

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

FORM 10-K

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

For the Fiscal Year Ended December 31, 2015

Commission File Number: 333-153381

BioCorRxO Inc.

(Exact name of registrant as specified in its charter)

<u>Nevada</u> (State or other jurisdiction of incorporation or organization)	<u>26-1972677</u> (IRS Employer Identification No.)	
<u>601 N. Parkcenter Drive, Suite 103 Santa Ana, California</u> (Address of principal executive office)	<u>92705</u> (Zip Code)	<u>(714) 462-4880</u> (Registrant's telephone number, Including area code)

Securities registered pursuant to Section 12(b) of the Act: None

Securities registered pursuant to Section 12(g) of the Act: Common Stock, no par value

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined by Rule 405 of the Securities Act.
Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes
No

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 (§ 229.405 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 if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. 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 definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>

(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

The aggregate market value of the voting Common Stock held by non-affiliates (based upon the closing sale price of \$0.044 per share on the (Over the Counter Bulletin Board) of the registrant as of June 30, 2015: \$5,482,954.

As of April 14, 2016, there were 165,394,501 shares of registrant's common stock outstanding.

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PART I

ITEM 1 – BUSINESS

This Annual Report on Form 10-K (including the section regarding Management's Discussion and Analysis of Financial Condition and Results of Operations) contains forward-looking statements regarding our business, financial condition, results of operations and prospects. Words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates" and similar expressions or variations of such words are intended to identify forward-looking statements, but are not deemed to represent an all-inclusive means of identifying forward-looking statements as denoted in this Annual Report on Form 10-K. Additionally, statements concerning future matters are forward-looking statements.

Although forward-looking statements in this Annual Report on Form 10-K reflect the good faith judgment of our Management, such statements can only be based on facts and factors currently known by us. Consequently, forward-looking statements are inherently subject to risks and uncertainties and actual results and outcomes may differ materially from the results and outcomes discussed in or anticipated by the forward-looking statements. Readers are urged not to place undue reliance on these forward-looking statements, which speak only as of the date of this Annual Report on Form 10-K. We file reports with the Securities and Exchange Commission ("SEC"). You can read and copy any materials we file with the SEC at the SEC's Public Reference Room at 100 F Street, NE, Washington, DC 20549. You can obtain additional information about the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains an Internet site (www.sec.gov) that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC, including us.

We undertake no obligation to revise or update any forward-looking statements in order to reflect any event or circumstance that may arise after the date of this Annual Report on Form 10-K. Readers are urged to carefully review and consider the various disclosures made throughout the entirety of this annual Report, which attempt to advise interested parties of the risks and factors that may affect our business, financial condition, results of operations and prospects.

In this Annual Report on Form 10-K, the terms "we", "our", and "us" refer to BioCorRxÒ Inc. ("BioCorRxÒ") and our wholly owned subsidiary, Fresh Start Private, Inc. (FSP).

Corporate Structure

We were incorporated as Cetrone Energy Company on January 28, 2008 in the State of Nevada. From inception until we completed our reverse acquisition of FSP, the principal business of the Company originally was to develop "green" renewable fuel sources for agricultural operations, specifically biodiesel. On July 26, 2010, we filed an amendment to our Articles of Incorporation changing our name to Fresh Start Private Management, Inc. During that time, we had no revenue and our operations were limited to capital formation, organization, and development of our business plan and target customer market. As a result of the reverse acquisition of FSP, on October 31, 2011, we ceased our prior operations and we are now a holding company and our wholly owned subsidiary engages in alcoholism and opioid addiction treatment through our BioCorRxÒ Recovery Program.

On October 31, 2011, we completed a reverse acquisition transaction through a share exchange with FSP whereby we acquired all of the issued and outstanding shares of FSP in exchange for 37,000,000 shares of our common stock, which represented approximately 31.3% of our total shares outstanding immediately following the closing of the Share Exchange. As a result of the Share Exchange, FSP became our wholly-owned subsidiary.

The share exchange transaction with FSP was treated as a reverse acquisition, with FSP as the acquirer and the Company as the acquired party. Unless the context suggests otherwise, when we refer in this Report to business and financial information for periods prior to the consummation of the reverse acquisition, we are referring to the business and financial information of FSP.

On January 7, 2014, we filed an amendment to our articles of incorporation changing our name to BioCorRxÒ Inc.

Business Overview

Through our wholly owned subsidiary, we distribute and license the BioCorRx[®] Recovery Program for alcoholism and opioid addiction treatment headquartered in Santa Ana, California. We were established in January 2010 and are currently operating in Santa Ana, California. We developed the BioCorRx[®] Recovery Program for the treatment of alcoholism and opioid addiction consisting of a Naltrexone implant that is placed under the skin in the lower abdomen coupled with a counseling/life coaching program including sessions (16 sessions on average but not limited to) from specialized life coaches and/or counselors.

We operate within the *Specialty Hospitals, Expert Psychiatric* industry, specifically within the industry subsets of *Alcoholism Rehabilitation Hospital*.

The BioCorRx[®] Recovery Program

We have developed and own the rights to an innovative alcoholism and opioid addiction treatment program, called BioCorRx[®] Recovery Program, that empowers patients to succeed in their overall recovery. We offer a comprehensive medication-assisted treatment (MAT) program that combines non-addictive medication coupled with psycho-social counseling. We have been operating for approximately 60 months and over 700 patients have been treated with our program since we began operating. Currently, about 2 to 3 patients per month are being treated with our program. This number fluctuates depending on provider(s) current advertising. The addiction treatment services reported cost from provider to patient is an average of \$17,500 per patient and a portion is sometimes covered by insurance. This amount varies due to many factors, the major ones being, type of insurance policy and patients out of network deductibles. In addition, there are the service provider expenses, and surgery center costs (if not done in the medical provider's office). Services may also be provided to cash patients, by licensed providers, at discounted rates due to financial difficulties.

The BioCorRx[®] Recovery Program is a comprehensive addiction program which includes life coaching and/or counseling (16 sessions on average but not limited to), coupled with a Naltrexone Implant. The implant is specifically compounded with a prescription from a medical doctor for each individual and is designed to release naltrexone into the body over several months. The Naltrexone Implant means a single administration, long acting Naltrexone pellet(s) that consists of a naltrexone formulation in a biodegradable form that is suitable for subcutaneous implantation in a particular patient.

Treatment Philosophy

Our alcoholism and opioid addiction treatment program empowers patients to succeed. A detailed description of our treatment philosophy is as follows:

Medical Intervention: It is essential to significantly reduce a patient's cravings for alcohol and opioids in order to fully break the cycle of addiction. We have built our BioCorRx[®] Recovery Program around a state-of-the-art, minimally invasive, biodegradable implant of Naltrexone. Naltrexone is an FDA-approved pharmaceutical used for the treatment of alcoholism and opioid addiction. A licensed physician surgically inserts a marble-sized pellet(s) under the skin in the lower abdomen. The pellet is absorbed into the body and dissolves within several months following the procedure in most patients depending on their metabolism and other factors.

Focus on Treatment: Unlike many other addiction treatment programs, we focus entirely on the treatment of alcohol and opioid addiction. It is our belief that alcohol and opioid addiction should be treated differently from most addictions to other substances.

Comprehensive Approach: Alcoholism and opioid addiction is a complex disease that needs a program specifically designed to treat the body, the mind, and the spirit of an addict. We have created a comprehensive recovery program that includes state-of-the-art medical intervention, individually tailored coaching and/or counseling program sessions, rebuilding of the networks of family and friends, and post-treatment continuing care. Our program typically lasts for up to 6 months from the initial surgical procedure of inserting the Naltrexone pellet(s). We believe that through our comprehensive treatment method, clients will have the highest possible chances of full recovery from alcohol and opioid dependency.

Focus on Family and Friends: We believe that the attention from family and friends are the most important elements in the treatment of alcohol and opioid addiction. The program makes family and friends an essential element of the patients' recovery and asks that they play an important role in both the initial treatment phase and in the long-term recovery process.

Program Description

We offer a comprehensive and highly effective alcohol and opioid addiction treatment program. Our proprietary program is designed to offer treatment and healing to both the body and the mind of an addict. Our alcoholism and opioid addiction treatment program is a two-part program that includes: (i) the insertion of a Naltrexone Implant that is believed to reduce physical cravings of alcohol and opioids by a trained physician; and (ii) life coaching and/or counseling that focuses on the mental addiction of alcoholism and opioid addiction. The following is a detailed description of our alcohol treatment program.

Naltrexone Implant: Our unique program has reduced physical cravings for numerous patients suffering from alcoholism and opioid addiction. Our implant is believed to reduce cravings over the period of several months in most patients depending on their metabolism and other factors. During this time, the program focuses on addressing the mental dependence on alcohol and opioids. The implant is a Naltrexone pellet(s) that is the size of a marble and inserted via an outpatient surgical procedure into the lower abdomen of the patient. The Naltrexone pellet will be absorbed by the body over several months and will automatically dissolve and not need to be removed.

All procedures to place the Naltrexone pellets into patients are performed at several independently owned and licensed provider locations. There are over 15 licensed providers throughout California, Arizona, Connecticut, Atlanta, Illinois, Nebraska, Oklahoma, Louisiana, Tennessee, Nevada, Wisconsin and Pennsylvania that offer the BioCorRx[®] Recovery Program. Addresses of all independently owned provider locations offering our program are available on our website www.beataddiction.com. The procedures are performed by a licensed medical physician.

The Naltrexone implant is produced by select compounding pharmacies contracted by Trinity Compound Solutions, Inc. We entered into an exclusive license dated September 7, 2010 (the "License Agreement") with Trinity Compound Solutions, Inc. (formerly known as Trinity Rx Solutions, LLC) ("Trinity"). In accordance with the terms and provisions of the License Agreement, Trinity shall provide to us access to the Naltrexone implant that has been designed for alcoholism and opioid addiction. As consideration for the License Agreement, the Company has issued 5,672,250 shares of our common stock (which was equal to 7.5% of the total shares outstanding at the time of the execution of the agreement) and a payment of \$600 for each prescription requested by us.

A copy of the License Agreement with Trinity is incorporated herein by reference and was filed as Exhibit 10.3 to the Current Report on Form 8-K filed with the Securities and Exchange Commission on November 4, 2011. The description of the transaction contemplated by such License Agreement set forth herein does not purport to be complete and is qualified in its entirety by reference to the full text of the exhibit filed therewith and incorporated herein by reference.

The Naltrexone implant is two small pellets that are inserted beneath the skin in the subcutaneous fat located in the lower abdomen. The implant procedure is an outpatient procedure that takes approximately 30 minutes. A local anesthetic is administered when the pellets are implanted and the patient is free to leave the clinic and return to normal activities within a few hours of the procedure in most cases. The pellets are biodegradable and will gradually dissolve in the human body. The pellets contain a medicine called Naltrexone, which has been shown to block receptors in the brain that crave alcohol and opioids. Naltrexone is an FDA approved medication and all patients are required to obtain a prescription for the drug from a medical doctor. The doctors employed by the licensed providers are responsible for evaluating the patients, determining if the patient is a candidate and, if so, writing the prescription. The prescription is then presented to compounding pharmacies contracted by Trinity that produce the pellets using Naltrexone as the core ingredient.

Once the pellet is implanted in the patient, they are usually free to return to work on the next business day and will be contacted by a life coach and/or counselor within the next 2 to 3 days to begin coaching and/or counseling sessions, if not sooner.

BioCorRxÖ Recovery Program Counseling: We developed a counseling program to assist patients in treating their dependence on alcohol and opioids. Prior to, or upon receiving the Naltrexone implant, each patient will meet with a counselor. This counselor will counsel the patient for the next 6 months following the implant to help them cope with and address their dependence on alcohol and/or opioids. Each patient receives approximately 16 1-hour sessions with a counselor.

As part of the life coaching and/or counseling service, life coaches/counselors focus on bringing family and friends into the recovery process. This provides emotional support for patients and allows them to understand that they have people that care for them and want them to remain sober.

The final part of the life coaching and/or counseling is remaining in contact with patients after the 6 month period of direct coaching and/or counseling is over. Contact with patients is encouraged after the procedure and life coaching and/or counseling is completed to ensure that clients maintain their sobriety and remain fully committed to sober living.

Marketing Strategy

We have and will continue to use a variety of advertising and marketing channels to increase our exposure and awareness to prospective patients about our BioCorRxÖ Recovery Program. In addition to word of mouth from patients, we are focusing advertising and public relations on the radio, television and digital.

Competition

We offer a unique, proprietary treatment plan for alcoholism and opioid addiction. However, there are many services and clinics that already provide support for addiction. There are rehabilitation and treatment centers within close proximity to our licensed providers that provide alcohol and opioid addiction treatment and detoxification services. We hope to distinguish ourselves from our competition by proving that our program is successful and our success rate is much higher than our competitors. We intend to continue our expansion of the number of licensed providers throughout the United States using our program on their patients.

The following is a detailed description of leading rehabilitation service providers in and around our current area of operations:

Passages: a treatment center for people with addiction problems. Located in Malibu, California, Passages is run by a father-son team of treatment specialists. It offers a unique philosophy and treatment method, utilizing one-on-one therapy sessions. Passages provides clients with over 100 hours of attention by the end of their month long stay. However, Passages has received scrutiny for its unconventional methods. Portions of Passages philosophy run counter to the majority of scientific research into addiction. These aspects of Passages' philosophy include denial of addiction as a disease, and an elimination of the 12-step method.

Cliffside: a personalized alcohol and drug rehabilitation provider located in Malibu, California. It employs a range of traditional and alternative treatments including personal, group, and family counseling, herbology, massage, yoga, and acupuncture. Cliffside offers treatment for alcohol, cocaine, heroin, pharmaceuticals, and methamphetamine addiction along with interventions, drug rehab, opiates detox, and treatment for depression and eating disorders. On the other hand, Cliffside is one of the "luxury" addiction treatment centers located in Malibu, and charges large fees for its services.

