

Lightwave Logic, Inc.  
Form 10-Q  
May 15, 2015

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

---

**FORM 10-Q**

---

**(Mark One)**

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

For the quarterly period ended March 31, 2015

**OR**

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

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number 0-52567

**Lightwave Logic, Inc.**

(Exact name of registrant as specified in its charter)

**Nevada**

**82-049-7368**

(State or other jurisdiction of  
Incorporation or Organization)

(I.R.S. Employer Identification No.)

**1831 Lefthand Circle, Suite C**

**Longmont, CO**

**80501**

(Address of principal executive offices)

(Zip Code)

**(720) 340-4949**

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act (Check one):

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act.) Yes  No

The number of shares of the registrant's Common Stock outstanding as of May 14, 2015 was 58,416,565.

---

**TABLE OF CONTENTS**

		<b>Page</b>
Part I	Financial Information	
	<u>Item 1</u>	<u>Financial Statements</u> 1
	<u>Item 2</u>	<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u> 12
	<u>Item 4</u>	<u>Controls and Procedures</u> 19
Part II	Other Information	
	<u>Item 2</u>	<u>Unregistered Sales of Equity Securities and Use of Proceeds</u> 20
	<u>Item 5</u>	<u>Other Information</u> 20
	<u>Item 6</u>	<u>Exhibits</u> 20
		<u>Signatures</u> 21

### **Forward-Looking Statements**

This report on Form 10-Q contains, and our officers and representatives may from time to time make, "forward-looking statements" within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as: "anticipate," "intend," "plan," "goal," "seek," "believe," "project," "estimate," "expect," continuing, ongoing, "strategy," "future," "likely," "may," "should," could, "will" and similar references to future periods. Examples of forward-looking statements include, among others, statements we make regarding expected operating results, such as anticipated revenue; anticipated levels of capital expenditures for our current fiscal year; our belief that we have sufficient liquidity to fund our business operations during the next six months; strategy for gaining customers, growth, product development, market position, financial results and reserves.

Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following: lack of available funding; general economic and business conditions; competition from third parties; intellectual property rights of third parties; regulatory constraints; changes in technology and methods of marketing; delays in completing various engineering and manufacturing programs; changes in customer order patterns; changes in product mix; success in technological advances and delivering technological innovations; shortages in components; production delays due to performance quality issues with outsourced components; those events and factors described by us in Item 1.A Risk Factors in our most recent Annual Report on Form 10-K; other risks to which our Company is subject; other factors beyond the Company's control.

Any forward-looking statement made by us in this report on Form 10-Q is based only on information currently available to us and speaks only as of the date on which it is made. We undertake no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.



**PART I FINANCIAL INFORMATION**

**Item 1**

**Financial Statements**

**LIGHTWAVE LOGIC, INC.**

**FINANCIAL STATEMENTS**

**MARCH 31, 2015**

**(UNAUDITED)**

	<b>Page</b>
Balance Sheets	2
Statements of Operations	3
Statement of Stockholders' Equity	4
Statements of Cash Flow	5
Notes to Financial Statements	6





**LIGHTWAVE LOGIC, INC.****BALANCE SHEETS**

	<b>March 31,</b>	<b>December 31,</b>
	<b>2015</b>	<b>2014</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 2,338,849	\$ 3,165,940
Prepaid expenses and other current assets	114,206	128,227
	2,453,055	3,294,167
<b>PROPERTY AND EQUIPMENT - NET</b>	<b>462,146</b>	<b>375,227</b>
<b>OTHER ASSETS</b>		
Intangible assets - net	610,241	610,029
<b>TOTAL ASSETS</b>	<b>\$ 3,525,442</b>	<b>\$ 4,279,423</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 248,422	\$ 178,165
Accounts payable and accrued expenses- related parties	26,331	10,323
Accrued expenses	66,303	33,353
<b>TOTAL LIABILITIES</b>	<b>341,056</b>	<b>221,841</b>
<b>STOCKHOLDERS' EQUITY</b>		
Preferred stock, \$0.001 par value, 1,000,000 authorized, No shares issued or outstanding		
Common stock \$0.001 par value, 100,000,000 authorized, 58,408,020 and 58,381,854 issued and outstanding at March 31, 2015 and December 31, 2014	58,408	58,382
Additional paid-in-capital	40,945,358	40,753,189
Accumulated deficit	(37,819,380)	(36,753,989)
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>3,184,386</b>	<b>4,057,582</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$ 3,525,442</b>	<b>\$ 4,279,423</b>

See accompanying notes to these financial statements.



