment will govern as to the conflicting terms.

2. The second sentence of Section 4(a) of the Original Agreement is hereby amended to read as follows:

"The Annual Salary will be increased to \$181,500 beginning July 1, 2005."

3. Section 4(b) of the Original Agreement will be amended to add the following to the end:

"; provided, however, that notwithstanding the foregoing, Executive will receive an additional performance bonus of \$30,000 and 25,000 shares of the Company's Restricted Stock. All bonuses payable under this Section 4(b) will be subject to all applicable withholdings, including taxes."

4. Amendment. This Amendment shall not be waived, altered, modified, amended or supplemented in any manner whatsoever except by a written instrument, duly executed by both of the parties.

5. Binding Effect. This Amendment shall be binding upon the Company and its successors and assigns and shall inure to the benefit of each party, its successors, endorsees and assigns.

6. Severability. In the event any one or more of the provisions contained in this Amendment should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and therein shall not in any way be affected or impaired thereby (it being understood that the invalidity of a particular provisions in a particular jurisdiction shall not in and of itself affect the validity of such provision in any other jurisdiction). The parties shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

7. Governing Law. This Amendment shall be governed and construed in accordance with the laws of the State of Arizona (without regard to principles of conflict of laws).

8. Construction. Each party hereto acknowledges that it was represented by legal counsel (or had the opportunity to be represented by legal counsel) in connection with this Amendment and that such party and its counsel have reviewed and revised this Amendment, or have had an opportunity to do so, and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Amendment or any amendments hereto.

9. Entire Agreement. This Amendment is intended by the parties to be the complete and final expression of their agreement regarding the subject matter herein, and is specifically intended to be an integrated contract with respect to the matters affected herein. Each of the parties agrees that any prior negotiations, statements, representations or agreements which are inconsistent with any provision in this Amendment are merged in and superseded by this Amendment, and that such party has not relied on any representation or promise, oral or otherwise, which is not set forth in this Amendment.

IN WITNESS WHEREOF, the parties have caused this Amendment to be duly executed and delivered as of the date first above written.

YP Corp.

/s/ Peter Bergmann
By: Peter Bergmann
Its: President

JOHN RAVEN

/s/ John Raven

[SIGNATURE PAGE FOR AMENDMENT NO.1]