Growth Strategy

We have developed a program that we believe helps patients battle their mental and physical addiction to alcohol and opioids. We are currently operating in Santa Ana, California and market nationally. We are currently considering distributing to additional locations in the United States and expect to use proceeds from the sale of stock as well as operating income to expand to these locations once we deem them viable.

Intellectual Property

On June 30, 2015, we acquired the complete rights, title and interest in the Naltrexone Implant Formulation used specifically in the BioCorRx Recovery Program for an aggregate purchase price of \$1,132,000 comprised of an obligation to pay \$1,000,000 over 14 months starting October 1, 2015 and 3,000,000 of the Company's common stock at the market value of \$0.044 per share as of the date of the agreement.

Government Regulation and Approvals

All surgical procedures need to be completed by a licensed physician.

The Naltrexone implant does not need any approval because Naltrexone is already an FDA approved medication. Once the physician writes a prescription for Naltrexone, a pharmacist can put it into a compounded form under U.S. Compounding laws and then administer the medication.

Other than the necessary approvals described above, we are not aware of any other governmental regulations or approvals for any of our products.

MATERIAL AGREEMENTS

On October 2, 2013 we entered into a five year license and access agreement with Start Fresh Alcohol Recovery Clinic, Inc. (the "Medical Group") and Dr. George Fallieras. In accordance with the terms and conditions of the agreement the Company granted the exclusive, non-sublicensable and non-transferable right and license to access the Naltrexone implant products. The Medical Group shall pay to the Company a license fee at a negotiated royalty rate per program.

On April 5, 2013, the Company granted licensing rights for ten years in the State of Arizona to Kryptonite Investments LLC. In accordance with the terms and provisions of the license agreement: (i) the license shall be granted by the Company to Kryptonite Investments upon payment of \$300,000 to the Company as evidenced by that certain convertible debenture agreement (the "Debenture"); and (ii) the Company shall grant to Kryptonite Investments the exclusive rights to the License to use, sell and offer for sale in the state of Arizona. Kryptonite Investments shall pay the Company a license fee, which shall be payable as either: (i) an upfront License Fee less 10% discount for total of \$270,000 if paid within 30 days of date that all principal and interest is repaid by the Company for the Debenture; or (ii) payable as the licensee performs procedures to begin within 30 days of principal and interest being paid in full for the Debenture by the Company.

On July 7, 2014, the Company and Kryptonite Investments LLC entered into a Restatement of Sublicense Agreement, which fully restates material terms of agreement. The execution date of the original License Agreement shall remain the effective date of the Restatement and all obligations.

On November 30, 2015, the Company and Kryptonite Investments LLC entered into an amendment of Restatement of Sublicense Agreement, which amends certain terms of agreement. The execution date of the original License Agreement shall remain the effective date of the Restatement and all obligations.

On July 31, 2013, the Company granted licensing rights perpetually in the state of Nebraska to Fresh Start Private Midwest LLC. During the term of the license agreement, the licensee shall pay to the Company on a monthly basis, the greater of \$5,000 for each month of the term of the License Agreement or 20% of the revenues generated.

On September 23, 2014, the Company and Fresh Start Private Midwest LLC entered into a Restatement of Sublicense Agreement, which fully restates the material terms of the License Agreement. The execution date of the original License Agreement shall remain the effective date of the Restatement and all obligations.

On August 2, 2013, the Company granted licensing rights perpetually for the 48 most northern counties in the state of California to Fresh Start NoCal LLC and was amended in May of 2014 for an aggregate of \$633,000 but no more than \$1,000,000 for the up-front license fee as well as an agreed upon royalty rate of the revenues generated.

On December 13, 2013, the Company granted licensing rights for ten years in the state of Connecticut for \$350,000 for the up-front license fee to JPL, LLC. During the term of the license agreement, a royalty fee equal to 10% of the revenues generated as well as an agreed upon program fee upon the order of the Counseling Programs.

On May 1, 2014, the Company entered into an amendment of the License and Access Agreement with Start Fresh Alcohol Recovery Clinic Inc. dated October 2, 2013. The agreement was amended to restate the program access fee and include procedures originating out of the city limits of Atlanta, GA.

On May 13, 2014, the Company granted licensing rights perpetually in the territory of Washington D.C. area (inclusive of Maryland, West Virginia and Virginia) and North Carolina for an up-front license fee. In order to maintain sublicense the licensee agrees to pay a program fee for a minimum of 75 programs in the Washington D.C. area and 50 programs in North Carolina by 12/31/15. Each subsequent year thereafter the minimum number of programs will increase to a minimum of 150 programs and 100 programs respectively for the remainder of the agreement.

On June 25, 2014, the Company granted licensing rights perpetually in the state of Oklahoma to Start Fresh Oklahoma, LLC for an up-front license fee. In order to maintain exclusivity the licensee agrees to pay a program fee for a minimum of 12 programs by 12/31/15. Each subsequent year thereafter the minimum number of programs will increase to a minimum of 30 programs.

On June 23, 2014, the Company granted licensing rights perpetually in the state of Minnesota to Start Fresh Minnesota, LLC for an up-front license fee. In order to maintain exclusivity the licensee agrees to pay a program fee for a minimum of 15 programs by 12/31/15. Each subsequent year thereafter the minimum number of programs will increase to a minimum of 35 programs.

On June 23, 2014, the Company granted licensing rights perpetually in the state of Missouri to Start Fresh Missouri, LLC for an up-front license fee. In order to maintain exclusivity the licensee agrees to pay a program fee for a minimum of 20 programs by 12/31/15. Each subsequent year thereafter the minimum number of programs will increase to a minimum of 45 programs.

On June 25, 2014, the Company granted licensing rights perpetually in the state of Ohio to Sobriety and Addiction Services, LLC for an up-front license fee. In order to maintain sublicense the licensee agrees to pay a program fee for a minimum of 58 programs in the territory by 12/31/15. Each subsequent year thereafter the minimum number of programs will increase to a minimum of 115 programs annually for the remainder of the agreement.

On July 16, 2014, the Company granted licensing rights perpetually in the state of Nevada to Addiction Recovery Centers, Inc. for an up-front license fee. In order to maintain sublicense the licensee agrees to pay a program fee for a minimum of 30 programs by 12/31/15. Each calendar year thereafter, the minimum shall remain 30 programs for the remainder of the agreement. With the exception of years 2016, 2017, and 2018 whereby the minimums will increase by 8 for a total of 38 programs required to be ordered and paid for annually in order to maintain sublicense.

On August 13, 2014, the Company entered into a second amendment of the License and Access Agreement with Start Fresh Alcohol Recovery Clinic Inc. dated October 2, 2013. The agreement was amended to include procedures originating out of the Metropolitan Area of Chicago, IL.

On June 30, 2015, the Company entered into a sublicense release agreement with Sobriety and Addiction Solutions (SAS) [also known as Fresh Start No Cal LLC and MyLife Recovery Centers]. SAS agreed to terminate and relinquish all rights granted under sublicense agreements, dated May 13, 2014, May 15, 2014 and June 25, 2014.

On January 26, 2015, the Company granted three-year distribution rights to Start Fresh Management LLC in Plano, TX. The distributor has agreed to pay a program access fee for each program order. Either party may elect to non-renew the distribution agreement by providing written notice to other party with a sixty day notice.

On March 10, 2015, the Company granted six month distribution rights to Corona Physical Medicine in Corona, CA. The distributor has agreed to pay a program access fee for each program order. Either party may elect to non-renew the distribution agreement by providing written notice to other party with a sixty day notice.

On March 20, 2015, the Company entered into a Sales Agency Agreement with Myriad Medical Marketing (MMM). MMM agreed to become the exclusive sales agent for BioCorRx within the Wellness Center category in the United States.

On June 30, 2015, the Company entered into an Asset Purchase Agreement with Trinity Compound Solutions Inc. The company agreed to purchase the intellectual property and contractual rights of the Naltrexone Implant Formulation for one million dollars (\$1,000,000), plus three million (3,000,000) common restricted shares of BioCorRx Inc.

On August 14, 2015, the Company granted six month distribution rights to Next Advance Medicine in Irvine, CA. The distributor has agreed to pay a program access fee for each program order. Either party may elect to non-renew the distribution agreement by providing written notice to other party with a sixty day notice.

On August 26, 2015, the Company granted six month distribution rights to Escalon Physical Medicine in Escalon, CA and Scott Medical Health Center in Pittsburgh, PA respectively. The distributors have agreed to pay a program access fee for each program order. The parties may elect to non-renew the distribution agreement by providing written notice to other party with a sixty day notice.

On September 2, 2015, the Company granted six month distribution rights to Coastside Health and Medical Clinic Inc. in Daly City, CA, COR Medical Group in Palmdale, CA and Mazolewskioc Medical PC in San Diego, CA respectively. The distributors have agreed to pay a program access fee for each program order. The parties may elect to non-renew the distribution agreement by providing written notice to other party with a sixty day notice.

On September 22, 2015, the Company granted six month distribution rights to Superior Health Care LLC in Canton, GA. The distributor has agreed to pay a program access fee for each program order. Either party may elect to non-renew the distribution agreement by providing written notice to other party with a sixty day notice.

On October 21, 2015, the Company granted five year distribution rights to Kalani Total Health Center in Oxnard, CA. The distributor has agreed to pay a program access fee for each program order. Either party may elect to non-renew the distribution agreement by providing written notice to other party with a sixty day notice.

On December 1, 2015, the Company granted five year distribution rights to Pain Mechanix, in Mesa, AZ and SL Solutions in Oconomowoc, WI respectively. The distributor has agreed to pay a program access fee for each program order. The parties may elect to non-renew the distribution agreement by providing written notice to other party with a sixty day notice.

On December 15, 2015, the Company granted five year distribution rights to Metabolic Health and Wellness LLC in Memphis, TN. The distributor has agreed to pay a program access fee for each program order. Either party may elect to non-renew the distribution agreement by providing written notice to other party with a sixty day notice.

On December 28, 2015, the Company granted five year distribution rights to Global Medical Center LLC in Slidell, LA. The distributor has agreed to pay a program access fee for each program order. Either party may elect to non-renew the distribution agreement by providing written notice to other party with a sixty day notice.

ITEM 1A – RISK FACTORS

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and are not required to provide the information under this item.

ITEM 1B – UNRESOLVED STAFF COMMENTS

None.

ITEM 2 – PROPERTIES

We do not own any real estate or other physical properties material to our operations. We operate from leased space. Our executive offices are located at 601 North Parkcenter Drive, Suite 103, Santa Ana, California 92705, and our telephone number is (714) 462-4880. We lease this property. Our lease commenced effective July 1, 2013 for a term of three years. The base rent is \$1,484 per month.

ITEM 3 – LEGAL PROCEEDINGS

On March 9, 2016, Jorge Andrade (former Company's Chief Executive Officer) and Terranautical Global Investments, Inc. filed with the Eighth Judicial District Court in Clark County, Nevada a lawsuit claiming unpaid compensation, bonuses and previous loans in aggregate of \$316,000 plus accrued interest and damages.

On March 21, 2016, the Plaintiff and the Company entered into a settlement agreement whereby the Company agreed to settle for a cash payment of \$250,000 due December 16, 2016. As of December 31, 2015, the Company has an aggregate accrual of \$250,000 comprised of accounts payable and accrued expenses of \$195,845 and notes payable, related party of \$54,155.

ITEM 4 – MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5 – MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Our common stock has been approved for quotation on The OTC Bulletin Board under the symbol "BICX." The Company stock began trading on August 30, 2010. The table below sets forth the high and low bid prices for our common stock for the period indicated as reported on the OTCBB website.

Financial Quarter Ended	Common Stock Market Price	
	High (\$)	Low (\$)
December 31, 2015	0.045	0.020
September 30, 2015	0.060	0.030
June 30, 2015	0.125	0.040
March 31, 2015	0.120	0.040
December 31, 2014	0.195	0.082
September 30, 2014	0.155	0.089
June 30, 2014	0.195	0.09
March 31, 2014	0.310	0.105

As of April 14, 2016, 165,394,501 shares of our common stock were issued and outstanding.

Holders

As of April 14, 2016, there were approximately 100 holders of record of our common stock. This number does not include shares held by brokerage clearing houses, depositories or others in unregistered form.

Dividend Policy

We have never paid any cash dividends on our capital stock and do not anticipate paying any cash dividends on our common stock in the foreseeable future. We intend to retain future earnings to fund ongoing operations and future capital requirements of our business. Any future determination to pay cash dividends will be at the discretion of the Board and will be dependent upon our financial condition, results of operations, capital requirements and such other factors as the Board deems relevant.

Securities Authorized for Issuance Under Equity Compensation Plans

We have one equity compensation plan, the BioCorRx, Inc. 2014 Stock Option Plan (the "Plan"). The table set forth below presents information relating to our equity compensation plans as of the date of this Annual Report:

Equity Compensation Plan Information

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by security holders	-	-	-
Equity compensation plans not approved by security holders	14,500,000	-	14,500,000
Total	14,500,000	-	14,500,000

2014 Stock Option Plan

On November 13, 2014, our Board of Directors authorized and approved the adoption of the Plan effective November 13, 2014 under which an aggregate of 20,000,000 of our shares may be issued.

During fiscal year ended December 31, 2014, we granted an aggregate 15,000,000 Stock Options to our officers and directors of which 5,000,000 were subsequently canceled.

The purpose of the Plan is to enhance our long-term stockholder value by offering opportunities to our directors, officers, employees and eligible consultants to acquire and maintain stock ownership in order to give these persons the opportunity to participate in our growth and success, and to encourage them to remain in our service.

The Plan is to be administered by our Board of Directors or a committee appointed by and consisting of one or more members of the Board of Directors, which shall determine (i) the persons to be granted Stock Options under the Plan; (ii) the number of shares subject to each option, the exercise price of each Stock Option; and (iii) whether the Stock Option shall be exercisable at any time during the option period up to five (5) years or whether the Stock Option shall be exercisable in installments or by vesting only. The Plan provides authorization to the Board of Directors to grant Stock Options to purchase a total number of shares of Common Stock of the Company, not to exceed 20,000,000 shares as at the date of adoption by the Board of Directors of the Plan. At the time a Stock Option is granted under the Plan, the Board of Directors shall fix and determine the exercise price at which shares of our common stock may be acquired.

