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

FORM 10-Q

(Mark One)

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

For the Quarterly Period Ended September 30, 2014

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: 333-153381

BioCorRx, Inc.

(Exact name of registrant as specified in its charter)

Nevada	**26-1972677**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

601 North Parkcenter Drive, Suite 103
Santa Ana, California 92705
(Address of principal executive offices) (zip code)

(714) 462-4880
(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 Web site, 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 November 10, 2014, there were 145,439,501 shares of registrant's common stock outstanding.

BIOCORRX, INC.

INDEX

PART I. FINANCIAL INFORMATION

PART II. OTHER INFORMATION

PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

BIOCORRX INC.
(formerly Fresh Start Private Management, Inc.)
CONDENSED CONSOLIDATED BALANCE SHEETS

	September 30, 2014 (unaudited)	December 31, 2013
ASSETS		
Current assets:		
Cash	$ 8,019	$ 108,566
Accounts receivable, net	374,650	299,220
Accounts receivable, other	15,000	15,000
Prepaid expenses	86,698	52,610
Deposits, short term	25,000	25,000
Total current assets	509,367	500,396
Property and equipment, net	6,846	8,845
Other assets:		
Prepaid expenses, long term	92,860	28,707
Accounts receivable, long term	7,558	44,359
Licensing agreement, net	3,738,958	3,838,223
Deposits, long term	37,738	5,334
Total other assets	3,877,114	3,916,623
Total assets	$ 4,393,327	$ 4,425,864
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued expenses	$ 627,310	$ 957,786
Deferred revenue, short term	729,860	192,870
Settlement payable	165,000	-
Advances from lenders	-	95,599
Notes payable, short term portion	67,364	-
Notes payable, net of debt discount, related party	51,263	28,480
Notes payable, related party	97,635	87,562
Total current liabilities	1,738,432	1,362,297
Long term debt:		
Deferred revenue, long term	1,363,990	741,723
Convertible notes payable, net of debt discount	-	601,328
Notes payable, long term portion	467,390	-
Notes payable, net of debt discount, related party	106,389	190,888
Settlement payable, long term	55,000	-
Warrant liability	138,600	287,731
Derivative liability	-	1,019,103
Total long term debt	2,131,369	2,840,773
Total liabilities	3,869,801	4,203,070
Stockholders' equity:		
Preferred stock, no par value; 80,000 designated; 80,000 and -0- shares issued and outstanding as of September 30, 2014 and December 31, 2013, respectively	16,000	-
Common stock, $0.001 par value; 200,000,000 shares authorized, 145,439,501 and 127,343,501 shares issued and outstanding as of September 30, 2014 and December 31, 2013, respectively	145,440	127,344
Common stock subscribed	100,000	100,000
Additional paid in capital	6,819,681	5,432,563
Accumulated deficit	(6,557,595)	(5,437,113)
Total stockholders' equity	523,526	222,794
Total liabilities and stockholders' equity	$ 4,393,327	$ 4,425,864

See the accompanying notes to the unaudited condensed consolidated financial statements

BIOCORRX INC.
(formerly Fresh Start Private Management, Inc.)
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

	Three months ended September 30, 2014	Three months ended September 30, 2013	Nine months ended September 30, 2014	Nine months ended September 30, 2013
Sales	$ 434,041	$ 277,410	$ 802,878	$ 1,164,570
Cost of sales	84,378	-	159,340	149,366
Gross profit	349,663	277,410	643,538	1,015,204
Operating expenses:				
Selling, general and administrative	500,695	454,844	1,566,154	1,054,883
Depreciation and amortization	33,803	836	101,750	2,327
Total operating expenses	534,498	455,680	1,667,904	1,057,210
Net loss from operations	(184,835)	(178,270)	(1,024,366)	(42,006)
Other income (expenses):				
Gain on settlement of debt	-	-	-	17,800
Interest expense	(131,791)	(62,003)	(333,813)	(232,438)
(Loss) gain on change in fair value of derivative liability	(67,253)	111,237	237,697	(81,972)
Loss before income taxes	(383,879)	(129,036)	(1,120,482)	(338,616)
Income taxes	-	-	-	-
Loss	$ (383,879)	$ (129,036)	$ (1,120,482)	$ (338,616)
Net loss per common share, basic and diluted	$ (0.00)	$ (0.00)	$ (0.01)	$ (0.00)
Weighted average number of common shares outstanding, basic and diluted	143,549,555	117,848,121	136,583,677	116,231,963

See the accompanying notes to the unaudited condensed consolidated financial statements

BIOCORRX INC.
(formerly Fresh Start Private Management, Inc.)
CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
NINE MONTHS ENDED SEPTEMBER 30, 2014
(unaudited)

	Preferred stock		Common stock		Common stock	Additional Paid in	Accumulated	
	Shares	Amount	Shares	Amount	Subscribed	Capital	Deficit	Total
Balance, December 31, 2013	-	$ -	127,343,501	$127,344	$ 100,000	$5,432,563	$ (5,437,113)	$ 222,794
Common stock issued, accrued in 2013	-	-	4,805,000	4,805	-	(4,805)	-	-
Common stock issued in connection with the exercise of options	-	-	11,500,000	11,500	-	161,000	-	172,500
Common stock issued for services rendered	-	-	975,000	975	-	137,323		138,298
Common stock issued as payment of interest	-	-	100,000	100	-	17,900	-	18,000
Common stock issued in connection with licensing fee	-	-	716,000	716	-	88,784	-	89,500
Preferred stock issued for services rendered	80,000	16,000	-	-	-	-	-	16,000
Reclassify fair value of debt derivative at payoff of note payable	-	-	-	-	-	800,987	-	800,987
Reclassify fair value of warrant liability upon exchange to equity warrant	-	-	-	-	-	129,551	-	129,551
Fair value of warrants issued in connection with licensing fee	-	-	-	-	-	24,558	-	24,558
Fair value of vested options	-	-	-	-	-	31,820	-	31,820
Net loss	-	-	-	-	-	-	(1,120,482)	(1,120,482)
Balance, September 30, 2014	80,000	$ 16,000	145,439,501	$145,440	$ 100,000	$6,819,681	$ (6,557,595)	$ 523,526

See the accompanying notes to the unaudited condensed consolidated financial statements

BIOCORRX INC.
(formerly Fresh Start Private Management, Inc.)
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

	Nine months ended September 30, 2014	Nine months ended September 30, 2013
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$(1,120,482)	$ (338,616)
Adjustments to reconcile net loss to cash flows provided by (used in) operating activities:		
Depreciation and amortization	101,750	2,327
Amortization of debt discount	211,826	78,875
Gain on settlement of debt	-	(17,800)
Stock based compensation	225,764	253,107
Change in fair value of derivative liabilities	(237,697)	81,972
Changes in operating assets and liabilities:		
Accounts receivable	(38,629)	(751,847)
Prepaid expenses	(23,829)	(8,028)
Accounts payable and accrued expenses	59,384	376,556
Income taxes payable	-	(1,600)
Settlement payable	220,000	-
Due to factor	-	(154,990)
Deferred revenue	703,805	328,562
Net cash provided by (used in) operating activities	101,892	(151,482)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payment of acquisition deposit	(32,404)	-
Payment of long term deposit	-	(3,056)
Purchase of equipment	(486)	(6,665)
Net cash used in investing activities	(32,890)	(9,721)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from notes payable	76,750	328,480
Repayments of notes payable	(45,464)	(150,260)
Repayments of advances from lenders	(95,599)	-
Net repayments of notes payable, related party	(105,236)	(21,253)
Net cash (used in) provided by financing activities	(169,549)	156,967
Net (decrease) in cash	(100,547)	(4,236)
Cash, beginning of the period	108,566	6,002
Cash, end of period	$ 8,019	$ 1,766
Supplemental disclosures of cash flow information:		
Interest paid	$ 93,360	$ 119,648
Taxes paid	$ -	$ -
Non-cash financing activities:		
Common stock issued for exercise of options paid by amounts due to the option holders of the Company	$ 172,500	$ -
Common stock issued in settlement of outstanding accounts payable	$ -	$ 3,000
Fair value of warrants issued for licensing fees	$ 24,558	$ -
Common stock issued for licensing fees	$ 89,500	$ -
Convertible notes payable and accrued interest exchanged for licensing rights	$ 609,368	$ -

See the accompanying notes to the unaudited condensed consolidated financial statements

NOTE 1 – BUSINESS

BioCorRx Inc. (formerly Fresh Start Private Management, Inc.) through its wholly owned subsidiary Fresh Start Private, Inc. provides an innovative alcoholism treatment program that empowers patients to succeed in their overall recovery. We offer a unique treatment philosophy that combines medical intervention, a singular focus and a comprehensive approach, and a focus on family and friends.