**LIGHTWAVE LOGIC, INC.**  
**STATEMENTS OF OPERATIONS**  
**FOR THE THREE MONTHS ENDING MARCH 31, 2015 AND 2014**  
**(UNAUDITED)**

	<b>For the Three Months Ending March 31,</b>	
	<b>2015</b>	<b>2014</b>
NET SALES	\$	\$ 2,500
<b>COST AND EXPENSE</b>		
Research and development	645,206	585,506
General and administrative	420,246	402,165
	1,065,452	987,671
<b>LOSS FROM OPERATIONS</b>	<b>(1,065,452)</b>	<b>(985,171)</b>
<b>OTHER INCOME (EXPENSE)</b>		
Interest income	61	61
Commitment fee and interest expense		(2,741)
<b>NET LOSS</b>	<b>\$ (1,065,391)</b>	<b>\$ (987,851)</b>
Basic and Diluted Loss per Share	\$ (0.02)	\$ (0.02)
Basic and Diluted Weighted Average Number of Shares	58,393,367	52,764,679

See accompanying notes to these financial statements.



**LIGHTWAVE LOGIC, INC.**  
**STATEMENT OF STOCKHOLDERS EQUITY**  
**MARCH 31, 2015**  
**(UNAUDITED)**

	<b>Number of Shares</b>		<b>Common Stock</b>		<b>Paid-in Capital</b>		<b>Accumulated Deficit</b>		<b>Total</b>
BALANCE AT DECEMBER 31, 2014 (AUDITED)	58,381,854	\$	58,382	\$	40,753,189	\$	(36,753,989)	\$	4,057,582
Common stock issued for services	26,166		26		21,224				21,250
Options issued for services					143,272				143,272
Warrants issued for services					27,673				27,673
Net loss for the three months ending March 31, 2015							(1,065,391)		(1,065,391)
BALANCE AT MARCH 31, 2015 (UNAUDITED)	58,408,020	\$	58,408	\$	40,945,358	\$	(37,819,380)	\$	3,184,386

See accompanying notes to these financial statements.



**LIGHTWAVE LOGIC, INC.**  
**STATEMENTS OF CASH FLOW**  
**FOR THE THREE MONTHS ENDING MARCH 31, 2015 AND 2014**  
**(UNAUDITED)**

	<b>For the Three Months Ending March 31,</b>	
	<b>2015</b>	<b>2014</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net loss	\$ (1,065,391)	\$ (987,851)
Adjustment to reconcile net loss to net cash used in operating activities		
Warrants issued for services	27,673	30,525
Stock options issued for services	143,272	190,634
Common stock issued for services and fees	21,250	2,743
Depreciation and amortization of patents	40,461	33,924
(Increase) decrease in assets		
Prepaid expenses and other current assets	14,021	19,354
Increase (decrease) in liabilities		
Accounts payable	70,257	130,006
Accounts payable and accrued expenses-related parties	16,008	18,235
Accrued expenses	32,950	42,220
Net cash used in operating activities	(699,499)	(520,210)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Cost of intangibles	(3,927)	(28,748)
Purchase of property and equipment	(123,665)	(58,059)
Net cash used in investing activities	(127,592)	(86,807)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Issuance of common stock, exercise of options and warrants		88,750
Issuance of common stock, institutional investor		177,660
Net cash provided by financing activities		266,410
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(827,091)</b>	<b>(340,607)</b>
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF PERIOD</b>	<b>3,165,940</b>	<b>2,270,704</b>

Edgar Filing: Lightwave Logic, Inc. - Form 10-Q

CASH AND CASH EQUIVALENTS - END OF PERIOD	\$	2,338,849	\$	1,930,097
---	----	-----------	----	-----------

See accompanying notes to these financial statements.