In the event an optionee ceases to be employed by or to provide services to us for reasons other than cause, retirement, disability or death, any Stock Option that is vested and held by such optionee generally may be exercisable within up to ninety (90) calendar days after the effective date that his position ceases, and after such 90-day period any unexercised Stock Option shall expire. In the event an optionee ceases to be employed by or to provide services to us for reasons of retirement, disability or death, any Stock Option that is vested and held by such optionee generally may be exercisable within up to one-year after the effective date that his position ceases, and after such one-year period, any unexercised Stock Option shall expire.

No Stock Options granted under the Stock Option Plan will be transferable by the optionee, and each Stock Option will be exercisable during the lifetime of the optionee subject to the option period up to five (5) years or the limitations described above. Any Stock Option held by an optionee at the time of his death may be exercised by his estate within one (1) year of his death or such longer period as the Board of Directors may determine.

The exercise price of a Stock Option granted pursuant to the Plan shall be paid in full to us by delivery of consideration equal to the product of the Stock Option in accordance with the requirements of the Nevada Revised Statutes. Any Stock Option settlement, including payment deferrals or payments deemed made by way of settlement of pre-existing indebtedness, may be subject to such conditions, restrictions and contingencies as may be determined.

Incentive Stock Options

The Plan further provides that, subject to the provisions of the Stock Option Plan and prior shareholder approval, the Board of Directors may grant to any key individuals who are our employees eligible to receive options, one or more incentive stock options to purchase the number of shares of common stock allotted by the Board of Directors (the "Incentive Stock Options"). The option price per share of common stock deliverable upon the exercise of an Incentive Stock Option shall be at least 100% of the fair market value of our common shares, and in the case of an Incentive Stock Option granted to an optionee who owns more than 10% of the total combined voting power of all classes of our stock, shall not be less than 100% of the fair market value of our common shares. The option term of each Incentive Stock Option shall be determined by the Board of Directors, which shall not commence sooner than from the date of grant and shall terminate no later than ten (10) years from the date of grant of the Incentive Stock Option, subject to possible early termination as described above.

Registration Statement

We filed a registration statement on Form S-8 dated November 19, 2014 (the "Registration Statement") registering an aggregate of 20,000,000 shares of our common stock underlying the Stock Options. We granted an aggregate of 15,000,000 Stock Options as registered under the Registration Statement. The Registration Statement was subsequently amended on November 19, 2014 and January 7, 2015. The Registration Statement was subsequently amended on November 19, 2014 and January 7, 2015.

Recent Sales of Unregistered Securities

None

ITEM 6 – SELECTED FINANCIAL DATA

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

ITEM 7 – 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 healthcare solutions company and developer of the BioCorRx[®] Recovery 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 BioCorRx[®] Recovery Program. On January 7, 2014 we changed our name to BioCorRx[®] Inc. to take advantage of unique branding of our BioCorRx[®] Recovery 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 BioCorRx[®] Recovery Program is an alcoholism and opioid addiction 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 most other formulations or means of injection of the drug Naltrexone; and (2) a uniquely and specifically structured, intensive one on one counseling program developed by BioCorRx, Inc. (the "Counseling 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 opioid 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. At times, addiction counselors and/or coaches may be contracted by BioCorRx to provide services to patients of our independent center partners. BioCorRx makes the BioCorRxÒ Recovery 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 Counseling/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 continued to expand its operations in 2015 through distribution opportunities of its BioCorRxÒ Recovery Program. There are over fifteen locations now offering the BioCorRxÒ Recovery Program in California, Arizona, Connecticut, Atlanta, Illinois, Nebraska, Oklahoma, Louisiana, Tennessee, Nevada, Wisconsin and Pennsylvania. The Company's current focus will continue on expansion to more territories across the United States, branding of the BioCorRxÒ Recovery 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 independent 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):

	2015	2014
Revenues	\$ 924,732	\$ 1,170,922
Total Operating Expenses	(6,042,616)	(4,223,497)
Gain on settlement agreement	731,973	-
Net Interest Expense	(377,087)	(352,799)
Gain on change in derivative liability	97,008	277,594
Income taxes	-	-
Net Loss	<u>\$(4,665,990)</u>	<u>\$(3,127,780)</u>

Year Ended December 31, 2015 Compared with Year Ended December 31, 2014

Revenues

Revenues for the year ended December 31, 2015 were \$924,732 compared with \$1,170,922 for the year ended December 31, 2014, reflecting a decrease of 21%. Advertising promoting the Company's program for the year ended December 31, 2015 and 2014 were \$76,859 and \$192,672, respectively, reflecting a decrease of 60%, which reflects negatively in our revenue decrease.

The decrease in revenue is directly related to the Company's transition from termination of certain sublicense agreements and focus on distribution efforts.

Total Operating Expenses

Total operating expenses for the year ended December 31, 2015 and 2014 were \$6,042,616 and \$4,223,497 reflecting an increase of 43%. Cost of implants and other direct costs for the year ended December 31, 2015 were \$151,970 compared with \$220,959 for the year ended December 31, 2014, reflecting a decrease of 31%. Cost of implants and other direct costs have decreased as a percentage of sales (from 19% to 16%) because of the new variation of the licensing and distribution revenue model.

In comparing our selling, general and administrative expenses for the year ended December 31, 2014 to December 31, 2015, consulting fees decreased from \$899,035 to \$536,267, accounting fees decreased from \$87,800 to \$79,995, advertising decreased from \$192,672 to \$76,859, and rent decreased from \$30,195 to \$17,044. In addition, we incurred \$793,118 as stock based compensation in 2015 compared to \$1,989,191 in 2014 and loss on termination of licensing agreement of \$3,639,694 in 2015 compared to \$-0- in 2014.

Interest Expenses

Net interest expense for the year ended December 31, 2015 and 2014 were \$377,087 and \$352,799, respectively, reflecting additional costs incurred from our 2015 borrowings.

Net Gain on Settlement Agreement

In 2015, we settled outstanding sub licensing agreements with certain of our licensees resulting in a net gain of \$731,973 for the current period.

Gain on derivative liabilities

We have issued convertible debt and certain warrants with certain anti-dilutive provisions requiring us to record and adjust to fair value at each reporting period. As such for the years ended December 31, 2015 and 2014, we recorded a gain on change in fair value of derivatives of \$97,008 and \$277,594, respectively.

Net Loss

For the year ended December 31, 2015, the Company experienced a loss of \$4,665,990 compared with a net loss of \$3,127,780 for the year ended December 31, 2014.

Liquidity and Capital Resources

As of December 31, 2015, we had cash of approximately \$220,000. The following table provides a summary of our net cash flows from operating, investing, and financing activities.

	<u>2015</u>	<u>2014</u>
Net cash provided by operating activities	\$ 47,859	\$ 167,669
Net cash used in investing activities	-	(32,891)
Net cash provided by (used in) financing activities	<u>119,081</u>	<u>(190,224)</u>
Net increase (decrease) increase in cash	166,940	(55,446)
Cash, beginning of period	<u>53,120</u>	<u>108,566</u>
Cash, end of period	<u>\$ 220,060</u>	<u>\$ 53,120</u>

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 2015, the company entered into 13 separate distribution agreements, we believe that the current distribution business model 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 in operating activities decreased by \$119,810 for the year ended December 31, 2015 compared to 2014 primarily due to the Company's ability to decrease its cash flow from earned revenue that is directly attributable to licensing and distribution agreements.

Net Cash Flow From Investing Activities

Net cash used in investing activities decreased by \$32,891 for the year ended December 31, 2015 compared to 2014 primarily due to reduction in payment of acquisition deposit in 2014.

Net Cash Flow From Financing Activities

Net cash provided by financing activities increased by \$309,305 for the year ended December 31, 2015 compared to 2014 due to additional borrowings as compared to payoff of debt in 2014.

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 December 31, 2015 and December 31, 2014, the Company has a working capital deficit of \$3,443,284 and \$1,724,636, and an accumulated deficit of \$13,230,883 and \$8,564,893. 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 and Deferred Revenue

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 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 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.

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 receives an initial non-refundable license fee and in some cases, additional running royalties. Generally, the Company defers recognition of non-refundable upfront fees if it has continuing performance obligations without which the technology, right, product or service conveyed in conjunction with the non-refundable fee has no utility to the licensee that is separate and independent of its performance under the other elements of the arrangement. License fees collected from Licensees but not yet recognized as income are recorded as deferred revenue and amortized as income earned over the expected economic life of the related contract.

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.

Income Taxes

The Company accounts for income taxes under FASB ASC 740 "Income Taxes." Under the asset and liability method of FASB ASC 740, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Under FASB ASC 740, the effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period the enactment occurs. A valuation allowance is provided for certain deferred tax assets if it is more likely than not that the Company will not realize tax assets through future operations.

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.

Derivative Financial Instruments

We account 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 December 31, 2015 and 2014, we did not have any derivative instruments that were designated as hedges.

ITEM 7A – QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

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

ITEM 8 – FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

BIOCORRX, INC.

Reports of Independent Registered Public Accounting Firm	F-1
Consolidated balance sheets as of December 31, 2015 and 2014	F-2
Consolidated statements of operations for the years ended December 31, 2015 and 2014	F-3
Consolidated statements of stockholders' equity for the two years ended December 31, 2015	F-4
Consolidated statements of cash flows for the years ended December 31, 2015 and 2014	F-6
Notes to consolidated financial statements	F-7

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Stockholders
BioCorRx Inc.

We have audited the accompanying consolidated balance sheets of BioCorRx Inc. (the "Company") as of December 31, 2015 and 2014 and the related consolidated statements of operations, stockholders' equity (deficit), and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2015 and 2014, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 3 to the financial statements, the Company has suffered recurring losses from operations and has a net working capital deficiency that raises substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 3. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ Liggett & Webb, P.A. _____

New York, New York
April 14, 2016

BIOCORRX INC.
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2015 AND 2014

ASSETS	<u>2015</u>	<u>2014</u>
Current assets:		
Cash	\$ 220,060	\$ 53,120
Accounts receivable, net	2,750	78,500
Other accounts receivable	25,000	-
Prepaid expenses	64,253	81,745
Total current assets	<u>312,063</u>	<u>213,365</u>
Property and equipment, net	3,900	6,194
Other assets:		
Prepaid expenses, long term	8,573	95,054
Intellectual property, net	1,075,400	-
Licensing agreement, net	-	3,705,870
Deposits, long term	5,334	62,738
Total other assets	<u>1,089,307</u>	<u>3,863,662</u>
Total assets	<u>\$ 1,405,270</u>	<u>\$ 4,083,221</u>
LIABILITIES AND STOCKHOLDERS' (DEFICIT) EQUITY		
Current liabilities:		
Accounts payable and accrued expenses, including related party payables of \$731,666 and \$403,357, respectively	\$ 1,256,956	\$ 776,253
Deferred revenue, short term	635,613	729,860
Settlements payable	-	220,000
Convertible notes payable, short term, net of debt discount	21,134	-
Notes payable, short term portion	1,461,256	74,823
Notes payable, net of debt discount, related party	269,635	137,065
Derivative liability	110,753	-
Total current liabilities	<u>3,755,347</u>	<u>1,938,001</u>
Long term debt:		
Deferred revenue, long term	844,673	1,187,166
Convertible notes payable, long term, net of debt discount	5,530	-
Notes payable, long term portion	-	449,256
Notes payable, net of debt discount, related party	-	103,795
Warrant liability	22,746	98,702
Derivative liability	59,778	-
Total long term debt	<u>932,727</u>	<u>1,838,919</u>
Total liabilities	4,688,074	3,776,920
Commitments and contingencies	-	-
Stockholders' (deficit) equity:		
Preferred stock, no par value; 80,000 designated; 80,000 shares issued and outstanding as of December 31, 2015 and 2014	16,000	16,000
Common stock, \$0.001 par value; 200,000,000 shares authorized, 164,144,501 and 146,134,501 shares issued and outstanding as of December 31, 2015 and 2014, respectively	164,145	146,135
Common stock subscribed	100,000	100,000
Additional paid in capital	9,667,934	8,609,059
Accumulated deficit	(13,230,883)	(8,564,893)
Total stockholders' (deficit) equity	<u>(3,282,804)</u>	<u>306,301</u>
Total liabilities and stockholders' (deficit) equity	<u>\$ 1,405,270</u>	<u>\$ 4,083,221</u>

See the accompanying notes to the consolidated financial statements

BIOCORRX INC.
CONSOLIDATED STATEMENTS OF OPERATIONS

	Year ended December 31,	
	2015	2014
Revenues, net	\$ 924,732	\$ 1,170,922
Operating expenses:		
Cost of implants and other costs	151,970	220,959
Selling, general and administrative	2,125,882	3,867,047
Termination of licensing agreement	3,639,694	-
Depreciation and amortization	125,070	135,491
Total operating expenses	6,042,616	4,223,497
Net loss from operations	(5,117,884)	(3,052,575)
Other income (expenses):		
Net gain on settlement agreement	731,973	-
Interest expense, net	(377,087)	(352,799)
Gain on change in fair value of derivative liability	97,008	277,594
Total other income (expenses)	451,894	(75,205)
Loss before income taxes	(4,665,990)	(3,127,780)
Income taxes	-	-
Net loss	\$ (4,665,990)	\$ (3,127,780)
Net loss per common share, basic and diluted	\$ (0.03)	\$ (0.02)
Weighted average number of common shares outstanding, basic and diluted	155,487,569	138,876,761