On January 7, 2014, the Company changed its name to BioCorRx Inc. In addition, effective February 20, 2014, the Company's quotation symbol on the Over-the-Counter Bulletin Board was changed from CEYY to BICX.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Interim Financial Statements

The following (a) condensed consolidated balance sheet as of December 31, 2013, which has been derived from audited financial statements, and (b) the unaudited condensed consolidated interim financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP") for interim financial information and the instructions to Form 10-Q and Rule 8-03 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three and nine months ended September 30, 2014 are not necessarily indicative of results that may be expected for the year ending December 31, 2014. These condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto for the year ended December 31, 2013 included in the Company's Annual Report on Form 10-K, filed with the Securities and Exchange Commission ("SEC") on April 14, 2014.

Basis of Presentation:

The condensed consolidated financial statements include the accounts of BioCorRx, Inc. (formerly Fresh Start Private Management, Inc.) and its wholly owned subsidiary, Fresh Start Private, Inc. (hereafter referred to as the "Company" or "BioCorRx"). All significant intercompany balances and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of the condensed consolidated financial statements in conformity with generally accepted accounting principles 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 amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates include assumptions used in the fair value of stock-based compensation, derivative and warrant liabilities, the fair value of other equity and debt instruments and allowance for doubtful accounts.

Accounts Receivable

Accounts receivable are recorded at original invoice amount less an allowance for uncollectible accounts that management believes will be adequate to absorb estimated losses on existing balances. Management estimates the allowance based on collectability of accounts receivable and prior bad debt experience. Accounts receivable balances are written off upon management's determination that such accounts are uncollectible. Recoveries of accounts receivable previously written off are recorded when received. Management believes that credit risks on accounts receivable will not be material to the financial position of the Company or results of operations. The allowance for doubtful accounts was $659,850 as of September 30, 2014 and December 31, 2013.

Revenue Recognition

The Company generates revenue from services and product sales. Revenue is recognized in accordance with Accounting Standards Codification subtopic 605-10, Revenue Recognition ("ASC 605-10") which requires that four basic criteria must be met before revenue can be recognized: (1) persuasive evidence of an arrangement exists; (2) delivery has occurred or services have been rendered; (3) the selling price is fixed and determinable; and (4) collectability is reasonably assured. Determination of criteria (3) and (4) are based on management's judgments regarding the fixed nature of the selling prices of the services delivered and the collectability of those amounts. Provisions for discounts and rebates to customers, estimated returns and allowances, and other adjustments are provided for in the same period the related revenue are recorded. The Company defers any revenue for which the services have not been performed or is subject to refund until such time that the Company and the customer jointly determine that the services have been performed or no refund will be required.

The Company licenses patented technology to customers under licensing agreements that allow those customers to utilize the technology in services they provide to their customers. The timing and amount of revenue recognized from license agreements depends upon a variety of factors, including the specific terms of each agreement. Such agreements are reviewed for multiple elements. Multiple elements can include amounts related to initial non-refundable license fees for the use of the Company's patented technology and additional royalties on covered services. Revenue is only recognized after all of the following criteria are met: (1) written agreements have been executed; (2) delivery of technology or intellectual property rights has occurred; (3) fees are fixed or determinable; and (4) collectability of fees is reasonably assured. Under these license agreements, the Company generally receives an initial non-refundable license fee and in some cases, additional running royalties. Revenue from royalties is recognized when earned and when amounts can be reasonably estimated.

The Company generally recognizes initial license fees over the term of the agreement or estimated performance period, since the license fees typically do not have standalone value relative to the other deliverables to be provided in an arrangement, as the arrangement would be accounted for as a single unit of accounting.

Deferred Revenue

The Company from time to time collects initial license fees when license agreements are signed and become effective. License fees collected from Licensees but not yet recognized as income are recorded as deferred revenue and amortized as income earned over the economic life of the related contract.

Fair Value of Financial Instruments

Fair value estimates discussed herein are based upon certain market assumptions and pertinent information available to management as of September 30, 2014 and December 31, 2013. The respective carrying value of certain financial instruments approximated their fair values. These financial instruments include cash, stock based compensation and notes payable. The fair value of the Company's convertible securities is based on management estimates and reasonably approximates their book value.

See Footnote 10 and 11 for derivative liabilities and Footnote 13 and 14 for stock based compensation and other equity instruments.

Segment Information

Accounting Standards Codification subtopic Segment Reporting 280-10 (“ASC 280-10”) establishes standards for reporting information regarding operating segments in annual financial statements and requires selected information for those segments to be presented in interim financial reports issued to stockholders. ASC 280-10 also establishes standards for related disclosures about products and services and geographic areas. Operating segments are identified as components of an enterprise about which separate discrete financial information is available for evaluation by the chief operating decision maker, or decision-making group, in making decisions how to allocate resources and assess performance. The Company has one reportable business segment which is operated in the United States.

Property and Equipment

Property and equipment are stated at cost, less accumulated depreciation. Depreciation is calculated using the straight-line method over the asset’s estimated useful life, which is five years for furniture and all other equipment. Expenditures for maintenance and repairs are expensed as incurred.

Long-Lived Assets

The Company follows FASB ASC 360-10-15-3, “Impairment or Disposal of Long-lived Assets,” which established a “primary asset” approach to determine the cash flow estimation period for a group of assets and liabilities that represents the unit of accounting for a long-lived asset to be held and used. Long-lived assets to be held and used are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The carrying amount of a long-lived asset is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the asset. Long-lived assets to be disposed of are reported at the lower of carrying amount or fair value less cost to sell.

Net Income (loss) Per Share

The Company accounts for net income (loss) per share in accordance with Accounting Standards Codification subtopic 260-10, Earnings Per Share (“ASC 260-10”), which requires presentation of basic and diluted earnings per share (“EPS”) on the face of the statement of operations for all entities with complex capital structures and requires a reconciliation of the numerator and denominator of the basic EPS computation to the numerator and denominator of the diluted EPS.

Basic net income (loss) per share is computed by dividing net income (loss) by the weighted average number of shares of common stock outstanding during each period. It excludes the dilutive effects of any potentially issuable common shares.

Diluted net loss share is calculated by including any potentially dilutive share issuances in the denominator. As of September 30, 2014, potentially dilutive shares issuances were comprised of warrants and vested stock options. As of September 30, 2013, potentially dilutive shares issuances were comprised of convertible notes payable, warrants and vested stock options.

The following potentially dilutive securities have been excluded from the computations of weighted average shares outstanding as of September 30, 2014 and 2013, as they would be anti-dilutive:

	September 30,	
	2014	2013
Shares underlying options outstanding	400,000	15,000,000
Shares underlying warrants outstanding	2,630,000	425,000
Shares underlying convertible notes outstanding	-	9,444,444
	3,030,000	24,869,444

Advertising

The Company follows the policy of charging the costs of advertising to expense as incurred. The Company charged to operations $15,803 and $184,750 as advertising costs for the three and nine months ended September 30, 2014, respectively; and $4,310 and $14,660 for the three and nine months ended September 30, 2013.

Derivative Instrument Liability

The Company accounts for derivative instruments in accordance with ASC 815, which establishes accounting and reporting standards for derivative instruments and hedging activities, including certain derivative instruments embedded in other financial instruments or contracts and requires recognition of all derivatives on the balance sheet at fair value, regardless of hedging relationship designation. Accounting for changes in fair value of the derivative instruments depends on whether the derivatives qualify as hedge relationships and the types of relationships designated are based on the exposures hedged. At September 30, 2014 and December 31, 2013, the Company did not have any derivative instruments that were designated as hedges.

Stock Based Compensation

Share-based compensation issued to employees is measured at the grant date, based on the fair value of the award, and is recognized as an expense over the requisite service period. The Company measures the fair value of the share-based compensation issued to non-employees using the stock price observed in the arms-length private placement transaction nearest the measurement date (for stock transactions) or the fair value of the award (for non-stock transactions), which were considered to be more reliably determinable measures of fair value than the value of the services being rendered. The measurement date is the earlier of (1) the date at which commitment for performance by the counterparty to earn the equity instruments is reached, or (2) the date at which the counterparty's performance is complete.