**LIGHTWAVE LOGIC, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**MARCH 31, 2015 AND 2014**

**NOTE 1- FINANCIAL STATEMENTS**

The accompanying unaudited financial statements have been prepared by Lightwave Logic, Inc. (the Company). These statements include all adjustments (consisting only of its normal recurring adjustments) which management believes necessary for a fair presentation of the statements and have been prepared on a consistent basis using the accounting policies described in the Summary of Accounting Policies included in the 2014 Annual Report. Certain financial information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States have been condensed or omitted pursuant to the rules and regulations of the Securities and Exchange Commission, although the Company firmly believes that the accompanying disclosures are adequate to make the information presented not misleading. The financial statements should be read in conjunction with the financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2014, as filed with the Securities and Exchange Commission. The interim operating results for the three months ending March 31, 2015 may not be indicative of operating results expected for the full year.

**Nature of Business**

Lightwave Logic, Inc. is a technology Company focused on the development of next generation photonic devices and non-linear optical polymer materials systems for applications in high speed fiber-optic data communications and optical computing markets. Currently the Company is in various stages of photonic device and materials development and evaluation with potential customers and strategic partners. The Company expects the next revenue stream to be in sales of non-linear optical polymers, prototype devices and product development agreements prior to moving into production.

The Company's current development activities are subject to significant risks and uncertainties, including failing to secure additional funding to operationalize the Company's technology now under development.

**Stock-based Payments**

The Company accounts for stock-based compensation under the provisions of FASB ASC 718, "Compensation - Stock Compensation" which requires the measurement and recognition of compensation expense for all stock-based awards made to employees and directors based on estimated fair values on the grant date. The Company estimates the fair value of stock-based awards on the date of grant using the Black-Scholes model. The value of the portion of the award that is ultimately expected to vest is recognized as expense over the requisite service periods using the straightline method. The Company accounts for stock-based compensation awards to nonemployees in accordance with FASB ASC 505-50, "Equity-Based Payments to Non-Employees ( ASC 505-50 ). Under ASC 505-50, the Company determines the fair value of the warrants or stock-based compensation awards granted as either the fair value of the consideration received or the fair value of the equity instruments issued, whichever is more reliably measurable. All issuances of stock options or other equity instruments to non-employees as consideration for goods or services received by the Company are accounted for based on the fair value of the equity instruments issued. Any stock options issued to non-employees are recorded as an expense and additional paid in capital in stockholders' equity over the applicable service periods.

### **Loss Per Share**

The Company follows Financial Accounting Standards Board Accounting Standards Codification ( FASB ASC ) 260, Earnings per Share , resulting in the presentation of basic and diluted earnings per share. Because the Company reported a net loss in 2015 and 2014, common stock equivalents, including stock options and warrants were anti-dilutive; therefore, the amounts reported for basic and dilutive loss per share were the same.

### **Comprehensive Income**

The Company follows FASB ASC 220.10, Reporting Comprehensive Income. Comprehensive income is a more inclusive financial reporting methodology that includes disclosure of certain financial information that historically has not been recognized in the calculation of net income. Since the Company has no items of other comprehensive income, comprehensive income (loss) is equal to net loss.

**LIGHTWAVE LOGIC, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**MARCH 31, 2015 AND 2014**

**NOTE 1- FINANCIAL STATEMENTS (CONTINUED)**

**Recently Adopted Accounting Pronouncements**

As of March 31, 2015 and for the period then ended, there were no recently adopted accounting pronouncements that had a material effect on the Company's financial statements.

**Recently Issued Accounting Pronouncements Not Yet Adopted**

As of March 31, 2015, there are no recently issued accounting standards not yet adopted which would have a material effect on the Company's financial statements.

**NOTE 2 MANAGEMENT'S PLANS**

As a technology company focusing on the development of the next generation photonic devices and non-linear optical polymer materials systems, substantial net losses have been incurred since inception. The Company has satisfied capital requirements since inception primarily through the issuance and sale of its common stock. The Company currently has a cash position of approximately \$1,675,000. Based upon the current cash position and expenditures of approximately \$295,000 per month and no debt service, management believes the Company has sufficient funds currently to finance its operations through October 2015. In June 2013, the Company signed an agreement with an institutional investor to sell up to \$20 million of common stock. Under the agreement subject to certain conditions and at the Company's sole discretion, the institutional investor has committed to invest up to \$20 million in the Company's common stock over a 30-month period with the remaining available amount of \$18,485,352. The Company filed a registration statement with the U.S. Securities and Exchange Commission covering the resale of the shares that may be issued to the institutional investor. Historically, the Company has successfully raised sufficient cash to fund its operations and is currently expected to close on a private placement in the near future.