See the accompanying notes to the consolidated financial statements

BIOCORRX INC.
CONSOLIDATED STATEMENT OF STOCKHOLDERS' (DEFICIT) EQUITY
TWO YEARS ENDED DECEMBER 31, 2015

	<u>Preferred stock</u>		<u>Common stock</u>		<u>Common stock Subscribed</u>	<u>Additional Paid in Capital</u>	<u>Accumulated Deficit</u>	<u>Total</u>
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>				
Balance, January 1, 2014	-	\$ -	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	-	-	11,550,000	11,550	-	165,950	-	177,500
Common stock issued for services rendered	-	-	1,620,000	1,620	-	264,276	-	265,896
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
Stock based compensation	-	-	-	-	-	300,000	-	300,000
Fair value of vested options	-	-	-	-	-	1,389,295	-	1,389,295
Net loss	-	-	-	-	-	-	(3,127,780)	(3,127,780)
Balance, December 31, 2014	80,000	\$ 16,000	146,134,501	\$146,135	\$ 100,000	\$8,609,059	\$ (8,564,893)	\$ 306,301

BIOCORRX INC.
CONSOLIDATED STATEMENT OF STOCKHOLDERS' (DEFICIT) EQUITY
TWO YEARS ENDED DECEMBER 31, 2015

	<u>Preferred stock</u>		<u>Common stock</u>		<u>Common stock Subscribed</u>	<u>Additional Paid in Capital</u>	<u>Accumulated Deficit</u>	<u>Total</u>
	<u>Shares</u>	<u>Amount</u>	<u>Shares</u>	<u>Amount</u>				
Balance, January 1, 2015	80,000	\$ 16,000	146,134,501	\$146,135	\$ 100,000	\$8,609,059	\$ (8,564,893)	\$ 306,301
Common stock issued for services rendered	-	-	15,010,000	15,010	-	502,380	-	517,390
Common stock issuable in settlement of sub-licensing agreement	-	-	2,000,000	2,000	-	86,000	-	88,000
Common stock issued in payment for intellectual property	-	-	1,000,000	1,000	-	43,000	-	44,000
Common stock issuable in payment for intellectual property	-	-	-	-	-	88,000	-	88,000
Reclassify fair value of debt derivative at payoff of note payable	-	-	-	-	-	158,959	-	158,959
Fair value of vested options	-	-	-	-	-	180,536	-	180,536
Net loss	-	-	-	-	-	-	(4,665,990)	(4,665,990)
Balance, December 31, 2015	<u>80,000</u>	<u>\$ 16,000</u>	<u>164,144,501</u>	<u>\$164,145</u>	<u>\$ 100,000</u>	<u>\$9,667,934</u>	<u>\$ (13,230,883)</u>	<u>\$ (3,282,804)</u>

See the accompanying notes to the consolidated financial statements

BIOCORRX INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year ended December 31,	
	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$(4,665,990)	\$(3,127,780)
Adjustments to reconcile net loss to cash flows provided by operating activities:		
Depreciation and amortization	125,070	135,491
Bad debt expense	125,522	274,698
Net gain on settlement of sub-licenses	(731,973)	-
Termination of licensing agreement	3,639,694	-
Non cash interest	170,042	-
Amortization of debt discount	111,439	212,399
Stock based compensation	802,920	1,989,191
Change in fair value of derivative liabilities	(97,008)	(277,594)
Changes in operating assets and liabilities:		
Accounts receivable	(49,772)	5,381
Prepaid expenses and other current assets	(1,020)	576
Accounts payable and accrued expenses	480,702	208,326
Settlement payable	(295,000)	220,000
Deferred revenue	433,233	526,981
Net cash provided by operating activities	<u>47,859</u>	<u>167,669</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Payment of acquisition deposit	-	(32,404)
Purchase of equipment	-	(487)
Net cash used in investing activities	<u>-</u>	<u>(32,891)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from notes payable	-	76,750
Proceeds from notes payable, related party	54,500	-
Proceeds from convertible notes payable	180,500	-
Proceeds from exercise of options	-	5,000
Repayments of notes payable	(87,919)	(45,079)
Repayments of advances from lenders	-	(95,599)
Net repayments of notes payable, related party	(28,000)	(131,296)
Net cash provided by (used in) financing activities	<u>119,081</u>	<u>(190,224)</u>
Net increase (decrease) in cash	166,940	(55,446)
Cash, beginning of the period	<u>53,120</u>	<u>108,566</u>
Cash, end of period	<u>\$ 220,060</u>	<u>\$ 53,120</u>
Supplemental disclosures of cash flow information:		
Interest paid	\$ 7,418	\$ 21,493
Taxes paid	\$ -	\$ -
Non cash financing activities:		
Note payable issued in settlement of sub-licensing fees	\$ 900,000	\$ -
Note payable and common stock issued or issuable to acquire intellectual property	\$ 1,132,000	\$ -
Deposits applied as payment on note payable	\$ 57,404	\$ -
Common stock issued for exercise of options paid by amounts due to the option holders of the Company	\$ -	\$ 172,500
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
Reclassify fair value of debt derivative at payoff of note payable	\$ -	\$ 800,987

See the accompanying notes to the consolidated financial statements

BIOCORRX, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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NOTE 1 – BUSINESS AND RECAPITALIZATION

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

On January 7, 2014, the Company changed its name from Fresh Start Private Management, Inc. 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

Basis of presentation

The consolidated financial statements include the accounts of BioCorRx 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.

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 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 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 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 receives an initial non-refundable license fee and in some cases, additional running royalties. Generally, the Company defers recognition of non-refundable upfront fees if it has continuing performance obligations without which the technology, right, product or service conveyed in conjunction with the non-refundable fee has no utility to the licensee that is separate and independent of its performance under the other elements of the arrangement. License fees collected from Licensees but not yet recognized as income are recorded as deferred revenue and amortized as income earned over the expected economic life of the related contract.

BIOCORRX, INC.
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Use of Estimates

The preparation of the 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 \$44,500 and \$109,500 as of December 31, 2015 and December 31, 2014, respectively.

Fair Value of Financial Instruments

Fair value estimates discussed herein are based upon certain market assumptions and pertinent information available to management as of December 31, 2015 and 2014. 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 12 for derivative liabilities and Footnote 14 and 15 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 information disclosed herein materially represents all of the financial information related to the Company's principal operating segment.

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.

BIOCORRX, INC.
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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 December 31, 2015, potentially dilutive shares issuances were comprised of convertible notes, warrants and stock options. As of December 31, 2014, potentially dilutive shares issuances were comprised of warrants and stock options.

The following potentially dilutive securities have been excluded from the computations of weighted average shares outstanding as of December 31, 2015 and 2014, as they would be anti-dilutive:

	December 31,	
	2015	2014
Shares underlying options outstanding	14,850,000	15,350,000
Shares underlying warrants outstanding	2,630,000	2,630,000
Shares underlying convertible notes outstanding	9,313,725	-
	<u>26,793,725</u>	<u>17,980,000</u>

Advertising

The Company follows the policy of charging the costs of advertising to expense as incurred. The Company charged to operations \$76,859 and \$192,672 as advertising costs for the years ended December 31, 2015 and 2014, respectively.

BIOCORRX, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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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 December 31, 2015 and 2014, the Company did not have any derivative instruments that were designated as hedges.

At December 31, 2015 and 2014, the Company had outstanding convertible notes and warrants that contained embedded derivatives. These embedded derivatives include certain conversion features and reset provisions. (See Note 10 and Note 12).

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 December 31, 2015, there were 10,000,000 employee and 4,850,000 non-employee stock options were outstanding with all vested and exercisable. As of December 31, 2014, there were 15,000,000 employee and 350,000 non-employee stock options were outstanding with 15,000,000 and 338,000 options vested and exercisable, respectively.

Income Taxes

Deferred income tax assets and liabilities are determined based on the estimated future tax effects of net operating loss and credit carry forwards and temporary differences between the tax basis of assets and liabilities and their respective financial reporting amounts measured at the current enacted tax rates. The Company records an estimated valuation allowance on its deferred income tax assets if it is more likely than not that these deferred income tax assets will not be realized.

The Company recognizes a tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities, based on the technical merits of the position. The tax benefits recognized in the consolidated financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. As of December 31, 2015 and 2014, the Company has not recorded any unrecognized tax benefits.

Recent Accounting Pronouncements

In November 2015, the FASB issued (ASU) 2015-17, *Balance Sheet Classification of Deferred Taxes*. Currently deferred taxes for each tax jurisdiction are presented as a net current asset or liability and net noncurrent asset or liability on the balance sheet. To simplify the presentation, the new guidance requires that deferred tax liabilities and assets for all jurisdictions along with any related valuation allowances be classified as noncurrent in a classified statement of financial position. This guidance is effective for interim and annual reporting periods beginning after December 15, 2016, and early adoption is permitted. The Company has adopted this guidance in the fourth quarter of the year ended December 31, 2015 on a retrospective basis. The adoption of this guidance did not have a material impact on the Company's financial position, results of operations or cash flows, and did not have any effect on prior periods due to the full valuation allowance against the Company's net deferred tax assets.

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In January 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update (ASU) 2016-01, which amends the guidance in U.S. GAAP on the classification and measurement of financial instruments. Changes to the current guidance primarily affect the accounting for equity investments, financial liabilities under the fair value option, and the presentation and disclosure requirements for financial instruments. In addition, the ASU clarifies guidance related to the valuation allowance assessment when recognizing deferred tax assets resulting from unrealized losses on available-for-sale debt securities. The new standard is effective for fiscal years and interim periods beginning after December 15, 2017, and upon adoption, an entity should apply the amendments by means of a cumulative-effect adjustment to the balance sheet at the beginning of the first reporting period in which the guidance is effective. Early adoption is not permitted except for the provision to record fair value changes for financial liabilities under the fair value option resulting from instrument-specific credit risk in other comprehensive income. The Company is currently evaluating the impact of adopting this guidance.

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

NOTE 3 – GOING CONCERN AND MANAGEMENT'S LIQUIDITY PLANS

As of December 31, 2015, the Company had cash of \$220,060 and working capital deficit of \$3,443,284. During the year ended December 31, 2015, the Company provided net cash in operating activities of \$47,859. The Company has not yet generated any significant revenues, and has incurred net losses since inception. These conditions raise substantial doubt about the Company's ability to continue as a going concern.

During the year ended December 31, 2015, the Company raised \$235,000 in cash proceeds the issuance of convertible notes and notes from related parties. The Company believes that its current cash on hand will be sufficient to fund its projected operating requirements through April 2016.

The Company's primary source of operating funds since inception has been from proceeds from private placements of convertible and other debt. The Company intends to raise additional capital through private placements of debt and equity securities, but there can be no assurance that these funds will be available on terms acceptable to the Company, or will be sufficient to enable the Company to fully complete its development activities or sustain operations. If the Company is unable to raise sufficient additional funds, it will have to develop and implement a plan to further extend payables, reduce overhead, or scale back its current business plan until sufficient additional capital is raised to support further operations. There can be no assurance that such a plan will be successful.

Accordingly, the accompanying consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP"), which contemplate continuation of the Company as a going concern and the realization of assets and satisfaction of liabilities in the normal course of business. The carrying amounts of assets and liabilities presented in the financial statements do not necessarily purport to represent realizable or settlement values. The consolidated financial statements do not include any adjustment that might result from the outcome of this uncertainty.

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NOTE 4 – PROPERTY AND EQUIPMENT

The Company's property and equipment at December 31, 2015 and 2014:

	2015	2014
Office equipment	\$ 15,137	\$ 15,137
Computer equipment	2,574	2,574
Leasehold improvements	20,014	20,014
	<u>37,725</u>	<u>37,725</u>
Less accumulated depreciation	(33,825)	(31,531)
	<u>\$ 3,900</u>	<u>\$ 6,194</u>

Depreciation expense charged to operations amounted to \$2,294 and \$3,138, respectively, for the year ended December 31, 2015 and 2014, respectively.

NOTE 5 – INTELLECTUAL PROPERTY/ 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 a specific 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 for year ended December 31, 2015 and 2014 \$66,176 and \$132,353, respectively.

On June 30, 2015, the Company acquired the complete rights, title and interest in the Naltrexone Implant Formulation used specifically in the BioCorRx Recovery Program for an aggregate purchase price of \$1,132,000 comprised of an obligation to pay \$1,000,000 over 14 months starting October 1, 2015 and 3,000,000 of the Company's common stock at the market value of \$0.044 per share as of the date of the agreement. The Company estimated a useful life of 10 years. Amortization for the year ended December 31, 2015 was \$56,600.

In connection with the acquisition of the Naltrexone Implant formula, the Company wrote off the remaining unamortized balance of the licensing rights of \$3,639,694 as a charge to the current period operations.

The Company follows Accounting Standards Codification subtopic 360-10, Property, Plant and Equipment ("ASC 360-10"). ASC 360-10 requires that long-lived assets and certain identifiable intangibles held and used by the Company be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Events relating to recoverability may include significant unfavorable changes in business conditions, recurring losses, or a forecasted inability to achieve break-even operating results over an extended period. The Company evaluates the recoverability of long-lived assets based upon forecasted undiscounted cash flows. Should impairment in value be indicated, the carrying value of intangible assets will be adjusted, based on estimates of future discounted cash flows resulting from the use and ultimate disposition of the asset. ASC 360-10 also requires assets to be disposed of is reported at the lower of the carrying amount or the fair value less costs to sell.

BIOCORRX, INC.
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At December 31, 2015, the Company's management performed an evaluation of its intangible assets (licensing rights) for purposes of determining the implied fair value of the assets at December 31, 2015. The test indicated that the recorded book value of its licensing rights did not exceed its fair value for the year ended December 31, 2015 as determined by discounted future cash flows. Considerable management judgment is necessary to estimate the fair value. Accordingly, actual results could vary significantly from management's estimates.

Estimated future amortization expense as of December 31, 2015 is as follows:

2016	\$ 113,200
2017	113,200
2018	113,200
2019 and thereafter	735,800
Total	\$ 1,075,400

NOTE 6 – DEFERRED REVENUE

In 2014 and 2015, the Company granted license and sub-license 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.