As of September 30, 2014, there were no employee stock options were outstanding and 400,000 non-employee stock options were outstanding with 360,000 shares vested and exercisable, respectively. As of December 31, 2013, 9,000,000 and 2,750,000 employee and non-employee stock options were outstanding, respectively, with 3,000,000 and 2,650,000 shares vested and exercisable, respectively.

Income Taxes

Income tax provisions or benefits for interim periods are computed based on the Company's estimated annual effective tax rate. Based on the Company's historical losses and its expectation of continuation of losses for the foreseeable future, the Company has determined that it is not more likely than not that deferred tax assets will be realized and, accordingly, has provided a full valuation allowance. As the Company anticipates or anticipated that its net deferred tax assets at December 31, 2014 and 2013 would be fully offset by a valuation allowance, there is no federal or state income tax benefit for the three and nine months ended September 30, 2014 and 2013 related to losses incurred during such periods.

Reclassification

Certain reclassifications have been made to prior periods' data to conform with the current year's presentation. These reclassifications had no effect on reported income or losses.

Recent Accounting Pronouncements

There are various updates recently issued, most of which represented technical corrections to the accounting literature or application to specific industries and are not expected to a have a material impact on the Company's financial position, results of operations or cash flows

In August 2014, the FASB issued Accounting Standards Update "ASU" 2014-15 on "*Presentation of Financial Statements Going Concern* (Subtopic 205-40) – Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern". Currently, there is no guidance in U.S. GAAP about management's responsibility to evaluate whether there is substantial doubt about an entity's ability to continue as a going concern or to provide related footnote disclosures. The amendments in this Update provide that guidance. In doing so, the amendments are intended to reduce diversity in the timing and content of footnote disclosures. The amendments require management to assess an entity's ability to continue as a going concern by incorporating and expanding upon certain principles that are currently in U.S. auditing standards. Specifically, the amendments (1) provide a definition of the term substantial doubt, (2) require an evaluation every reporting period including interim periods, (3) provide principles for considering the mitigating effect of management's plans, (4) require certain disclosures when substantial doubt is alleviated as a result of consideration of management's plans, (5) require an express statement and other disclosures when substantial doubt is not alleviated, and (6) require an assessment for a period of one year after the date that the financial statements are issued (or available to be issued). The amendments in this Update are effective for public and nonpublic entities for annual periods ending after December 15, 2016. Early adoption is permitted. The Company is currently evaluating the issued ASU.

NOTE 3 – GOING CONCERN MATTERS

The Company's condensed consolidated financial statements are prepared using generally accepted accounting principles applicable to a going concern which contemplates the realization of assets and liquidation of liabilities in the normal course of business. The Company has incurred significant recurring losses which have resulted in an accumulated deficit of $6,557,595 and working capital deficiency of $1,229,065 at September 30, 2014 and loss from operations of $1,120,482 for the nine months ended September 30, 2014 which raises substantial doubt about the Company's ability to continue as a going concern.

Continuation as a going concern is dependent upon obtaining additional capital and upon the Company's attaining profitable operations. The Company will require a substantial amount of additional funds to build a sales and marketing organization, and to fund additional losses which the Company expects to incur over the next few years. The Company recognizes that, if it is unable to raise additional capital, it may find it necessary to substantially reduce or cease operations. The accompanying condensed consolidated financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount and classification of liabilities that might result from the outcome of this uncertainty.

NOTE 4 – PROPERTY AND EQUIPMENT

The Company's property and equipment at September 30, 2014 and December 31, 2013:

	September 30, 2014	December 31, 2013
Office equipment	$ 15,137	$ 14,649
Computer equipment	2,574	2,574
Leasehold improvements	20,014	20,014
	37,725	37,237
Less accumulated depreciation	(30,879)	(28,392)
	$ 6,846	$ 8,845

Depreciation expense charged to operations amounted to $715 and $2,486, respectively, for the three and nine months ended September 30, 2014, respectively, and $836 and $2,327, respectively, for the three and nine months ended September 30, 2013.

NOTE 5 – LICENSING RIGHTS

On October 28, 2010, prior to the recapitalization of the Company, the Company acquired an exclusive product license, which included the right to use the Naltrexone Implant and any procedures related to the licensed product. The Company paid a onetime license fee of 7.5% of the total common shares outstanding on the date of the agreement, or 5,672,250 common shares at the market value of $0.70 per share as of the date of the agreement. Total value of the license is recorded as $3,970,575. Additionally, the Company will pay $600 for each prescription request of the licensed product. The agreement will remain in force for so long as the Company continues to use the Licensed Product.

During the year ended December 31, 2013, the Company determined that its licensing rights had a definite life based on various economic factors. The Company estimated a useful life of 30 years. Amortization of the three and nine months ended September 30, 2014 was $33,088 and $99,264, respectively.

NOTE 6 – DEFERRED REVENUE

In 2013 and 2014, the company has granted license and sub-license agreements ("Agreements") for various regions or States in the United States allowing the licensee to market, distribute and sell solely in the defined license territory, as defined, the products provided by the Company. The agreements are granted for a defined period or perpetual and are effective as long as annual milestones are achieved.

Terms for payments for licensee agreements vary from full cash payment to defined terms. In cases where license or sub-license fees are uncollected or deferred; the Company nets those uncollected fees with the deferred revenue for balance sheet presentation.

The Company amortizes license fees over the shorter of the economic life of the related contract life or contract terms for each licensee. The remaining unamortized aggregate balance of deferred revenue as of September 30, 2014 and December 31, 2013 was $2,093,850 and $934,593, respectively.

NOTE 7 – ADVANCE FROM LENDERS

During the year ended December 31, 2012, the Company received an aggregate of $885,000 of net proceeds in connection with the expected issuance of convertible debt. As of December 31, 2013, $95,599 of the notes have yet to be executed and finalized or refunded. During the nine months ended September 30, 2014, the Company paid an aggregate of $134,968 in full settlement of the outstanding balance and accrued interest.

NOTE 8 – SETTLEMENT PAYABLE

On June 13, 2013, Fresh Start Private Florida, LLC ("FSPF") filed a complaint against the Company alleging breach of a License Agreement whereby FSPF was to receive, implant, use, sell and otherwise commercialize the Naltrexone implant product and the Fresh Start Alcohol Rehabilitation Program throughout the state of Florida. The complaint alleged that the Company made certain misrepresentations and failed to provide certain operational documentation pursuant to the License Agreement. (Fresh Start Private Florida, LLC v. Fresh Start Private Management, Inc., Case No. 13-CA 1850, Circuit Court of the Twentieth Judicial Circuit in and for Collier County, Florida).

On June 3, 2014, the Company entered into a settlement agreement to pay the plaintiff in increments through October 31, 2015 in exchange for dismissal of all pending litigation and termination of all prior and current agreements.

NOTE 9 – NOTES PAYABLE

On July 7, 2014, the Company issued unsecured promissory notes in aggregate of $545,218 in settlement of previously issued convertible debentures dated April 3, 2013(See Note 10) and related accrued interest. The promissory notes include monthly payments of principal and interest, at 12% per annum, of $10,658 beginning August 15, 2014 through July 15, 2016 with the remaining unpaid balance due on or before July 15, 2016. The balance as of September 30, 2014 was $534,754.

NOTE 10 – CONVERTIBLE NOTES PAYABLE AND DERIVATIVE LIABILITIES

Convertible debenture issued on April 5, 2013, related party

On April 5, 2013, the Company issued a convertible debenture for an aggregate of $425,000 comprised of $400,000 previous advances (see note 7 above) and $25,000 additional proceeds. The financing closed on April 5, 2013.

The Note bears interest at the rate of 15% per annum. Interest is payable quarterly on April 15, July 15, October 15 and January 15 for the prior quarter and principal must be repaid on April 5, 2016. The Note is convertible into common stock, at holder's option, at a $0.50 per share with certain conversion adjustments in the event the Company issues additional shares of its common stock or securities convertible into the Company's common stock at a price per share less than the conversion price in effect or without consideration, then the conversion price upon each issuance shall be adjusted to the price equal to the consideration per share paid for such additional shares of the Company's common stock.