**NOTE 3 PROPERTY AND EQUIPMENT**

Property and equipment consists of the following:

	<b>March 31,</b>		<b>December 31,</b>
	<b>2015</b>		<b>2014</b>
Office equipment	\$ 51,323	\$	51,322
Lab equipment	571,863		544,858
Furniture	20,482		18,782
Leasehold Improvements	231,859		136,900
	875,527		751,862
Less: Accumulated depreciation	413,381		376,635
	\$ 462,146	\$	375,227

Depreciation expense for the three months ending March 31, 2015 and 2014 was \$36,746 and \$30,209.

**LIGHTWAVE LOGIC, INC.****NOTES TO FINANCIAL STATEMENTS****MARCH 31, 2015 AND 2014****NOTE 4 INTANGIBLE ASSETS**

This represents legal fees and patent fees associated with the prosecution of patent applications. The Company has recorded amortization expenses on the Spacer and Chromophore patents granted by the United States Patent and Trademark Office in February 2011, April 2011 and September 2012, which are amortized over their legal life of 20 years and Chromophore patent granted by the Australian Patent Office in November 2012 which is amortized over its legal life of 20 years. Certain patent applications are abandoned by the Company when the claims are covered by patents already granted to the Company. Patent applications abandoned have been written off at full capitalized cost. No amortization expense has been recorded on the remaining patent applications since patents have yet to be granted. Once the patents are granted, the cost of the patents will be amortized over their legal lives, which is generally 20 years.

Patents consists of the following:

	<b>March 31,</b>		<b>December 31,</b>
	<b>2015</b>		<b>2014</b>
Patents	\$ 664,513	\$	660,586
Less: Accumulated amortization	54,272		50,557
	\$ 610,241	\$	610,029

Amortization expense for the three months ending March 31, 2015 and 2014 was \$3,715 and \$3,715. Expense for abandoned patents for claims covered by patents already granted to the Company are recorded in research and development expenses and for the three months ending March 31, 2015 and 2014 were \$0 and \$0.

**NOTE 5 INCOME TAXES**

There is no income tax benefit for the losses for the three months ended March 31, 2015 and 2014 since management has determined that the realization of the net deferred tax asset is not assured and has created a valuation allowance for the entire amount of such benefits.

The Company's policy is to record interest and penalties associated with unrecognized tax benefits as additional income taxes in the statement of operations. As of January 1, 2015, the Company had no unrecognized tax benefits, or any tax related interest or penalties. There were no changes in the Company's unrecognized tax benefits during the period ended March 31, 2015. The Company did not recognize any interest or penalties during 2015 related to unrecognized tax benefits. With few exceptions, the U.S. and state income tax returns filed for the tax years ending on December 31, 2011 and thereafter are subject to examination by the relevant taxing authorities.

## **NOTE 6 STOCKHOLDERS EQUITY**

### **Preferred Stock**

Pursuant to the Company's Articles of Incorporation, the Company's board of directors is empowered, without stockholder approval, to issue series of preferred stock with any designations, rights and preferences as they may from time to time determine. The rights and preferences of this preferred stock may be superior to the rights and preferences of the Company's common stock; consequently, preferred stock, if issued could have dividend, liquidation, conversion, voting or other rights that could adversely affect the voting power or other rights of the common stock. Additionally, preferred stock, if issued, could be utilized, under special circumstances, as a method of discouraging, delaying or preventing a change in control of the Company's business or a takeover from a third party.

**LIGHTWAVE LOGIC, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**MARCH 31, 2015 AND 2014**

**NOTE 6 STOCKHOLDERS EQUITY (CONTINUED)**

**Common Stock and Warrants**

In January 2010, the Company issued a warrant to purchase 650,000 shares of common stock at a purchase price of \$1.51 per share to a new member of its board of directors serving as the Company's full-time non-executive chair of the board of directors. Using the Black-Scholes Option Pricing Formula, the warrants were valued at \$1,188,000, fair value, vesting 162,500 immediately and the remaining in annual equal installments of 162,500 over the next three years. The warrant expires in 5 years. During 2011, the warrant to purchase 650,000 shares of common stock, of which 487,500 shares were vested, forfeited. For the year ending December 31, 2011 and 2010, the Company recognized \$306,765 and \$580,167 of expense. The warrant to purchase 487,500 shares of common stock expired in January 2015.