On June 30, 2015, the Company entered into a separation agreement with a licensee and has agreed to reimburse prepaid license fees (see below). The Company agreed to issuance of 2,000,000 of the Company's common stock and a term note payable through September 16, 2019. On December 15, 2015, the Company and the licensee agreed to rescind the above described settlement agreement with no common stock nor reimbursements due from the Company and an obligation from the licensee to reimburse the Company \$25,000. Accordingly, the Company recorded a net gain of sublicensing fees of \$731,973 to current period operations. Under the confidentiality clause of the separation agreement the parties are prohibited from disclosing settlement amounts.

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 December 31, 2015 and 2014 was \$1,480,286 and \$1,917,026, 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 year ended December 31, 2014, the Company paid an aggregate of \$134,968 in full settlement of the outstanding balance and accrued interest.

During the year ended December 31, 2015, the Company received an aggregate of \$400,000 of net proceeds in connection with the expected issuance of a promissory note. Effective December 8, 2015, the lender converted the \$400,000 net proceeds paid to a license agreement.

BIOCORRX, INC.
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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. Under the confidentiality clause of the settlement agreement the parties are prohibited from disclosing settlement amounts.

As of December 31, 2015 and 2014, the outstanding liabilities related the settlement agreement was \$-0- and \$220,000, respectively.

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 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 December 31, 2015 was \$518,660. The notes are currently in default.

As described in Note 5, the Company acquired the complete rights, title and interest for the Naltrexone Implant formula for an aggregate purchase price of \$1,132,000 comprised, in part, of an obligation to pay \$1,000,000. The obligation is payable over approximately 14 months. During the year ended December 31, 2015, the Company applied a previously paid deposit of \$57,404 towards the payment on the note. The remaining unpaid balance as of December 31, 2015 was \$942,596. The note is currently in default.

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.

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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. (See Note 9)

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 3.75 years, 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 year ended December 31, 2014 was \$111,641, 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%.

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During the year ended December 31, 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 year ended December 31, 2014 was \$97,031, which was accounted for as interest expense.

As of December 31, 2014, there are no outstanding convertible debentures. The Company recorded a gain on change in fair value of debt derivative liabilities of \$218,116 for year ended December 31, 2014.

JMJ Financial

On February 3, 2015, the Company sold to JMJ Financial a \$250,000 Convertible Promissory Note. The JMJ note provides up to an aggregate of \$225,000 in gross proceeds after taking into consideration an Original Issue Discount ("OID") of \$25,000. The maturity date is two years from the effective date of each payment paid under the promissory note.

The Company, at its sole discretion, has an option to repay all consideration received pursuant to the JMJ note within 120 days of the effective date, there will be zero percent interest charged under the JMJ Note. Otherwise, there will be a one-time interest charge of 12% for all consideration received by the Company pursuant to the JMJ Note.

The Notes earn an interest rate of 12% per annum after four months of each advance and are convertible six months after the issuance date of each advance at a conversion price equal to 60% discount to the lowest trading price of the common stock for the 25 trading days immediately prior the conversion date.

In the event of default, the Purchaser has the right to require the Company to repay in cash all or a portion of the Note at a price equal to 125% of the aggregate principal amount of the Note plus all accrued but unpaid interest.

As of December 31, 2015, the Company has been funded by the purchaser as aggregate of, in the principal amount of \$121,000, consisting of the aggregate principal sum of \$110,000 advanced by the holder and \$11,000 in OID.

The Company has identified the embedded derivatives related to the above described notes. These embedded derivatives included certain conversion features. The accounting treatment of derivative financial instruments requires that the Company record fair value of the derivatives as of the inception date of the Notes and to fair value as of each subsequent reporting date.

At the funding dates of the JMJ note tranches, the Company determined the aggregate fair value of \$239,511 of embedded derivatives. The fair value of the embedded derivatives was determined using the Binomial Option Pricing Model based on the following assumptions: (1) dividend yield of 0%; (2) expected volatility of 144.83% to 172.85%, (3) weighted average risk-free interest rate of 0.52% to 0.70%, (4) expected life of 2.00 years, and (5) estimated fair value of the Company's common stock from \$0.049 to \$0.093 per share.

The determined fair value of the debt derivatives of \$239,511 was charged as a debt discount up to the net proceeds of the note with the remainder of \$134,554 charged to current period operations as non-cash interest expense.

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During the year ended December 31, 2015, the Company paid off an aggregate of \$75,000 of the outstanding notes. At the date of payoff, the Company marked to market the fair value of the debt derivatives and determined a fair value of \$158,959 and transferred to equity. The fair value of the embedded derivatives was determined using Binomial Option Pricing Model based on the following assumptions: (1) dividend yield of 0%, (2) expected volatility of 148.32% to 151.27%, (3) weighted average risk-free interest rate of 0.60% to 0.68%, (4) expected life of 1.58 to 1.67 years, and (5) estimated fair value of the Company's common stock of \$0.04 to \$0.05 per share.

St. George Investments, LLC

On October 1, 2015, the Company sold to St. George Investments, LLC a \$85,000 Convertible Promissory Note. Net proceeds received was \$70,500 after taking into consideration an Original Issue Discount ("OID") of \$7,500 and other fees. The maturity date is one year from the effective date of the promissory note. The lender has the right, with the consent of the Company, to lend additional two additional tranches at any time up to one year.

The Company may repay the Note at any time on or before 120 days from issuance. If unpaid at 120 days, a one-time interest charge of 12% shall be applied to the outstanding balance. After 120 days the Company can repay only with the consent of the lender at 125% allowed to repay.

The Note is convertible 120 days from issuance date at a conversion price equal to 60% discount to the lowest trading price of the common stock for the 25 trading days immediately prior the conversion date.

The Company has identified the embedded derivatives related to the above described note. These embedded derivatives included certain conversion features. The accounting treatment of derivative financial instruments requires that the Company record fair value of the derivatives as of the inception date of the Notes and to fair value as of each subsequent reporting date.

On October 1, 2015, the Company determined the aggregate fair value of \$105,988 of embedded derivatives of the St. George Note. The fair value of the embedded derivatives was determined using the Binomial Option Pricing Model based on the following assumptions: (1) dividend yield of 0%; (2) expected volatility of 146.21%, (3) weighted average risk-free interest rate of 0.31%, (4) expected life of 1.00 year, and (5) estimated fair value of the Company's common stock of \$0.0391 per share.

The determined fair value of the debt derivatives of \$105,988 was charged as a debt discount up to the net proceeds of the note with the remainder of \$35,488 charged to current period operations as non-cash interest expense.

At December 31, 2015, the Company marked to market the fair value of the debt derivatives and determined a fair value of \$170,531. The Company recorded a gain from change in fair value of debt derivatives of \$21,051 for the year ended December 31, 2015. The fair value of the embedded derivatives was determined using Binomial Option Pricing Model based on the following assumptions: (1) dividend yield of 0%, (2) expected volatility of 148.92%, (3) weighted average risk-free interest rate of 0.65% to 1.06%, (4) expected life from 0.75 to 1.72 years, and (5) estimated fair value of the Company's common stock of \$0.0265 per share.

The charge of the amortization of debt discounts and costs for the year ended December 31, 2015 was \$111,439, which was accounted for as interest expense.

NOTE 11 – NOTES PAYABLE-RELATED PARTY

As of December 31, 2015 and 2014, the Company received advances from Jorge Andrade, former director of the Company, Scott Carley, and Neil Muller, former President of the Company as loans from related parties. The loans are payable on demand and without interest. In addition, the Company has issued unsecured, non-interest bearing demand notes to related parties. The balance outstanding as of December 31, 2015 and 2014 were \$106,025 and \$77,250, respectively.

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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 year ended December 31, 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 issued 950,000 (as amended) of its common stock on March 31, 2014.

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 December 31, 2015 and 2014 was \$163,610, with unamortized debt discount of \$3,110 and \$5,385, respectively.

NOTE 12 – WARRANT LIABILITY

The Company issued warrants in conjunction with the issuance of certain 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.

At December 31, 2015, the fair value of the 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 148.92%, (3) weighted average risk-free interest rate of 1.06%, (4) expected life of 2.27 years, and (5) estimated fair value of the Company's common stock of \$0.0265 per share.

The Company recorded a gain from change in fair value of warrant liability of debt derivatives of \$75,956 for the year ended December 31, 2015.

At December 31, 2015, the warrant liability valued at \$22,746, 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 13 – INVESTMENT AGREEMENT

On June 25, 2015, the Company, entered into a common stock purchase agreement (the "Investment Agreement") with Northbridge Funding, Inc., a Delaware corporation (the "Investor"). The Investment Agreement provides that, upon the terms and subject to the conditions set forth therein, the Investor is committed to purchase up to \$10,000,000 (the "Total Commitment") worth of the Company's common stock, \$0.001 par value (the "Shares").

From time to time over the term of the Investment Agreement, commencing on the trading day immediately following the date on which an initial registration statement is declared effective by the Securities and Exchange Commission (the "Commission"), the Company may provide the Investor with a draw down notice to purchase a specified dollar amount of Shares, with each draw down subject to certain limitations.

The applicable purchase price is defined as a price equal to 80% of the three lowest closing prices traded twelve consecutive trading days prior to the drawdown notice inclusive to the drawdown notice date.

In connection with the Investment Agreement, the Company is obligated to issue 200,000 shares of its common stock as a commitment fee.

As of December 31, 2015, the Company has not been funded by the purchaser.

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NOTE 14 – STOCKHOLDERS' EQUITY

Preferred stock

The Company is authorized to issue 80,000 shares of preferred stock with no par value. As of December 31, 2015 and 2014, the Company had 80,000 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 \$0.001 per share. As of December 31, 2015 and 2014, the Company had 164,144,501 shares and 146,134,501 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.

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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.

In November 2014, the Company issued 50,000 shares of its common stock in connection with the exercise of non-employee stock options exercised at \$0.10 per share.

In November 2014, the Company issued an aggregate of 645,000 shares of its common stock for services rendered valued at \$75,688 based on the underlying market value of the common stock at the date of issuance.

As of December 31, 2014, the Company is obligated to issue 3,000,000 shares of its common stock in connection with past services rendered of \$300,000. The fair value, determined by the underlying market value of the common stock at the date of obligation, was recorded in the current period operations and were subsequently issued in January 2015.

In March 2015, the Company issued an aggregate of 425,000 shares of its common stock for services rendered valued at \$36,885 based on the underlying market value of the common stock at the date of issuance.

In April 2015, the Company issued an aggregate of 3,175,000 shares of its common stock for future services valued at \$159,800 based on the underlying market value of the common stock at the date of issuance.

On June 30, 2015, the Company entered into a separation agreement and agreed to issue 2,000,000 of the Company's common stock which was valued at \$88,000, of which were issued July 2015. As described in Note 6, in connection to an amendment to the agreement, the licensee is required to return the previously issued shares.

On July 1, 2015, the Company issued 1,000,000 shares of its common stock to acquire intellectual property (Note 5) valued at \$44,000 as part of an obligation to issue an aggregate of 3,000,000 shares. The Common stock was valued based on the underlying market value of the common stock at the date of obligation.

In July 2015, the Company issued 200,000 shares of its common stock for commitment fees valued at \$9,800 based on the underlying market value of the common stock at the date of issuance.

In July 2015, the Company issued 1,800,000 shares of its common stock for commitment fees valued at \$86,400 based on the underlying market value of the common stock at the date of issuance.

In July and August 2015, the Company issued 510,000 shares of its common stock for services valued at \$20,067 based on the underlying market value of the common stock at the date of issuance.

In October 2015, the Company issued 500,000 shares of its common stock for future services valued at \$19,000 based on the underlying market value of the common stock at the date of issuance.

In November 2015, the Company issued an aggregate of 1,300,000 shares of its common stock for future services valued at \$43,458 based on the underlying market value of the common stock at the date of issuance.

In November 2015, the Company issued an aggregate of 4,000,000 shares of its common stock for services rendered valued at \$138,400 based on the underlying market value of the common stock at the date of issuance.

In December 2015, the Company issued 100,000 shares of its common stock for future services valued at \$3,500 based on the underlying market value of the common stock at the date of issuance.

The Company issued shares of common stock for future services. The Company amortizes the fair value of the shares issued as stock based compensation during the requisite service period to operations. During the year ended December 31, 2015, the Company recorded \$454,226 as stock based compensation. The unamortized balance of \$70,422 and \$175,414 as of December 31, 2015 and 2014, respectively, is classified as part of prepaid expenses in the accompanying balance sheet.

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NOTE 15 – STOCK OPTIONS AND WARRANTS

Employee Options

On November 17, 2014, the Company ratified, confirmed and approved the granting of 2014 stock options of 5,000,000 each to Brady Granier, Lourdes Felix and Neil Muller, officers and directors of the Company (in aggregate of 15,000,000 options) under the Company's 2014 Stock Option Plan. The granted options are exercisable immediately at \$0.10 per share for five years. The fair value of options was determined using the Black Scholes Option Pricing Model with the following assumptions: dividend yield \$-0-, volatility of 209.42% and risk free rate of 0.96%.

The following table summarizes the changes in employee options outstanding and the related prices for the shares of the Company's common stock issued to employees of the Company under the 2014 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	10,000,000	3.88	\$ 0.10	10,000,000	\$ 0.10

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	15,000,000	0.100
Exercised	(9,000,000)	0.015
Expired	-	-
Outstanding at December 31, 2014	15,000,000	\$ 0.100
Granted	-	-
Exercised	-	-
Canceled	(5,000,000)	0.10
Outstanding at December 31, 2015	10,000,000	\$ 0.100

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During the year ended December 31, 2014, the Company granted aggregate of 9,000,000 shares of its common stock in connection with the exercise of employee stock options exercised at \$0.015 per share. The above employee options were exercised by offsetting compensation accrued totaling \$135,000.

During the year ended December 31, 2015, 5,000,000 previously granted options issued to a former officer were returned and canceled.

The Company recorded \$-0- and \$1,355,048 as employee stock compensation expense for the years ended December 31, 2015 and 2014, respectively.