In connection with the issuance of the convertible debenture, the Company issued an aggregate of 1,275,000 shares of its common stock and detachable warrants granting the holder the right to acquire an aggregate of 1,275,000 shares of the Company's common stock at an initial exercise price of $1.00 per share for five years. The warrant contains exercise price adjustments in the event the Company issues additional shares of its common stock or securities convertible into the Company's common stock at a price per share less than the exercise price in effect or without consideration, then the exercise price upon each issuance shall be adjusted to the price equal to the consideration per share paid for such additional shares of the Company's common stock.

The Company has identified the embedded derivatives related to the above described debenture and warrants. This embedded derivative included variable conversion or exercise features. The accounting treatment of derivative financial instruments requires that the Company record the fair value of the derivatives as of the inception date of the debenture and to fair value as of each subsequent reporting date.

The Company allocated proceeds based on the relative fair values of the debt, common stock and warrants, measured at an aggregate of $148,134, to the warrant and debt conversion provision liabilities (debt and warrants) and equity (common stock) to discount to convertible debenture. The fair values of the embedded derivatives were determined using the Binominal Option Pricing Model with the following assumptions: contractual terms of 3 to 5 years, an average risk free interest rate of 0.33% to 0.68%, a dividend yield of 0%, and volatility of 256.18%.

On July 7, 2014, the Company exchanged the convertible debentures and warrants for unsecured promissory notes and accrued interest and 1,275,000 warrants with an exercise price of $0.25 per share for five years.

At July 7, 2014, the Company determined the fair value of the embedded derivatives relating to previously issued convertible debentures and warrants of $432,398 and $129,551, respectively. The fair values were determined using the Binominal Option Pricing Model with the following assumptions: contractual terms of 1.75 to 3.75years, an average risk free interest rate of 0.52% to 1.00%, a dividend yield of 0%, and volatility of 217.48%. The aggregate fair values determined of $561,949 was reclassified to equity.

The charge of the amortization of debt discounts and costs for the three and nine months ended September 30, 2014 was $87,177 and $111,641, respectively; and $12,435 and $24,058 for the three and nine months ended September 30, 2013, which was accounted for as interest expense.

Convertible debentures effective March 31, 2013

In November 2013, effective March 31, 2013, the Company issued four convertible debentures for an aggregate of $385,000 comprised of previous advances. The financing closed in November 2013.

The Notes bear interest at the rate of 15% per annum. Interest is payable quarterly on April 15, July 15, October 15 and January 15 for the prior quarter and principal must be repaid on March 31, 2016. The Notes are convertible into common stock, at holder’s option, at a $0.50 per share with certain conversion adjustments in the event the Company issues additional shares of its common stock or securities convertible into the Company’s common stock at a price per share less than the conversion price in effect or without consideration, then the conversion price upon each issuance shall be adjusted to the price equal to the consideration per share paid for such additional shares of the Company’s common stock.

In connection with the issuance of the convertible debentures, the Company issued or is obligated to issue an aggregate of 1,155,000 shares of its common stock and detachable warrants granting the holder the right to acquire an aggregate of 1,155,000 shares of the Company’s common stock at an initial exercise price of $1.00 per share for five years. The warrant contains exercise price adjustments in the event the Company issues additional shares of its common stock or securities convertible into the Company’s common stock at a price per share less than the exercise price in effect or without consideration, then the exercise price upon each issuance shall be adjusted to the price equal to the consideration per share paid for such additional shares of the Company’s common stock.

The Company has identified the embedded derivatives related to the above described debentures and warrants. This embedded derivative included variable conversion or exercise features. The accounting treatment of derivative financial instruments requires that the Company record the fair value of the derivatives as of the inception date of the debenture and to fair value as of each subsequent reporting date.

The Company allocated proceeds based on the relative fair values of the debt, common stock and warrants, measured at an aggregate of $129,532, to the warrant and debt conversion provision liabilities (debt and warrants) and equity (common stock) to discount to convertible debenture. The fair values of the embedded derivatives were determined using the Binominal Option Pricing Model with the following assumptions: contractual terms of 3 to 5 years, an average risk free interest rate of 0.36% to 0.77%, a dividend yield of 0%, and volatility of 227.18%.

During the nine months ended September 30, 2014, the Company paid $35,000 outstanding convertible notes. In addition, the remaining notes in aggregate of $350,000 and accrued interest were exchanged for licensing rights for the State of Ohio (See Note 6 above). At the date(s) of payoff or exchange, the Company determined fair value of the embedded derivatives of $324,239, using the Binominal Option Pricing Model with the following assumptions: contractual terms of 2 to 3 years, an average risk free interest rate of 0.39% to 0.48%, a dividend yield of 0%, and volatility of 205.71% to 232.90%, was reclassified to additional paid in capital.

The charge of the amortization and write off (upon payoff or conversion) of debt discounts and costs for the three and nine months ended September 30, 2014 was $-0- and $97,031, which was accounted for as interest expense.

As of September 30, 2014, there are no outstanding convertible debentures. The Company recorded a (loss) gain on change in fair value of debt derivative liabilities of $(31,644) and $218,116 for the three and nine months ended September 30, 2014, respectively.

NOTE 11 – WARRANT LIABILITY

The Company issued warrants in conjunction with the issuance of convertible debentures. These warrants contain certain reset provisions. Therefore, in accordance with ASC 815-40, the Company reclassified the fair value of the warrant from equity to a liability at the date of issuance. Subsequent to the initial issuance date, the Company is required to adjust to fair value the warrant as an adjustment to current period operations.

As described in Notes 9 and 10, above, on July 7, 2014, the Company exchanged previously issued warrants that contained certain reset provisions with warrants without these provisions. At the date of the exchange, the Company reclassified the determined fair value of $129,551 from liability to equity. The fair values were determined using the Binominal Option Pricing Model with the following assumptions: contractual terms of 3.75years, an average risk free interest rate of 1.00%, a dividend yield of 0%, and volatility of 217.48%.

The Company recorded a (loss) gain on change in fair value of warrant liability of $(35,609) and $19,581 for the three and nine months ended September 30, 2014, respectively.

At September 30, 2014, the fair value of the remaining 1,155,000 warrants containing certain reset provisions were determined using the Binomial Option Pricing Model based on the following assumptions: (1) dividend yield of 0%, (2) expected volatility of 205.83%, (3) weighted average risk-free interest rate of 1.07%, (4) expected life of 3.52 years, and (5) estimated fair value of the Company's common stock of $0.125 per share.

At September 30, 2014, the warrant liability valued at $138,600, the Company believes an event under the contract that would create an obligation to settle in cash or other current assets is remote and has classified the obligation as a long term liability.

NOTE 12 – NOTES PAYABLE-RELATED PARTY

As of September 30, 2014 and December 31, 2013, the Company received advances from Jorge Andrade, director, Scott Carley, and Neil Muller, President as loans from related parties. The loans are payable on demand and without interest.

On January 22, 2013, the Company issued a unsecured promissory note payable for $200,000 due January 1, 2018, with a stated interest rate of 12% per annum beginning three months from issuance; payable monthly. Principal payments are due starting February 1, 2015 at $6,650 per month. The lender has an option to convert the note to licensing rights for the State of Oregon. The Company currently is in default of the required interest payments initially due starting April 22, 2013. During the nine months ended September 30, 2014, the Company has paid $36,390 principal and accrued interest towards the promissory note.

In connection with the issuance of the above described promissory note, the Company is obligated to issue 750,000 of its common stock.

The Company recorded a debt discount of $11,250 based on the fair value of the Company's common stock at the issuance date of the promissory note. The discount is amortized ratably over the term on the notes. The note holder subsequently became an officer of the Company. The balance outstanding as of September 30, 2014 is $163,610 with unamortized debt discount of $5,958.

NOTE 13 – STOCKHOLDERS' EQUITY

Preferred stock

The Company is authorized to issue 80,000 shares of preferred stock with no par value. As of September 30, 2014 and December 31, 2013, the Company had 80,000 shares and -0- shares of preferred stock issued and outstanding.

On June 19, 2014, the Company's Board of Directors designated 80,000 shares of preferred stock, no par value. Each share of preferred stock shall entitle the holder to one thousand (1,000) votes and is convertible into one share of common stock and shall have the same rights and privileges and rank equally, share ratably and be identical in all respects as to all matters with the Company's common stock.