During June 2014, July 2014, August 2014, September 2014, October 2014, November 2014, December 2014, January 2015, February 2015 and March 2015, the Company issued 2,371, 2,081, 1,897, 2,121, 2,408, 2,322, 2,487, 2,524, 2,576, and 2,316 shares of common stock, respectively to a director serving as a member of the Company's Operations Committee valued each issuance at \$2,000, fair value. For the three month ending March 31, 2015, the Company recognized \$6,000 of expense. During April 2015, the Company issued 2,295 shares of common stock to the director serving as a member of the Company's Operations Committee valued at \$2,000, fair value.

In November 2014 and December, 2014, the Company issued 6,250 and 6,250 shares of common stock, respectively to a firm for investor relations services valued at \$5,437 and \$5,063, respectively, fair value. In January, February and March 2015, the Company issued 6,250, 6,250 and 6,250 shares of common stock, respectively valued at \$5,062, \$4,938 and \$5,250 fair value. For the three month ending March 31, 2015, the Company recognized \$15,250 of expense. In April 2015, the Company issued 6,250 shares of common stock valued at \$5,438.

In December 2014, the board of directors approved a grant to a senior advisor effective January 1, 2015 of a warrant to purchase up to 100,000 shares of common stock at a purchase price of \$0.77 per share. Using the Black-Scholes Option Pricing Formula, the warrant was valued at \$48,656, fair value. The warrant expires in 5 years and vests 25,000 immediately and the remaining in equal monthly installments of 7,500 over the next 10 months. The warrant is expensed over the vesting terms. For the three month ending March 31, 2015, the Company recognized \$11,997 of

expense. As of March 31, 2015, the warrants to purchase 100,000 shares of common stock are still outstanding.

In December 2014, the board of directors approved a grant to an employee effective January 1, 2015 to purchase 15,000 shares of common stock at a purchase price of \$0.77 per share. The options were valued at \$7,362 using the Black-Scholes Option Pricing Formula. The options expire in 10 years vesting 7,500 immediately and 7,500 in 3 months from the effective date of the option agreement. The options are expensed over the vesting terms. For the three month ending March 31, 2015, the Company recognized \$7,322 of expense. As of March 31, 2015, the options to purchase 15,000 shares of common stock are still outstanding.

In March 2015, the Company issued options to the Company's 5 independent directors to each purchase 50,000 shares of common stock at a purchase price of \$0.80 per share. The options were each valued at \$24,901 using the Black-Scholes Option Pricing Formula. The options expire in 10 years with 20,000 vesting immediately and the remainder vesting in quarterly equal installments of 10,000 commencing April 1, 2015. The options are expensed over the vesting terms. For the three month ending March 31, 2015, the Company recognized \$73,815 of expense. As of March 31, 2015, the options to purchase 250,000 shares of common stock are still outstanding.



**LIGHTWAVE LOGIC, INC.**

**NOTES TO FINANCIAL STATEMENTS**

**MARCH 31, 2015 AND 2014**

**NOTE 6 STOCKHOLDERS EQUITY (CONTINUED)**

**Common Stock and Warrants (Continued)**

In March 2015, the Company issued an option to an employee to purchase 2,500 shares of common stock at a purchase price of \$0.80 per share. The option was valued at \$1,231 using the Black-Scholes Option Pricing Formula. The option expires in 10 years vesting immediately. The option is expensed over the vesting terms. For the three month ending March 31, 2015, the Company recognized \$1,231 of expense. As of March 31, 2015, the options to purchase 2,500 shares of common stock are still outstanding.