The intrinsic value of the vested employee stock options as of December 31, 2015 was \$-0- based on the Company's stock price of \$0.0265 per share at December 31, 2015. The intrinsic value of the vested employee stock options as of December 31, 2014 was \$-0- based on the Company's stock price of \$0.091 per share at December 31, 2014.

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 and 2014 Stock Option Plans:

Options Outstanding			Options Exercisable		
Exercise Prices	Number Outstanding	Weighted Average Remaining Contractual Life (Years)	Weighted Average Exercise Price	Number Exercisable	Weighted Average Exercise Price
\$ 0.045	3,500,000	4.56	\$ 0.045	3,500,000	\$ 0.045
\$ 0.10	200,000	3.02	\$ 0.10	200,000	\$ 0.10
\$ 0.15	1,000,000	4.53	\$ 0.15	1,000,000	\$ 0.15
\$ 0.20	150,000	3.19	\$ 0.20	150,000	\$ 0.20
	4,850,000	4.45	\$ 0.07	4,850,000	

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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	0.200
Exercised	(2,550,000)	0.017
Expired	-	-
Outstanding at December 31, 2014	350,000	0.140
Granted	4,500,000	0.07
Exercised	-	-
Expired	-	-
Outstanding at December 31, 2015	<u>4,850,000</u>	<u>\$ 0.07</u>

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.

In November 2014, the Company issued 50,000 shares of its common stock in connection with the exercise of non-employee stock options exercised at \$0.10 per share.

During the year ended December 31, 2014, 2,500,000 non-employee stock options were exercised at a weighted average price per share of \$0.017. The above non-employee options were exercised by offsetting the amount due to the consultants totaling \$37,500.

On July 20, 2015, the Company granted 3,500,000 options to a consultant. The granted options are exercisable immediately at \$0.045 per share for five years. The fair value of options was determined using the Black Scholes Option Pricing Model with the following assumptions: dividend yield \$-0-, volatility of 151.39% and risk free rate of 1.72%. The determined fair value of \$142,193 was charged to current period operations.

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On October 12, 2015, the Company granted 1,000,000 options to a consultant. The granted options are exercisable immediately at \$0.15 per share for five years. The fair value of options was determined using the Black Scholes Option Pricing Model with the following assumptions: dividend yield \$-0-, volatility of 145.90% and risk free rate of 1.41%. The determined fair value of \$37,088 was charged to current period operations.

The assumptions used in the valuation of stock options granted during the years ended December 31, 2015 and 2014 were as follows:

	2015	2014
Risk-free interest rate	0.89% to 1.73%	1.07% to 1.73%
Expected term of option	3.95 to 5.00 years	3.8 to 5.0 years
Expected stock price volatility	145.90% to 226.04%	205.83% to 226.04%
Expected dividend yield	0.0%	0.0%

The risk-free interest rate is based on the yield of Daily U.S. Treasury Yield Curve Rates with terms equal to the expected term of the options as of the grant date.

The intrinsic value of the vested non- employee stock options as of December 31, 2015 was \$-0- based on the Company's stock price of \$0.0265 per share at December 31, 2015. The intrinsic value of the vested non- employee stock options as of December 31, 2014 was \$-0- based on the Company's stock price of \$0.091 per share at December 31, 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)	Exercise Price	Number Exercisable	Weighted Average Remaining Contractual Life (Years)
\$ 0.25	1,475,000	2.94	\$ 0.25	1,475,000	3.19
1.00	1,155,000	2.51	1.00	1,155,000	3.76
\$ 0.58	2,630,000	2.75	\$ 0.58	2,630,000	3.00

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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	-	-
Expired	(1,275,000)	(1.00)
Outstanding at December 31, 2014	2,630,000	\$ 0.58
Issued	-	-
Exercised	-	-
Canceled	-	-
Outstanding at December 31, 2015	<u>2,630,000</u>	<u>\$ 0.58</u>

As described in Note 10, above, the Company issued detachable warrants granting the holder the right to acquire an aggregate of 2,430,000 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. 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.

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.

NOTE 16 – RELATED PARTY TRANSACTIONS

The Company has an arrangement with Premier Aftercare Recovery Service, ("PARS"). PARS is a Company controlled by Neil Muller, a shareholder of the Company and prior 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 \$14,583 per month. During the year ended December 31, 2015 and 2014, the Company incurred \$100,000 and \$75,000, respectively, as consulting fees and expense reimbursements. As of December 31, 2015 and 2014, there was an unpaid balance of \$154,638 and \$60,675, respectively.

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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 \$14,583 per month. During the year ended December 31, 2015 and 2014, the Company incurred \$191,183 and \$75,000, respectively, as consulting fees. As of December 31, 2015 and 2014, there was an unpaid balance of \$191,013 and \$100,260, 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 \$14,583 per month. For the year ended December 31, 2015 and 2014 the Company incurred \$192,279 and \$75,000, respectively, as consulting fees. As of December 31, 2015 and 2014, there was an unpaid balance of \$137,045 and \$45,196, 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 year ended December 31, 2015 and 2014 the Company incurred \$25,000 and \$65,625, respectively, as consulting fees. As of December 31, 2015 and 2014, there was an unpaid balance of \$53,125 and \$28,125, 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 17 – COMMITMENTS AND CONTINGENCIES

Operating lease

The Company's lease commenced effective July 1, 2013 expiring July 1, 2016. The base rent is \$1,484 per month. The lease agreement contains escalation clauses. The Company determined that any related straight line rent is not material.

Aggregate maturities of long-term debt as of December 31, 2015 are as follows:

For the twelve months ended December 31,	Amount
2016	\$ 1,819,001
2017	38,500
2018	-
Total	<u>\$ 1,857,501</u>

Employment and consulting agreements

On September 1, 2015, the Company entered into an employment agreement with Kent Emry for the full time position of Chief Executive Officer of the Company for 12 months with automatic renewals. Compensation at \$75,000 per annum (See Note 16).

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").

Neil Muller, Ex-President of the Company, entered into an Executive Service Agreement with the Company on February 28, 2013 for 12 months with automatic renewals. Effective September 1, 2015, Mr. Muller resigned from his post as President.

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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 December 31, 2015 and 2014, \$81,189 and \$174,582 was paid in connection with this agreement.

On July 1, 2014, the Company entered into an agreement with Maximum Harvest LLC whereby Maximum Harvest LLC will advise on marketing and sales development. The remuneration for the services shall be \$3,000 per month and 330,000 shares of the Company's common stock (as extended). The initial term of the agreement is for three months, subsequently extended. The Company charged the fair value of the stock obligation of \$34,155 to operations in 2014.

On September 11, 2014, the Company entered into an agreement with Smallcapvoice.com whereby Smallcapvoice will provide general corporate consulting services. The remuneration for the services shall be \$2,500 per month and 75,000 shares of the Company's common stock. The agreement expires December 31, 2014. The Company charged the fair value of the stock obligation of \$7,733 to operations in 2014.

On October 1, 2014, the Company entered into an agreement with Troy Emry whereby Emry will create written policy and procedure manuals for use by the company and any current or future subsidiaries. The remuneration for the services shall be 400,000 shares of the Company's common stock. The agreement is expired September 30, 2015. The Company charged the fair value of the stock obligation of \$50,000 to operations in 2014.

On November 20, 2014, the Company entered into an agreement with Joel B. Singer MD whereby Dr. Singer will create documented protocol specific to surgical techniques. The remuneration for the services shall be 50,000 shares of the Company's common stock. The agreement is for twelve months, unless terminated earlier. The Company charged the fair value of the stock obligation of \$5,325 to operations in 2014.

On December 3, 2014, the Company entered into an agreement with EROI, LLC whereby EROI will provide strategic assistance for the acquisition of a management company and develop plans thereafter. The remuneration for the services shall be an aggregate of 9,000,000 shares of the Company's common stock, of which, 6,000,000 shares will be issued upon milestone completion, plus \$30,000 per month, paid by the management company upon acquisition, and with ownership percentage of acquired management company. The agreement has open to service terms. The Company charged the fair value of the stock obligation of \$300,000 to operations in 2014.

On February 27, 2015, the Company entered into an agreement with Terry LaDow whereby LaDow will provide general corporate consulting services with a term of 12 months. The remuneration for the services shall be 25,000 shares of the Company's common stock upon execution of the agreement and 25,000 shares upon milestone achievements. The Company charged the fair value of the stock issued of \$3,088 to operations in 2015.

On July 1, 2015, the Company entered into an agreement with Smallcapvoice.com whereby Smallcapvoice will provide general corporate consulting services with a term of 90 days. The remuneration for the services shall be \$2,500 per month and 200,000 shares of the Company's common stock. The Company charged the fair value of the stock issued of \$27,800 to operations in 2015.

On September 1, 2015, the Company entered into an agreement with Dawn Maxwell whereby Maxwell will consult in identifying, securing and training counselors for the BioCorRxO Recovery Program with a term of for 12 months. The remuneration for the services shall be \$5,500 per month, 500,000 shares of the Company's common stock issued at execution of the agreement and up to 1,500,000 shares of the Company's common stock and bonuses upon milestone achievements, of which 500,000 shares of the Company's common stock were earned and issued in 2015. milestone completion. The Company charged the fair value of the stock issued of \$34,500 to operations in 2015.

On November 1, 2015, the Company entered into an agreement with George Fallieras whereby Fallieras will consult with Wellness Centers and other locations and will create a scientific presentation for the medical community with a term of for 12 months. The remuneration for the services shall be 2,000,000 shares of the Company's common stock, 400,000 shares of which upon execution of the agreement, 400,000 shares upon completion and delivery of the scientific-based presentation and 200,000 per month for first six months until consultant receives 2,000,000 shares of the Company's common stock. The Company charged the fair value of the stock issued of \$60,000 to operations in 2015.

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On November 6, 2015, the Company entered into an agreement with Tactical Growth Partners, LLC whereby Tactical will provide general advisory services, strategic planning and introductions to the Company with a term of 6 months. The remuneration for the services shall be \$5,000 per month and 1,500,000 shares of the Company's common stock, of which 750,000 shares were issued upon execution of the agreement. The Company charged the earned portion of the fair value of the stock issued of \$5,666 to operations in 2015.

On November 16, 2015, the Company entered into an agreement with Jeremy Miller whereby Miller will make personal appearances and devote time, energy and services to the affairs of the Company with a term of 12 months. The remuneration for the services shall be 150,000 shares of the Company's common stock upon execution of the agreement. The Company charged the earned portion of the fair value of the stock issued of \$476 to operations in 2015.

On November 20, 2015, the Company entered into an amended agreement with Joel Singer where by Singer will create a surgical procedure training manual along with other related materials with a remaining term of 12 months. The remuneration for the services shall be 50,000 shares of the Company's common stock upon execution of the agreement and 100,000 upon milestone achievements. The Company charged the earned portion of the fair value of the stock issued of \$597 to operations in 2015.

On November 30, 2015, the Company entered into an agreement with Rialto Partners LLC whereby Rialto will spearhead the setup of a scientific advisory board for the Company along other duties with a term of 12 months. The remuneration for the services shall be shares of the Company's common stock based on a defined schedule. The Company charged the earned portion of the fair value of the stock issued of \$353 to operations in 2015.

On December 1, 2015, the Company entered into an agreement with Kristine Waterlander whereby Waterlander will assist the Company with education of care givers along other duties with a term of 12 months. The remuneration for the services shall be 100,000 shares of the Company's common stock upon execution of the agreement. The Company charged the earned portion of the fair value of the stock issued of \$287 to operations in 2015.

On October 6, 2015, the Company entered into an agreement with Bonnie Barnett whereby Barnett will assist the Company with national implementation of the program in Wellness Center client environments with a term of six months. The remuneration for the services shall be up to a total aggregate of 500,000 shares of the Company's common stock. The Company charged the earned portion of the fair value of the stock issued of \$8,929 to operations in 2015.

On March 20, 2015, the Company entered into an agreement with Myriad Medical Marketing (MMM) whereby MMM was appointed as the Company's exclusive sales representative for the BioCorRx Recovery Program in certain territories. The sole compensation under the terms of the agreement shall be a commission collected on the gross sales sold in the territory. As of December 31, 2015 \$4,750 was paid in connection with this agreement.

Litigation

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. Under the confidentiality clause of the settlement agreement the parties are prohibited from disclosing settlement amounts.

As of December 31, 2015 and 2014, the outstanding liabilities related the settlement agreement was \$-0- and \$220,000, respectively.

The Company is subject at times to other legal proceedings and claims, which arise in the ordinary course of its business. Although occasional adverse decisions or settlements may occur, the Company believes that the final disposition of such matters should not have a material adverse effect on its financial position, results of operations or liquidity. There was no outstanding litigation as of December 31, 2015.

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Uncertain Tax Positons

The Company uses a number of independent contractors in our operations in which it does not pay or withhold any federal, state or provincial employment tax. There are a number of different tests used in determining whether an individual is an employee or an independent contractor and such tests generally take into account multiple factors. There can be no assurance that legislative, judicial or regulatory (including tax) authorities will not introduce proposals or assert interpretations of existing rules and regulations that would change, or at least challenge, the classification of our independent contractors. As of December 31, 2015 and 2014, the Company has reviewed the various independent contractor relationships and has determined to not accrue any additional liabilities related to the above contingency.

NOTE 18 – CONCENTRATIONS

Financial instruments and related items, which potentially subject the Company to concentrations of credit risk, consist primarily of cash, cash equivalents and trade receivables. The Company places its cash and temporary cash investments with high credit quality institutions. At times, such investments may be in excess of the FDIC insurance limit.

The Company's revenues earned from sale of products and services for the year ended December 31, 2015 included 11%, 19% and 13% (aggregate of 43%) from three customers of the Company's total revenues.

The Company's revenues earned from sale of products and services for the year ended December 31, 2014 included 21% and 15% (aggregate of 36%) from two customers of the Company's total revenues.

Four customers accounted for 12%, 48%, 20% and 15% of the Company's total accounts receivable at December 31, 2015; and three customers accounted for 65%, 16% and 10% of the Company's total accounts receivable at December 31, 2014.