On June 25, 2014, the Company issued an aggregate of 80,000 shares of preferred stock to officers and directors for services rendered.

Common stock

The Company is authorized to issue 200,000,000 shares of common stock with par value $.001 per share. As of September 30, 2014 and December 31, 2013, the Company had 145,439,501 shares and 127,343,501 shares of common stock issued and outstanding.

In February 2014, the Company issued 2,500,000 shares of its common stock in connection with the exercise of non-employee stock options exercised at $0.015 per share. The aggregate exercise price of $37,500 was paid to the Company by utilizing amounts due to the employees by the Company.

In March 2014, the Company issued 4,805,000 shares of its common stock in settlement of $238,113 in past services and other obligations previously accrued at December 31, 2013.

In March 2014, the Company issued 250,000 shares of its common stock for advertising valued at $45,000 based on the underlying market value of the common stock at the date of issuance.

In March 2014, the Company issued 100,000 shares of its common stock for related party interest valued at $18,000 based on the underlying market value of the common stock at the date of issuance.

In March 2014, the Company issued 716,000 shares of its common stock to a licensee valued at $89,500 based on the underlying market value of the common stock at the date of issuance.

In March 2014, the Company issued 100,000 shares of its common stock for services rendered valued at $12,000 based on the underlying market value of the common stock at the date of issuance.

In June 2014, the Company issued 150,000 shares of its common stock for advisory services valued at $27,750 based on the underlying market value of the common stock at the date of issuance.

In June 2014, the Company issued 6,000,000 shares of its common stock in connection with the exercise of non-employee stock options exercised at $0.015 per share. The aggregate exercise price of $90,000 was paid to the Company by utilizing amounts due to the employees by the Company.

In July 2014, the Company issued 1,600,000 shares of its common stock in connection with the exercise of employee stock options exercised at $0.015 per share. The aggregate exercise price of $24,000 was paid to the Company by utilizing amounts due to the employees by the Company.

In September 2014, the Company issued an aggregate of 475,000 shares of its common stock for services rendered valued at $53,548 based on the underlying market value of the common stock at the date of issuance.

In September 2014, the Company issued 1,400,000 shares of its common stock in connection with the exercise of employee stock options exercised at $0.015 per share. The aggregate exercise price of $21,000 was paid to the Company by utilizing amounts due to the employees by the Company.

NOTE 14 – STOCK OPTIONS AND WARRANTS

Employee Options

As of September 30, 2014, there were no outstanding employee options.

Transactions involving stock options issued to employees are summarized as follows:

	Number of Shares	Weighted Average Exercise Price Per Share
Outstanding at December 31, 2013	9,000,000	$ 0.015
Granted	-	-
Exercised	(9,000,000)	(0.015)
Expired	-	-
Outstanding at September 30, 2014	-0-	$ -

Non-employee options

The following table summarizes the changes in non-employee options outstanding and the related prices for the shares of the Company's common stock issued to non-employees of the Company under the 2013 Stock Option Plan:

Options Outstanding				Options Exercisable	
Exercise Prices	Number Outstanding	Weighted Average Remaining Contractual Life (Years)	Weighted Average Exercise Price	Number Exercisable	Weighted Average Exercise Price
$ 0.10	250,000	4.07	$ 0.10	240,000	$ 0.10
0.20	150,000	4.45	0.20	120,000	0.20
	400,000	4.21	0.1375	360,000	

Transactions involving stock options issued to non-employees are summarized as follows:

	Number of Shares	Weighted Average Exercise Price Per Share
Outstanding at December 31, 2013	2,750,000	$ 0.015
Granted	150,000	0.020
Exercised	(2,500,000)	0.015
Expired	-	-
Outstanding at September 30, 2014	400,000	$ 0.015

On March 10, 2014, the Company ratified, confirmed and approved the granting of 2014 stock options in aggregate of 150,000 to the Company's advisory board representing five individuals under the Company's 2012 Stock Option Plan. The issued options are exercisable 52% immediately and remainder at 10,000 per month (12 months) at $0.20 per share for five years.

The intrinsic value of the vested non- employee stock options as of September 30, 2014 was $6,000 based on the Company's stock price of $0.125 per share at September 30, 2014.

Warrants:

The following table summarizes the changes in warrants outstanding and the related prices for the shares of the Company's common stock:

Warrants Outstanding				Warrants Exercisable	
Exercise Prices	Number Outstanding	Weighted Average Remaining Contractual Life (Years)	Weighted Average Exercise Price	Number Exercisable	Weighted Average Remaining Contractual Life (Years)
$ 0.25	1,475,000	4.19	$ 0.25	1,475,000	4.19
1.00	1,155,000	3.76	1.00	1,155,000	3.76
$ 0.45	2,630,000	4.00	$ 0.94	2,630,000	4.00

Transactions involving warrants are summarized as follows:

	Number of Shares	Weighted Average Exercise Price Per Share
Outstanding at December 31, 2013	2,430,000	$ 1.00
Issued	1,475,000	0.25
Exercised	-	-
Canceled	(1,250,000)	(1.00)
Outstanding at September 30, 2014	2,630,000	$ 0.45

In March 2014, the Company issued 200,000 warrants to purchase the Company's common stock at an exercise price of $0.25 per share for one year to a Company's licensee vesting immediately. The fair value of the warrant of $24,557 was determined using the Black Scholes Option Pricing Model with the following assumptions: dividend yield $-0-, volatility of 191.73% and risk free rate of 0.13% and is amortized over the term of the related licensee agreement.

As described in Notes 9 and 10, on July 7, 2014, the Company exchanged 1,275,000 warrants with an initial exercise price of $1.00 containing certain reset provisions with 1,275,000 warrants exercisable at $0.25 per share for five years.

NOTE 15 – RELATED PARTY TRANSACTIONS

The Company has an arrangement with Terranautical Global Investments ("TGI"). TGI is a company controlled by Jorge Andrade, a shareholder of the Company, that provides consulting services to the Company. There is no formal agreement between the parties and the amount of remuneration is $6,250 per month. During the three and nine months ended September 30, 2014, the Company incurred $18,750 and $56,250 as consulting fees, respectively. During the three and nine months ended September 30, 2013, the Company incurred $50,000 and $146,667 as consulting fees, respectively. As of September 30, 2014 and December 31, 2013, there was an unpaid balance of $174,100 and $162,850, respectively.

The Company has an arrangement with Premier Aftercare Recovery Service, ("PARS"). PARS is a Company controlled by Neil Muller, a shareholder of the Company, that provides consulting services to the Company. There is no formal agreement between the parties and the amount of remuneration is $6,250 per month. During the three and nine months ended September 30, 2014 the Company incurred $37,760 and $75,260, respectively, as consulting fees and expense reimbursements. During the three and nine months ended September 30, 2013, the Company incurred $50,000 and $146,667 as consulting fees and expense reimbursements., respectively. As of September 30, 2014 and December 31, 2013, there was an unpaid balance of $37,760 and $142,459, respectively.

The Company has an arrangement with Felix Financial Enterprises ("FFE"). FFE is a Company controlled by Lourdes Felix, an officer of the Company, that provides consulting services to the Company. There is no formal agreement between the parties and the amount of remuneration is $6,250 per month. During the three and nine months ended September 30, 2014, the Company incurred $56,510 and $94,010 as consulting fees, respectively. During the three and nine months ended September 30, 2013, $37,500 and $87,500 consulting fees were incurred, respectively. As of September 30, 2014 and December 31, 2013, there was an unpaid balance of $84,900 and $105,390, respectively.

West Coast Health Consulting, Inc. is a company controlled by Jorge Andrade, a shareholder of the Company, that previously provided consulting services to the Company. During the three and nine months ended September 30, 2014 , the Company incurred $-0- and $-0- as consulting fees, respectively. As of September 30, 2014 and December 31, 2013, there was an unpaid balance of $-0- and $-0-, respectively.

The Company has an arrangement with Brady Granier, an officer of the Company. There is no formal agreement between the parties and the amount of remuneration is $6,250 per month. For the three and nine months ended September 30, 2014, $37,760 and $75,260 in consulting fees were incurred, respectively. As of September 30, 2014 and December 31, 2013, there was an unpaid balance of $18,750 and $72,640, respectively.

The Company has an arrangement with Kent Emry, an officer of the Company. There is no formal agreement between the parties and the amount of remuneration is $6,250 per month. For the three and nine months ended September 30, 2014, $18,750 and $56,250 in consulting fees were incurred, respectively. As of September 30, 2014 and December 31, 2013, there was an unpaid balance of $-0- and $26,189, respectively.

The above related parties are compensated as independent contractors and are subject to the Internal Revenue Service regulations and applicable state law guidelines regarding independent contractor classification. These regulations and guidelines are subject to judicial and agency interpretation, and it could be determined that the independent contractor classification is inapplicable.

NOTE 16 – COMMITMENTS AND CONTINGENCIES

Employment agreements

Lourdes Felix, Chief Financial Officer and Brady Granier, Chief Operating Officer of the Company, entered into Executive Service Agreements with the Company on February 28, 2013 and October 16, 2013, respectively (the "Executive Agreements").

The Executive Agreements provided, among other things, (i) the remuneration to be received in exchange for services provided to the Company; (ii) a general description of the services to be provided to the Company; and (iii) other obligations, terms, and conditions relating to the professional relationship between Felix and Granier, as applicable, and the Company.

On June 30, 2014, each of Felix and Granier entered into an amendment to the Executive Agreements (the "Amendments"), which provide that each of Felix and Granier shall receive three percent (3%) of the Company's gross margin of sales of then-current healthcare products, devices and/or modifications thereto thereafter for a period of fifteen years following the Termination Date, as defined in the Executive Agreements. The Amendments were approved by the unanimous consent of the disinterested directors of the Company in accordance with the requirements of the Nevada Revised Statutes. As of September 30, 2014 $-0-was paid in connection with this agreement.

Potential Acquisitions

The Board of Directors of the Company authorized the execution of a letter of understanding dated December 30, 2013 (the "Letter of Understanding") with Trinity Rx Solutions LLC ("Trinity Rx") and Sal Amodeo, the sole member of Trinity Rx ("Amodeo").

The Company is involved in establishing alcohol rehabilitation and treatment centers and has created certain alcohol therapeutic and rehabilitation programs (the "Counseling Programs") consisting of a Naltrexone implant that is placed under the skin in the lower abdomen coupled with life counseling sessions. The Naltrexone implant formula is owned by Trinity Rx. The Company entered into an exclusive license dated September 7, 2010 (the '"License Agreement") with Trinity Rx. In accordance with the terms and provisions of the License Agreement, Trinity Rx provides to the Company the Naltrexone Implant that has been designed for alcoholism.

As of September 30, 2014, the above described acquisition has not closed. The total aggregate payments of the $57,404 and $25,000 in refundable deposits is reflected in the Company's balance sheet as short term deposits as of September 30, 2014 and December 31, 2013, respectively.

NOTE 17 – FAIR VALUE MEASUREMENTS

ASC 825-10 defines fair value as the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When determining the fair value measurements for assets and liabilities required or permitted to be recorded at fair value, the Company considers the principal or most advantageous market in which it would transact and considers assumptions that market participants would use when pricing the asset or liability, such as inherent risk, transfer restrictions, and risk of nonperformance. ASC 825-10 establishes a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC 825-10 establishes three levels of inputs that may be used to measure fair value:

Level 1—Quoted prices in active markets for identical assets or liabilities.

Level 2—Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets with insufficient volume or infrequent transactions (less active markets); or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3—Unobservable inputs to the valuation methodology that are significant to the measurement of fair value of assets or liabilities.

Items recorded or measured at fair value on a recurring basis in the accompanying consolidated financial statements consisted of the following items as of September 30, 2014:

	Level 1	Level 2	Level 3	Total
Warrant liability	$	$	$ 138,600	138,600
Derivative liability	-	-	-	-
Total	$ -	$ -	$ 138,600	$ 138,600

The table below sets forth a summary of changes in the fair value of the Company's Level 3 financial liabilities for the nine months ended September 30, 2014.

Balance, December 31, 2013	$ 1,306,834
Fair value of embedded derivative in connection with convertible notes at inception	
Transfers out due to conversions of convertible notes	(930,557)
Mark-to-market at September 30, 2014	(237,697)
Balance, September 30, 2014	$ 138,600

NOTE 18 – SUBSEQUENT EVENTS

None.

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

This Management's Discussion and Analysis of Financial Condition and Results of Operations includes a number of forward-looking statements that reflect Management's current views with respect to future events and financial performance. You can identify these statements by forward-looking words such as "may" "will," "expect," "anticipate," "believe," "estimate" and "continue," or similar words. Those statements include statements regarding the intent, belief or current expectations of us and members of its management team as well as the assumptions on which such statements are based. Prospective investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve risk and uncertainties, and that actual results may differ materially from those contemplated by such forward-looking statements.

Readers are urged to carefully review and consider the various disclosures made by us in this report and in our other reports filed with the Securities and Exchange Commission. Important factors currently known to us could cause actual results to differ materially from those in forward-looking statements. We undertake no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes in the future operating results over time. We believe that its assumptions are based upon reasonable data derived from and known about our business and operations and the business and operations of the Company. No assurances are made that actual results of operations or the results of our future activities will not differ materially from its assumptions. Factors that could cause differences include, but are not limited to, expected market demand for the Company's services, fluctuations in pricing for materials, and competition.

Business Overview

We are an addiction rehabilitation company and developer of the Start Fresh Program headquartered in Santa Ana, California. We were established in January 2010 and currently operating in Santa Ana, California. The Company's current treatment program is called the Start Fresh Program. On January 7, 2014 we changed our name to BioCorRx Inc. to take advantage of unique branding of our Start Fresh Program and to look to acquire other addiction programs and healthcare related products and services. We operate within the *Specialty Hospitals, Expert Psychiatric* industry, specifically within the industry subsets of *Alcoholism Rehabilitation Hospital*.

The Start Fresh Program is an alcoholism treatment program comprised of two parts: (1) an implant, administered by a licensed physician, of a proprietary compounded formulation of the drug, Naltrexone (implanted under the skin) (the "Implant") which reduces alcohol cravings over a period of time which typically is longer than other formulations or means of injection of the drug Naltrexone; and (2) uniquely and specifically structured, intensive one on one alcohol addiction life coaching program developed by BioCorRx, Inc. (the "Coaching Program").

BioCorRx, Inc. has been granted an exclusive license to the proprietary implant by its developer. The license allows BioCorRx to license to physicians and medical groups experienced in treating alcoholism and addiction dependency the right to order the proprietary implant from the compounding pharmacies that have been licensed and trained to make the implant by its developer. It also allows BioCorRx to sub-license the implant access to territories in the U.S. and abroad.

BioCorRx is not a licensed health care provider and does not provide health care services to patients. BioCorRx does not operate substance abuse clinics and does not employ substance abuse counselors or coaches at this time. BioCorRx makes the Start Fresh Program available to health care providers to utilize when the health care provider determines it is medically appropriate and indicated for his or her patients. Any physician or licensed alcohol addiction treatment provider is solely responsible for treatment options prescribed or recommended to his or her patients. At all times, such providers retain complete and exclusive authority, responsibility, supervision and control over their medical practice, their patients, the treatment that their patients receive and any decision to prescribe the implant to any of the provider's patients. BioCorRx does not condition its license to health care providers accessing the implant on their making available the Coaching Program to the providers' patients – although BioCorRx certainly encourages that providers do so.

BioCorRx has issued several license agreements to several unrelated third parties involving the establishment of alcoholism rehabilitation and treatment centers and creating certain alcoholism rehabilitation programs. The Company has substantially expanded its operations in 2013 through the licensing and distribution opportunities of its Start Fresh Program. The four new locations now offering the Start Fresh Program are Arizona, Northern California, Nebraska and Connecticut. The company's current focus will continue on expansion to more territories across the United States, branding of the Start Fresh Program and acquisition of healthcare related products and services. The Company is committed to continuing to provide excellent rehabilitation services to clients nationwide as it expands its network of licensed clinics.

Results of Operations

The following table summarizes changes in selected operating indicators of the Company, illustrating the relationship of various income and expense items to net sales for the respective periods presented (components may not add or subtract to totals due to rounding):

Three Months ended September 30, 2014 Compared with Three Months ended September 30, 2013

Three months ended September 30,

	2014	2013
Net Sales	$ 434,041	$ 277,410
Cost of Sales	84,378	-
Gross Profit	349,663	277,410
Total Operating Expenses	(534,498)	(455,680)
Gain on settlement of debt		-
Net Interest Expense	(131,791)	(62,003)
Gain (loss) on change in derivative liability	(67,253)	111,237
Income taxes	-	-
Net loss	$ (383,879)	$ (129,036)

Sales

Sales for the three months ended September 30, 2014 were $434,041 compared with $277,410 for the three months ended September 30, 2013, reflecting an increase of 56%.