The Company relies on Trinity Rx as its sole supplier of its Naltrexone implant.

NOTE 19 – INCOME TAXES

The components of the income tax provisions for 2015 and 2014 are as follows:

	2015	2014
Current provision:		
Federal	\$ -	\$ -
State	-	-
Deferred benefit:		
Federal	(485,644)	(639,913)
State	(84,988)	(112,926)
	<u>(570,632)</u>	<u>(752,839)</u>
Change in valuation allowance	570,632	752,839
Total Provision	\$ -	\$ -

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The difference between the income tax provision and income taxes computed using the U. S. federal income tax rate of 34% consisted of the following:

	<u>2015</u>	<u>2014</u>
Provision at statutory rate	34.0%	34.0%
State taxes, net of federal benefit	5.8%	5.8%
Nondeductible and other items	(8.9%)	(8.9%)
Change in valuation allowance	(30.9%)	(30.9%)
Total	<u>(0.0%)</u>	<u>(0.0%)</u>

Deferred income taxes reflect the net tax effect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for income tax purposes. Significant components of the Company's deferred taxes as of December 31, 2015 and 2014 are as follows:

	<u>2015</u>	<u>2014</u>
Deferred tax assets:		
Net operating loss carry forwards	\$ 247,200	\$ 1,427,000
Share-based compensation	280,190	783,494
Accrual to cash	215,476	384,886
Other	1,280,651	65,418
Total deferred tax assets	<u>2,023,517</u>	<u>2,660,800</u>
Valuation allowance	<u>(1,966,917)</u>	<u>(2,521,561)</u>
	56,600	135,239
Deferred tax liabilities:		
Tax deductible licensing agreement	(56,600)	(135,233)
Accrual to cash	-	-
Other	-	-
Total deferred tax liabilities	<u>(56,600)</u>	<u>(135,239)</u>
Net deferred tax assets (liabilities)	<u>\$ -</u>	<u>\$ -</u>

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A full valuation allowance has been provided against the Company's deferred tax assets at December 31, 2015 as the Company believes it is more likely than not that sufficient taxable income will not be generated to realize these temporary differences.

The Company has Federal net operating losses (NOLs) of approximately \$4.2 million which begin to expire in the years beginning in 2030. Pursuant to Section 382 of the Internal Revenue Code, use of the Company's NOLs and credit carry forwards may be limited if the Company experiences a cumulative change in ownership of greater than 50% in a moving three-year period.

The Company also has federal credits that begin to expire 2029 and state tax credits that may be carried forward indefinitely.

The Company provides for uncertain tax positions when such tax positions do not meet the recognition thresholds or measurement standards as set forth in ASC Topic 740. Income Taxes, regarding accounting for uncertainty in income taxes. Amounts for uncertain tax positions are adjusted in periods when new information becomes available or when positions are effectively settled. There are no unrecognized benefits related to uncertain tax positions as of December 31, 2015. The Company does not anticipate that there will be material change in the liability for unrecognized tax benefits within the next 12 months.

NOTE 20 – 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 December 31, 2015:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Derivative liability	\$ -	\$ -	\$ 170,531	\$ 170,531
Warrant liability			22,746	22,746
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 193,277</u>	<u>\$ 193,277</u>

BIOCORRX, INC.
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Items recorded or measured at fair value on a recurring basis in the accompanying consolidated financial statements consisted of the following items as of December 31, 2014:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Warrant liability	\$ -	\$ -	\$ 98,702	\$ 98,702
Total	\$ -	\$ -	\$ 98,702	\$ 98,702

The table below sets forth a summary of changes in the fair value of the Company's Level 3 financial liabilities from December 31, 2013 through December 31, 2015:

	<u>Debt Derivative Liability</u>	<u>Warrant Liability</u>
Balance, December 31, 2013	\$ 1,019,103	\$ 287,731
Transfers in (out):		
Fair value of debt derivative at note extinguishment transferred to equity	(800,987)	
Fair value of warrant liability at date of cancellation transferred to equity		(129,551)
Mark-to-market at December 31, 2014:		
Embedded derivative	(218,116)	(59,478)
Balance, December 31, 2014	-	98,702
Transfers in (out):		
Initial fair value of debt derivative at note issuance	350,542	
Fair value of debt derivative at note extinguishment transferred to equity	(158,959)	
Mark-to-market at December 31, 2015:		
Embedded derivative	(21,052)	(75,956)
Balance, December 31, 2015	\$ 170,531	\$ 22,746

NOTE 21 – SUBSEQUENT EVENTS

On February 1, 2016, the Company issued 500,000 shares of its common stock for services rendered.

On February 3, 2016 the Company issued 750,000 shares of its common stock for services rendered.

Litigation

On March 9, 2016, Jorge Andrade (former Company's Chief Executive Officer) and Terranautical Global Investments, Inc. filed with the Eighth Judicial District Court in Clark County, Nevada a lawsuit claiming unpaid compensation, bonuses and previous loans in aggregate of \$316,000 plus accrued interest and damages.

On March 21, 2016, the Plaintiff and the Company entered into a settlement agreement whereby the Company agreed to settle for a cash payment of \$250,000 due December 16, 2016. As of December 31, 2015, the Company has an aggregate accrual of \$250,000 comprised of accounts payable and accrued expenses of \$195,845 and notes payable, related party of \$54,155.

Operating leases

On March 9, 2016, the Company entered into a lease for its new corporate location in Anaheim, California, commencing July 1, 2016 and expiring on July 1, 2019 with a monthly base rent of \$4,212 and with an annual escalation clause. In connection with the lease, the Company is obligated to pay security deposit of \$13,422

Future minimum lease payments under the lease agreement is as follows:

Year Ending December 31,	
2016	\$ 25,272
2017	51,330
2018	52,902
2019	26,844
	<u>\$ 156,348</u>

ITEM 9 – CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURES.

None

ITEM 9A – 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 December 31, 2015, 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 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) Attestation Report of Our Registered Public Accounting Firm

This Annual Report on Form 10-K ("Annual Report") does not include an attestation report of our registered public accounting firm regarding internal control over financial reporting. We are a non-accelerated filer; therefore, management's report was not subject to attestation by our registered public accounting firm pursuant to temporary rules of the SEC that permit us to provide only management's report in this Annual Report.

(c) 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 December 31, 2015 that have materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

(d) Management's report on internal control over financial reporting.

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Exchange Act Rule 13a-15(f). Management conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in Internal Control—Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, management concluded that our internal control over financial reporting was ineffective as of December 31, 2014 for the reasons discussed above.

This annual report does not include an attestation report by Liggett & Webb P.A., our independent registered public accounting firm regarding internal control over financial reporting. As a smaller reporting company, our management's report was not subject to attestation by our registered public accounting firm pursuant to rules of the Securities and Exchange Commission that permit us to provide only management's report in this annual report.

ITEM 9B – OTHER INFORMATION

None.

PART III

ITEM 10 – DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The names of our executive officers and directors and their age, title, and biography as of April 14, 2015 are set forth below:

Name	Age	Positions
Brady Granier, Interim CEO since December 2, 2014;	43	Interim Chief Executive Officer, Chief Operating Officer, Secretary and Director
Neil Muller, ex-President;	55	Ex-President
Lourdes Felix, Chief Financial Officer since October 1, 2012;	48	Chief Financial Officer, Treasurer and Director
Kent Emry, President Since 9/1/2015	48	President and Director

Brady J. Granier, Interim Chief Executive Officer, Director

During the twelve years prior to joining BioCorRx in June of 2013, Mr. Granier had been involved in sales management, media sales and business development. Mr. Granier was employed at Clear Channel Media & Entertainment ("CCME"), where he had served in several positions from Account Executive to Director of Business Development and Local Sales Manager. Mr. Granier has also served as the Healthcare Category Manager for the Los Angeles division of CCME, the largest media company in the United States. During his tenure at CCME and other media companies, Mr. Granier worked on marketing campaigns for local businesses and physicians, as well as for National brands such as Neutrogena, New Line Cinema, Paramount Pictures, Samsung, AT&T, Coke, Dr Pepper, Hansen's, Honda, MGM, Universal Studios and more. He also managed endorsements on the radio for Ryan Seacrest. In 2006, Mr. Granier received the coveted Pinnacle Award from CCME for being the top sales executive in the Western region. While serving as Director of Business Development, Mr. Granier grew new business by 49% in his first year in that role.

Mr. Granier was born and raised in the heart of Cajun Country in Southeast Louisiana where he starting working at the age of eleven to help support his single mother and younger brother. After graduating with honors from high school, Mr. Granier attended college at Nicholls State University in Thibodaux, LA. Mr. Granier earned his Bachelor of Science Degree in Nursing in 1995 and was a member of Sigma Theta Tau Honor Society and Phi Kappa Theta. During his nursing career, Mr. Granier specialized in the critical care areas of ER/ICU/CCU and CICU. He also moonlighted as a home health nurse, critical care air transport nurse, and TV studio set medic. In 1996, Mr. Granier moved to California as a travel nurse and spent most of his remaining years in healthcare as the charge nurse in the emergency room at White Memorial Hospital in downtown Los Angeles. Mr. Granier continues to reside in the Los Angeles area with his family. Mr. Granier has also been a volunteer with Big Brothers of America.

Neil Muller, ex-President

Mr. Muller has more than 20 years of experience in the fields of property development, residential/commercial sales and business management.

In 2004, Mr. Muller began his very personal journey with what is now the BioCorRx Ò Recovery Program today in the United States after his wife, Deidre, went through a similar program as a patient and recipient of the implant. Dee was an alcoholic for years before having the successful implant procedure in Australia. Prior to his wife receiving the implant, Muller, like many family members around the world suffering from the effects of alcoholism, spent hundreds of thousands of dollars trying to help his wife and family escape the stranglehold of alcohol addiction.

Lourdes Felix, Chief Financial Officer, Treasurer and Director

Ms. Felix is a corporate finance executive offering over fifteen years of combined experience in public accounting and in the private sector in building, leading, and advising corporations through complex restructurings. Ms. Felix has been instrumental in assisting in capital procurement and implementing an audit committee. She is thoroughly experienced in guiding troubled companies to greater efficiency and profitability. Ms. Felix has acquired expertise in securities laws and knowledge of SOX requirements. She has worked with private and public SEC reporting companies. Ms. Felix was previously the controller for a mid-size public accounting firm for over seven years and was responsible for the operations and financial management of regional offices. Her experience includes a wide variety of industries including advertising, marketing, non-profit organizations, medical practices, mortgage banking, manufacturing and SEC reporting companies. She has assisted companies with documented contributions leading to improved financial performance, heightened productivity, and enhanced internal controls.

Ms. Felix is very active in the Hispanic community and speaks fluent Spanish. Ms. Felix holds a Bachelor of Science degree in Business Management and Accounting from University of Phoenix.

Kent Emry, President

Mr. Kent Emry served as the Chief Executive Officer of BioCorRx[®] Inc. from September 13, 2013 to November 14, 2014. For twelve years, Mr. Emry has been involved in the healthcare industry. Mr. Emry has specialized in identifying and securing financing for the acquisition of troubled skilled nursing and rehabilitation facilities. Mr. Emry was able to restructure these facilities both on a clinical and financial level resulting in a profitable facility. Mr. Emry has vast ... knowledge of operational systems and creation and development of policies and procedures has been key in the healthcare industry. Mr. Emry has extensive experience in contract negotiations with public, private, federal and state healthcare reimbursement entities including HMOs, Medicare, Medicaid, VA and Military contracting and billing. Mr. Emry's focuses on the acquisition and restructuring of troubled healthcare facilities, Mr. Emry owned and operated a marketing company which focused on the healthcare industry. He developed creative and concise marketing strategies. Mr. Emry's campaigns and tactics improved corporate revenues and profits by increasing their number of patients and controlling expenses. Mr. Emry served in a number of industries outside of healthcare as well, including food processing and brokerage, construction, development, sales, marketing and property management. He has been a Director of BioCorRx[®] Inc. since September 13, 2013.

He has been a Director of BioCorRx[®] Inc..since September 13, 2013. Mr. Emry has the ability to quickly identify operational and structural inefficiencies and replace them with systems and policies that enhance productivity and growth resulting in a more profitable business. Mr. Emry has a Bachelor's degree in Healthcare Administration from Oregon State University.

Employment Agreements

Lourdes Felix, Chief Financial Officer and Brady Granier, Interim Chief Executive 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.

Family Relationships

There are no family relationships between any of our directors or executive officers and any other directors or executive officers.

Board Committees and Independence

We are not required to have any independent members of the Board of Directors. As we do not have any board committees, the board as a whole carries out the functions of nominating and compensation committees, and such "independent director" determination has been made pursuant to the committee independence standards.

Involvement in Certain Legal Proceedings

Our Directors and Executive Officers have not been involved in any of the following events during the past ten years:

1. any bankruptcy petition filed by or against such person or any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time (a);
2. any conviction in a criminal proceeding or being subject to a pending criminal proceeding (excluding traffic violations and other minor offenses);
3. being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining him from or otherwise limiting his involvement in any type of business, securities or banking activities or to be associated with any person practicing in banking or securities activities;
4. being found by a court of competent jurisdiction in a civil action, the Securities and Exchange Commission or the Commodity Futures Trading Commission to have violated a federal or state securities or commodities law, and the judgment has not been reversed, suspended, or vacated;
5. being subject of, or a party to, any federal or state judicial or administrative order, judgment decree, or finding, not subsequently reversed, suspended or vacated, relating to an alleged violation of any federal or state securities or commodities law or regulation, any law or regulation respecting financial institutions or insurance companies, or any law or regulation prohibiting mail or wire fraud or fraud in connection with any business entity; or
6. being subject of or party to any sanction or order, not subsequently reversed, suspended, or vacated, of any self-regulatory organization, any registered entity or any equivalent exchange, association, entity or organization that has disciplinary authority over its members or persons associated with a member.