The increase in sales revenue is directly related to the Company's focus on licensing and distribution efforts which will have the potential to create a stronger revenue stream going forward.

Cost of Sales

Cost of sales for the three months ended September 30, 2014 were $84,378 compared with $-0- for the three months ended September 30, 2013, reflecting an increase of 100%. Cost of sales have changed dramatically because of the new variation of the licensing and distribution revenue model.

Gross Profit

Gross profit percentage for the three months ended September 30, 2014 was 80.6% compared to 100.0% for the three months ended September 30, 2013.

Total Operating Expenses

Total operating expenses for the three months ended September 30, 2014 and 2013 were $500,695 and $454,844 reflecting an increase of 10%. Comparing the three months ended September 30, 2013 to September 30, 2014, consulting and investor relations fees decreased from $353,181 to $167,512, accounting and legal fees increased from $24,875 to $67,395, advertising increased from $4,310 to $15,803, and rent decreased from $17,255 to $4,493. In addition, we incurred $87,570 as stock based compensation in 2014 compared to $148,604 in 2013.

Gain (loss) on change in Fair Value of Derivative Liability

As of September 30, 2014, we had outstanding warrants with variable conversion provisions that had the possibility of exceeding our common shares authorized when considering the number of possible shares that may be issuable to satisfy settlement provision of this note. As such, we are required to determine the fair value of this derivative and mark to market each reporting period. For the three months ended September 30, 2014, we incurred a $67,253 loss on change in fair value of our derivative liabilities compared to $111,237 gain the same period, last year.

Interest Expenses

Interest expense for the three months ended September 30, 2014 and 2013 were $131,791 and $62,003, respectively, the increase is due to write offs of remaining debt discounts upon conversion of our convertible debentures to non-convertible notes

Income taxes

Income taxes for the three months ended September 30, 2014 and 2013 were $-0-.

Net Income (Loss)

For the three months ended September 30, 2014, the Company experienced loss of $383,879 compared with a net loss of $129,036 for the three months ended September 30, 2013.

Nine Months ended September 30, 2014 Compared with Nine Months ended September 30, 2013

Nine months ended September 30,

	2014	2013
Net Sales	$ 802,878	$ 1,164,570
Cost of Sales	159,340	149,366
Gross Profit	643,538	1,015,204
Total Operating Expenses	(1,667,904)	(1,057,210)
Gain on settlement of debt		17,800
Net Interest Expense	(333,813)	(232,438)
Gain (loss) on change in derivative liability	237,697	(81,972)
Income taxes	-	-
Net Loss	$ (1,120,482)	$ (338,616)

Sales

Sales for the nine months ended September 30, 2014 were $802,878 compared with $1,164,570 for the nine months ended September 30, 2013, reflecting a decrease of 31%.

The decrease in sales revenue is directly related to the Company's focus on licensing and distribution efforts which will have the potential to create a stronger revenue stream going forward.

Cost of Sales

Cost of sales for the nine months ended September 30, 2014 were $159,340 compared with $149,366 for the nine months ended September 30, 2013, reflecting an increase of 7%. Cost of sales have changed dramatically because of the new variation of the licensing and distribution revenue model.

Gross Profit

Gross profit percentage for the nine months ended September 30, 2014 was 80.2% compared to 87.2% for the nine months ended September 30, 2013.

Total Operating Expenses

Total operating expenses for the nine months ended September 30, 2014 and 2013 were $1,667,904 and $1,057,210 reflecting an increase of 58%. The primary increase is due to a settlement agreement reached regarding prior pending litigation thereby incurring a $275,000 expense for the nine months ended September 30, 2014. Additionally, comparing the nine months ended September 30, 2013 to September 30, 2014, consulting and investor relations fees decreased from $544,350 to $465,541, accounting and legal fees increased from $56,562 to $223,122, advertising increased from $14,660 to $184,750, and rent decreased from $25,874 to $13,135. In addition, we incurred $225,764 as stock based compensation in 2014 compared to $253,107 in 2013.

Gain (loss) on change in Fair Value of Derivative Liability

As of September 30, 2014, we had outstanding warrants with variable conversion provisions that had the possibility of exceeding our common shares authorized when considering the number of possible shares that may be issuable to satisfy settlement provision of this note. As such, we are required to determine the fair value of this derivative and mark to market each reporting period. For the nine months ended September 30, 2014, we incurred a $237,697 gain on change in fair value of our derivative liabilities compared to $81,972 loss the same period, last year.

Interest Expenses

Interest expense for the nine months ended September 30, 2014 and 2013 were $333,813 and $232,438, respectively, the increase is due to write offs of remaining debt discounts upon conversion of our convertible debentures to non-convertible notes

Income Taxes

Income taxes for the nine months ended September 30, 2014 and 2013 were $-0-.

Net Income (Loss)

For the nine months ended September 30, 2014, the Company experienced a net loss of $1,120,482 compared with a net loss of $338,616 for the nine months ended September 30, 2013.

Liquidity and Capital Resources

As of September 30, 2014, we had cash of approximately $8,019. The following table provides a summary of our net cash flows from operating, investing, and financing activities.

Nine months ended September 30,

	2014	2013
Net cash provided by (used in) operating activities	$ 101,892	$ (151,482)
Net cash used in investing activities	(32,890)	(9,721)
Net cash provided by (used in) financing activities	(169,549)	156,967
Net decrease in cash	(100,547)	(4,236)
Cash, beginning of period	108,566	6,002
Cash, end of period	$ 8,019	$ 1,766

Currently we have no material commitments for capital expenditures as of September 30, 2014. We historically sought and continue to seek financing from private sources to move our business plan forward. In order to satisfy the financial commitments, we had relied upon private party financing that has inherent risks in terms of availability and adequacy of funding.

For the next twelve months, we anticipate that we will need to supplement our revenues with additional capital investment or debt to ensure that we will have adequate cash to provide the minimum operating cash requirements to continue as a going concern. In 2014, the company entered into five separate licensing and distribution agreements whereby the Company received up-front licensing fees which allowed for sufficient cash flow to maintain operations. We believe that providing licensing and distribution opportunities will create a steady revenue stream by which sufficient cash flows can be maintained while the Company continues its growth and expansion.

We may require additional capital investments or borrowed funds to meet cash flow projections and carry forward our business objectives. There can be no guarantee or assurance that we can raise adequate capital from outside sources. If we are unable to raise funds when required or on acceptable terms, we have to significantly scale back, or discontinue, our operations.

Net Cash Flow From Operating Activities

Net Cash provided by operating activities increased by $253,374 for the nine months ended September 30, 2014 compared to the nine months ended September 30, 2013 primarily due to the Company's ability to increase its cash flow from unearned revenue that is directly attributable to licensing and distribution agreements.

Net Cash Flow From Investing Activities

Net cash used in investing activities increased by $23,169 for the nine months ended September 30, 2014 compared to of nine months ended September 30, 2013 primarily due to investments in acquisition deposits.

Net Cash Flow From Financing Activities

Net cash provided by financing activities decreased by $326,516 for the nine months ended September 30, 2014 compared to nine months ended September 30, 2013 due to the decrease in borrowings and payoff of existing obligations.

Going Concern

The Company's financial statements are prepared in accordance with generally accepted accounting principles applicable to a going concern. This contemplates the realization of assets and the liquidation of liabilities in the normal course of business. As of September 30, 2014 and December 31, 2013, the Company has a working capital deficit of $1,229,065 and $861,901, and an accumulated deficit of $6,557,595 and $5,437,113. The Company's revenues have decreased from 2013 to 2014. We will be dependent upon the raising of additional capital through placement of our common stock in order to implement its business plan or by using outside financing. There can be no assurance that the Company will be successful in these situations in order to continue as a going concern. The Company is funding its operations by additional borrowings and some shareholder advances.

Off Balance Sheet Arrangements

We do not have any 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, sales or expenses, results of operations, liquidity or capital expenditures, or capital resources that are material to an investment in our securities.

Critical Accounting Policies

Use of Estimates and Assumptions

Preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Revenue Recognition

The Company generates revenue from services. Revenue is recognized in accordance with Accounting Standards Codification subtopic 605-10, Revenue Recognition ("ASC 605-10") which requires that four basic criteria must be met before revenue can be recognized: (1) persuasive evidence of an arrangement exists; (2) delivery has occurred or services have been rendered; (3) the selling price is fixed and determinable; and (4) collectability is reasonably assured. Determination of criteria (3) and (4) are based on management's judgments regarding the fixed nature of the selling prices of the services delivered and the collectability of those amounts. Provisions for discounts and rebates to customers, estimated returns and allowances, and other adjustments are provided for in the same period the related revenue are recorded. The Company defers any revenue for which the services has not been performed or is subject to refund until such time that the Company and the customer jointly determine that the services has been performed or no refund will be required.

The Company licenses patented technology to customers under licensing agreements that allow those customers to utilize the technology in services they provide to their customers. The timing and amount of revenue recognized from license agreements depends upon a variety of factors, including the specific terms of each agreement. Such agreements are reviewed for multiple elements. Multiple elements can include amounts related to initial non-refundable license fees for the use of the Company's patented technology and additional royalties on covered services. Revenue is only recognized after all of the following criteria are met: (1) written agreements have been executed; (2) delivery of technology or intellectual property rights has occurred; (3) fees are fixed or determinable; and (4) collectability of fees is reasonably assured. Under these license agreements, the Company generally receives an initial non-refundable license fee and in some cases, additional running royalties. Revenue from royalties is recognized when earned and when amounts can be reasonably estimated.

Deferred Revenue

The Company from time to time collects initial license fees when license agreements are signed and become effective. License fees collected from Licensees but not yet recognized as income are recorded as deferred revenue and amortized as income earned over the economic life of the related contract.

Derivative Financial Instruments

Accounting Standards Codification subtopic 815-40, Derivatives and Hedging, Contracts in Entity's own Equity ("ASC 815-40") became effective for the Company on October 1, 2009. The Company's convertible debt has variable conversion rates to the exercise price, which prohibit the Company from determining the number of shares needed to settle the conversion of the debt.

Stock-Based Compensation

FASB ASC 718 *"Compensation – Stock Compensation"* prescribes accounting and reporting standards for all stock-based payments award to employees, including employee stock options, restricted stock, employee stock purchase plans and stock appreciation rights, may be classified as either equity or liabilities. The Company determines if a present obligation to settle the share-based payment transaction in cash or other assets exists. A present obligation to settle in cash or other assets exists if: (*a*) the option to settle by issuing equity instruments lacks commercial substance or (*b*) the present obligation is implied because of an entity's past practices or stated policies. If a present obligation exists, the transaction should be recognized as a liability; otherwise, the transaction should be recognized as equity The Company accounts for stock-based compensation issued to non-employees and consultants in accordance with the provisions of FASB ASC 505-50 *"Equity – Based Payments to Non-Employees."* Measurement of share-based payment transactions with non-employees is based on the fair value of whichever is more reliably measurable: (*a*) the goods or services received; or (*b*) the equity instruments issued. The fair value of the share-based payment transaction is determined at the earlier of performance commitment date or performance completion date.

Recent Accounting Pronouncements

There were various updates recently issued, most of which represented technical corrections to the accounting literature or application to specific industries and are not expected to a have a material impact on the Company's consolidated financial position, results of operations or cash flows.

ITEM 3 – QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not required under Regulation S-K for "smaller reporting companies."

ITEM 4 – CONTROLS AND PROCEDURES

(a) Evaluation of disclosure controls and procedures.

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures pursuant to Rule 13a-15 under the Exchange Act. In designing and evaluating the disclosure controls and procedures, 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. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply its judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Based on management's evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as a result of the material weaknesses described below, as of September 30, 2014, our disclosure controls and procedures are not designed at a reasonable assurance level and are ineffective to provide reasonable assurance that information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. The material weaknesses, which relate to internal control over financial reporting, that were identified are:

(a) We did not have sufficient personnel in our accounting and financial reporting functions. As a result we were not able to achieve adequate segregation of duties and were not able to provide for adequate reviewing of the financial statements. This control deficiency, which is pervasive in nature, results in a reasonable possibility that material misstatements of the financial statements will not be prevented or detected on a timely basis.

Management believes that hiring additional knowledgeable personnel with technical accounting expertise will remedy the following material weaknesses: A lack of sufficient personnel in our accounting and financial reporting functions to achieve adequate segregation of duties.

Management believes that the hiring of additional personnel who have the technical expertise and knowledge with the non-routine or technical issues we have encountered in the past will result in both proper recording of these transactions and a much more knowledgeable finance department as a whole. Due to the fact that our accounting staff consists of a Chief Financial Officer, additional personnel will also ensure the proper segregation of duties and provide more checks and balances within the department. Additional personnel will also provide the cross training needed to support us if personnel turnover issues within the department occur. We believe this will eliminate or greatly decrease any control and procedure issues we may encounter in the future.

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

(b) Changes in internal control over financial reporting.

There were no changes in our internal control over financial reporting identified in connection with the evaluation required by paragraph (d) of Rule 13a-15 or 15d-15 under the Exchange Act that occurred during the quarter ended September 30, 2014 that have materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Item 1. Legal Proceedings

We are currently not a party to any material legal proceedings or claims not previously disclosed on Form 8-K.

Item 1A. Risk Factors

Not required under Regulation S-K for “smaller reporting companies.”

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

On February 29, 2012 one member of the Board of Directors, Jorge Andrade Jr., filed for bankruptcy protection in the United States Bankruptcy Court for the Central District of California under Chapter 7 of the United State Bankruptcy Code, as amended, case no. 8:12-bk-12653-TA ("Chapter 7 Bankruptcy"). Under the Chapter 7 Bankruptcy, Dr. Andrade was seeking discharge of most of his debts. On June 18, 2012, the U.S. Bankruptcy court issued a Discharge of Debtor Order declaring that Dr. Andrade was granted a discharge under Section 727 of Title 11 of the U.S. Bankruptcy Code.

Item 6. Exhibits

31.01	Certification of Chief Executive Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.02	Certification of Chief Financial Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.01	Certifications of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101 INS	XBRL Instance Document*
101 SCH	XBRL Schema Document*
101 CAL	XBRL Calculation Linkbase Document*
101 LAB	XBRL Labels Linkbase Document*
101 PRE	XBRL Presentation Linkbase Document*
101 DEF	XBRL Definition Linkbase Document*

* The XBRL related information in Exhibit 101 shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to liability of that section and shall not be incorporated by reference into any filing or other document pursuant to the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing or document.

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.

	BIOCORRX, INC.
Date: November 10, 2014	By: */s/ Kent Emry* Kent Emry Chief Executive Officer and Director
Date: November 10, 2014	By: */s/ Lourdes Felix* Lourdes Felix Chief Financial Officer and Director

CERTIFICATION

I, Kent Emry, certify that:

1. I have reviewed this quarterly report on Form 10-Q of BioCorRx Inc.;

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

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

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

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

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

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

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

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

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

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

Date: November 10, 2014

By: */s/ Kent Emry*
Kent Emry
Chief Executive Officer

EXHIBIT 31.02

CERTIFICATION

I, Lourdes Felix, certify that:

1. I have reviewed this quarterly report on Form 10-Q of BioCorRx Inc.;

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

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

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

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

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

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

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

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

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

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

Date: November 10, 2014

By: */s/ Lourdes Felix*
Lourdes Felix
Chief Financial Officer and Director

EXHIBIT 32.01

CERTIFICATIONS OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Kent Ermy, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report of BioCorRx Inc. on Form 10-Q for the quarter ended September 30, 2014 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in this Quarterly Report on Form 10-Q fairly presents in all material respects the financial condition and results of operations of BioCorRx Inc.

Date: November 10, 2014

By: */s/ Kent Emry*
Kent Emry
Chief Executive Officer

I, Lourdes Felix, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report of BioCorRx Inc. on Form 10-Q for the quarter ended September 30, 2014 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in this Quarterly Report on Form 10-Q fairly presents in all material respects the financial condition and results of operations of BioCorRx Inc.

Date: November 10, 2014

By: */s/ Lourdes Felix*
Lourdes Felix
Chief Financial Officer and Director