Section 16(a) Beneficial Owner Reporting Compliance

Since we are governed under Section 15(d) of the Exchange Act, we are not required to file reports of executive officers and directors and persons who own more than 10% of a registered class of our equity securities pursuant to Section 16(a) of the Exchange Act.

Code of Ethics

We have not adopted a Code of Ethics but expect to adopt a Code of Ethics and will require that each employee abide by the terms of such Code of Ethics.

ITEM 11 – EXECUTIVE COMPENSATION

Summary Compensation Table

The following table provides certain summary information concerning compensation awarded to, earned by or paid to our Chief Executive Officer, the two highest paid executive officers and up to two other highest paid individuals whose total annual salary and bonus exceeded \$100,000 for fiscal years 2015 and 2014.

Name and principal position	Fiscal Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)(1)	Option Awards (\$)	Non-equity incentive plan compensation (\$)	Non-qualified deferred compensation (\$)	All other compensation (\$)	Total (\$)
Brady Granier, Interim CEO, Director since December 2, 2014	2015	100,430	0	0	0	0	0	0	100,430
	2014	0	0	451,683	0	0	0	157,500	609,183
Neil Muller, ex-President Since September 1, 2015	2015	0	0	0	0	0	0	0	0
	2014	0	0	451,683	0	0	0	98,250	549,933
Lourdes Felix, CFO, Treasurer since October 1, 2012	2015	100,430	0	0	0	0	0	0	100,430
	2014	0	0	451,683	0	0	0	135,800	587,483

(1) On November 17, 2014, the Company granted 5,000,000 options each to Mr. Brady Granier, Mr. Neil Muller and Ms. Lourdes Felix at \$0.10 per share, vesting immediately.

(2) As of December 31, 2015, accrued and unpaid salaries to Mr. Granier and Ms. Felix was \$137,045 and \$191,013, respectively.

Option/SAR Grants in Fiscal Year Ended December 31, 2015

None

Outstanding Equity Awards at Fiscal Year-End Table

The following table sets forth information for the named executive officers regarding the number of shares subject to both exercisable and unexercisable stock options, as well as the exercise prices and expiration dates thereof, as of December 31, 2015.

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	10,000,000	3.88	\$ 0.10	10,000,000	\$ 0.10

Long-Term Incentive Plans and Awards

There were no awards made to a named executive officer in fiscal 2015 under any long-term incentive plan.

Employment/Consulting Contracts, Termination of Employment, Change-in-Control Arrangements

On February 15, 2013, the Company adopted an Executive Management Bonus plan, which includes corporate revenue, license revenue and royalty revenue from which the bonus shall be calculated.

On February 28, 2013, we entered into one year Executive Service Agreement with Felix Financial Enterprise, LLC controlled by our Chief Financial Officer, Lourdes Felix pursuant to which the parties agreed to (i) Felix to provide certain executive services commensurate with his position as Chief Financial Officer; (ii) the Company shall pay Felix an annual salary of \$150,000 and grant 1,000,000 stock options and (iii) Felix shall be eligible to participate in the Executive Management Bonus Plan as adopted by the Board of Directors effective February 15, 2013. Effective October 16, 2013 the annual salary for Ms. Felix was reduced to \$75,000. Effective March 1, 2015 the annual salary for Ms. Felix was increased to \$175,000.

On February 28, 2013, we entered into one year Executive Service Agreement with PARS controlled by our President, Neil Muller pursuant to which the parties agreed to (i) Muller to provide certain executive services commensurate with his position as President; (ii) the Company shall pay Muller annual salary of \$200,000 and grant 4,000,000 stock options and (iii) Muller shall be eligible to participate in the Executive Management Bonus Plan as adopted by the Board of Directors effective February 15, 2013. Effective October 16, 2013 the annual salary for Mr. Muller was reduced to \$75,000. Effective March 1, 2015 the annual salary for Mr. Muller was increased to \$175,000. Effective September 1, 2015 Mr. Muller resigned from his post as President and Director.

On October 16, 2013, we entered into a one-year Executive Service Agreement with Brady Granier pursuant to which the parties agreed to i) Granier to provide certain executive services commensurate with his position as Chief Operating Officer; (ii) the Company shall pay Granier annual salary of \$75,000 and grant 3,000,000 stock options and (iii) Granier shall be eligible to participate in the Executive Management Bonus Plan as adopted by the Board of Directors effective February 15, 2013. Effective March 1, 2015 the annual salary for Mr. Granier was increased to \$175,000.

Director Compensation

We have not compensated our Directors during fiscal 2015 except as described under officers as described in above.

ITEM 12 – SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The following table sets forth certain information as of the date hereof with respect to the holdings of: (1) each person known to us to be the beneficial owner of more than 5% of our common stock; (2) each of our directors, nominees for director and named executive officers; and (3) all directors and executive officers as a group. To the best of our knowledge, each of the persons named in the table below as beneficially owning the shares set forth therein has sole voting power and sole investment power with respect to such shares, unless otherwise indicated. Unless otherwise specified, the address of each of the persons set forth below is in care of the Company, at the address of: 601 North Parkcenter Drive, Suite 103, Santa Ana, California 92705.

<u>Title of Class</u>	<u>Name and Address of Beneficial Owner</u>	<u>Amount and Nature of Beneficial Ownership</u>	<u>Percent of Common Stock (1)</u>
Common Stock	Neil Muller	11,250,000	6.80%
Common Stock	Brady Granier	7,421,900	4.49%
Common Stock	Kent Emry	6,950,000	4.20%
Common Stock	Lourdes Felix	2,500,000	1.51%
All directors and executive officers as a group (4 persons)		28,121,900	17.00%

(1) As of April 14, 2016, we have 165,394,501 shares of common stock outstanding.

ITEM 13 – CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

On November 22, 2010, the Company entered into an intellectual property license and asset purchase agreement with Fresh Start Private, Inc. a Nevada corporation (the "Transaction") which has subsequently been terminated. In consideration of the license the Company agreed to issue 16,000,000 shares of common stock at the market value of \$0.77 per share as of the date of the agreement. Total value of the license is recorded as \$12,320,000. Dr. Jorge Andrade Jr., the Company's CEO and Director, and Mr. Neil Muller, the Company's President and Director are directors of and shareholders of Fresh Start Private, Inc. Mr. Muller owns 2,000,000 common shares of Fresh Start Private, Inc., therefore Mr. Muller's interest in the Transaction is approximately \$1,540,000. Dr. Andrade owns 1,000,000 common shares of Fresh Start Private, Inc. therefore Dr. Andrade's interest in the Transaction is approximately \$770,000. None of the 16,000,000 shares were issued. On October 31, 2011, we entered into the Termination Agreement pursuant to which such license agreement shall be deemed null and void.

As of December 31, 2015 and 2014, we have received an advance from Jorge Andrade, ex-CEO, Neil Muller, ex-President and Emry Kent, President as loans from related parties. The loans are payable on demand and without interest.

	<u>2015</u>	<u>2014</u>
Jorge Andrade	\$ 37,842	\$ 37,842
Neil Muller	-	-
Emry Kent	16,500	
	<u>\$ 54,342</u>	<u>\$ 37,842</u>

Consulting agreement with Terranautical Global Investments ("TGI").

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 year ended December 31, 2014 and 2013, the Company incurred \$56,250 and \$226,360 as consulting fees, respectively. As of December 31, 2014 and 2013, there was an unpaid balance of \$169,101 and \$162,850, respectively. The Company terminated the consulting agreement with TGI effective 10/1/2014.

Consulting agreement with Premier Aftercare Recovery Services, ("PARS").

The Company has an arrangement with Premier Aftercare Recovery Service, ("PARS"). PARS is a Company controlled by Neil Muller, a shareholder of the Company and prior 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 \$14,583 per month. During the year ended December 31, 2015 and 2014, the Company incurred \$100,000 and \$75,000, respectively, as consulting fees and expense reimbursements. As of December 31, 2015 and 2014, there was an unpaid balance of \$154,638 and \$60,675, respectively.

Consulting agreement with Felix Financial Enterprises, ("FFE")

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 \$14,583 per month. During the year ended December 31, 2015 and 2014, the Company incurred \$191,183 and \$75,000, respectively, as consulting fees. As of December 31, 2015 and 2014, there was an unpaid balance of \$191,013 and \$100,260, respectively.

Consulting agreement with Brady Granier.

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 \$14,583 per month. For the year ended December 31, 2015 and 2014 the Company incurred \$192,279 and \$75,000, respectively, as consulting fees. As of December 31, 2015 and 2014, there was an unpaid balance of \$137,045 and \$45,196, respectively.

Consulting agreement with Kent Emry.

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 year ended December 31, 2015 and 2014 the Company incurred \$25,000 and \$65,625, respectively, as consulting fees. As of December 31, 2015 and 2014, there was an unpaid balance of \$53,125 and \$28,125, respectively.

During Fiscal Year 2015, there were no other material transactions between the Company and any Officer, Director or related party and the Company other than as described herein. With the exception of the transactions with Dr. Andrade, Mr. Muller, Mr. Granier, Mr. Emry and Ms. Felix, no other of the following parties has, since the date of incorporation, had any material interest, direct or indirect, in any transaction with us or in any presently proposed transaction that has or will materially affect us:

- Any person proposed as a nominee for election as a director;
- Any person who beneficially owns, directly or indirectly, shares carrying more than 5% of the voting rights attached to the outstanding shares of common stock;
- Any relative or spouse of any of the foregoing persons who have the same house as such person.

ITEM 14 – PRINCIPAL ACCOUNTING FEES AND SERVICES

Audit Fees. The aggregate fees billed by our independent registered public accounting firm, for professional services rendered for the audit of our annual financial statements for the years ended December 31, 2015 and 2014, including review of our interim financial statements were \$55,000 and \$50,000, respectively.

Audit Related Fees. We incurred fees to our independent registered public accounting firm of \$-0- and \$-0- for audit related fees during the fiscal years ended December 31, 2015 and 2014, respectively, which related to filings with the SEC.

Tax and Other Fees. We incurred fees to our independent registered public accounting firm of \$-0- and \$-0- for tax and fees during the fiscal years ended December 31, 2015 and 2014.

The Audit Committee pre-approves all auditing services and all permitted non-auditing services (including the fees and terms thereof) to be performed by our independent registered public accounting firm.

ITEM 15 – EXHIBITS, FINANCIAL STATEMENT SCHEDULES

The following exhibits are included herein or incorporated by reference:

Exhibit

No.	Description
2.1	Share Exchange Agreement, dated October 31, 2011, by and among the Company, the Company's former principal stockholder, FSP and the former principal shareholders of FSP. (2)
3.1	Articles of Incorporation. (1)
3.2	Certificate of Amendment to Articles of Incorporation. (1)
3.2	Certificate of Amendment to Articles of Incorporation (5)
3.3	By Laws (1)
5.0	Registration Statement Pursuant to 2012 Stock Option Plan (3)
5.0	Registration Statement Pursuant to 2013 Stock Option Plan (4)
5.0	Registration Statement Pursuant to 2014 Stock Option Plan (6)
10.1	Termination Agreement, dated October 31, 2011, by and among the Company, FSP and Muller. (2)
10.2	Agreement for Service, dated June 1, 2011, by and between FSP and Start Fresh Alcohol Recovery Clinic, Inc. (7)
10.3	License Agreement, dated September 7, 2010, by and between FSP and Trinity Rx Solutions, LLC. (2)
10.4	Asher Note Payable dated December 11, 2012, incorporated herein (7)
23.1	Consent of Liggett & Webb, P.A.
31.1	Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 of Brady Granier
31.2	Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 of Lourdes Felix
32.1	Certification of Brady Granier pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification of Lourdes Felix pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
99.1	2012 Employee Stock Option Plan (3)
99.1	2013 Employee Stock Option Plan (4)
99.1	2014 Employee Stock Option Plan (6)
101.INS **	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
**	
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
**	
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
**	
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
**	
101.PRE **	XBRL Taxonomy Extension Presentation Linkbase Document

(1) Incorporated herein by reference to the Company's Registration Statement on Form S-1 filed with the Commission on September 9, 2008.

(2) Incorporated herein by reference to the Company's Form 8K/A filed on November 4, 2011.

(3) Incorporated herein by reference to the Company's Form S-8 filed on December 18, 2012.

(4) Incorporated herein by reference to the Company's Form S-8 filed on January 10, 2014.

(5) Incorporated herein by reference to the Company's Form 8-K filed on February 20, 2014.

(6) Incorporated herein by reference to the Company's Form S-8 filed on November 19, 2014.

(7) Incorporated herein by reference

** XBRL (Extensible Business Reporting Language) information is furnished and not filed or a part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, as amended, is deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and otherwise is not subject to liability under these sections.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

BioCorRx, Inc.

Date: April 14, 2016

By: /s/ Brady Granier
Brady Granier
Interim Chief Executive Officer, Chief
Operating Officer and Director

Date: April 14, 2016

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

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE
SARBANES-OXLEY ACT OF 2002**

I, Brady Granier, certify that:

1. I have reviewed this annual report on Form 10-K 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: April 14, 2016

By: /s/ Brady Granier

Brady Granier
Interim Chief Executive Officer, Chief
Operating Officer and Director (Principal
Executive Officer)

**CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE
SARBANES-OXLEY ACT OF 2002**

I, Lourdes Felix, certify that:

1. I have reviewed this annual report on Form 10-K 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: April 14, 2016

By: /s/ Lourdes Felix

Lourdes Felix
Chief Financial Officer and Director
(Principal Financial Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Brady Granier, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the annual report of BioCorRx Inc. on Form 10-K for the fiscal year ended December 31, 2015 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and that information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of BioCorRx Inc.

Date: April 14, 2016

By: /s/ Brady Granier
Brady Granier
Interim Chief Executive Officer, Chief
Operating Officer and Director (Principal
Executive Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

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 annual report of BioCorRx Inc. on Form 10-K for the fiscal year ended December 31, 2015 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and that information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of BioCorRx Inc.

Date: April 14, 2016

By: */s/ Lourdes Felix* _____

Lourdes Felix
Chief Financial Officer, Director
(Principal Financial Officer)