In June 2013, the Company signed a Purchase Agreement and Registration Rights Agreement with an institutional investor to sell up to \$20,000,000 of common stock. Under the agreement subject to certain conditions and at the Company's sole discretion, the institutional investor has committed to invest up to \$20,000,000 in the Company's common stock over a 30-month period. The Company filed the registration statement with the U.S. Securities and Exchange Commission in September 2013. The institutional investor is obligated to make purchases as the Company directs in accordance with the agreement, which may be terminated by the Company at any time, without cost or penalty. Sales of shares will be made in specified amounts and at prices that are based upon the market prices of the Company's common stock immediately preceding the sales to the institutional investor. The Company issued 200,000 shares of restricted common stock to the institutional investor as an initial commitment fee valued at \$170,000, fair value and 400,000 shares of common stock are reserved for additional commitment fees to the institutional investor in accordance with the terms of the agreement. During June 2013 through December 2014, the institutional investor purchased 1,563,648 shares of common stock for proceeds of \$1,514,647 and the Company issued 23,272 shares of common stock as additional commitment fee, valued at \$24,745, fair value, leaving 376,728 in reserve for additional commitment fees. For the year ending December 31, 2014, the institutional investor purchased 1,063,648 shares of common stock for proceeds of \$1,036,148 and the Company issued 15,630 shares of common stock as additional commitment fee, valued at \$16,862, fair value. For the year ending December 31, 2013, the institutional investor purchased 500,000 shares of common stock for proceeds of \$478,500 and the Company issued 7,642 shares of common stock as additional commitment fee, valued at \$7,882, fair value.

**NOTE 7 STOCK BASED COMPENSATION**

The Company uses the Black-Scholes option pricing model to calculate the grant-date fair value of an award, with the following assumptions for 2015: no dividend yield, expected volatility, based on the Company's historical volatility, 72% to 79%, risk-free interest rate 1.60% to 1.66% and expected option life of 5 to 5.1 years.

As of March 31, 2015, there was \$334,813 of unrecognized compensation expense related to non-vested market-based share awards that is expected to be recognized through May 2017.

The following tables summarize all stock option and warrant activity of the Company during the three months ended March 31, 2015:

	<b>Non-Qualified Stock Options and Warrants Outstanding and Exercisable</b>		
	<b>Number of Shares</b>	<b>Exercise Price</b>	<b>Weighted Average Exercise Price</b>
Outstanding, December 31, 2014	11,819,600	\$0.63 - \$1.75	\$ 1.15
Granted	367,500	\$0.77 - \$0.80	\$ 0.79
Expired	(487,500)	\$1.51	\$ 1.51
Forfeited			
Exercised			
Outstanding, March 31, 2015	11,699,600	\$0.63 - \$1.75	\$ 1.12
Exercisable, March 31, 2015	11,077,097	\$0.63 - \$1.75	\$ 1.14

**LIGHTWAVE LOGIC, INC.****NOTES TO FINANCIAL STATEMENTS****MARCH 31, 2015 AND 2014****NOTE 7 STOCK BASED COMPENSATION (CONTINUED)**

The aggregate intrinsic value of options and warrants outstanding and exercisable as of March 31, 2015 was \$396,920. The aggregate intrinsic value is calculated as the difference between the exercise price of the underlying options and warrants and the closing stock price of \$.93 for our common stock on March 31, 2015.

Range of Exercise Prices	Non-Qualified Stock Options and Warrants Outstanding		Weighted Average Exercise Price of Options and Warrants Currently Exercisable
	Number Outstanding Currently Exercisable at March 31, 2015	Weighted Average Remaining Contractual Life	
\$0.63 - \$1.75	11,077,097	3.65 Years	\$1.14

**NOTE 8 RELATED PARTY**

At March 31, 2015 the Company had a legal accrual to a related party of \$21,004 and travel and office expense accruals of officers in the amount of \$5,327. At December 31, 2014 the Company had a legal accrual to related party of \$8,258 and travel and office expense accruals of officers in the amount of \$2,065.

**NOTE 9 RETIREMENT PLAN**

The Company established a 401(k) retirement plan covering all eligible employees beginning November 15, 2013. There were no contributions charged to expense in 2015 and 2014.

**NOTE 10 SUBSEQUENT EVENTS**

In May 2015, the Company increased the authorized shares of common stock from 100,000,000 to 250,000,000.

## Item 2

### Management's Discussion and Analysis of Financial Condition and Results of Operations

#### Overview

Lightwave Logic, Inc. (the **Company**) is a development stage, electro-optical device and organic nonlinear materials company. Our primary area of expertise is the chemical synthesis of chromophore dyes used in the development of organic Application Specific Electro-Optic Polymers (ASEOP) and organic Non-Linear All-Optical Polymers (NLAOP) that have high electro-optic and optical activity. Our family of materials are thermally and photo-chemically stable, which we believe could have utility across a broad range of applications in devices that address markets such as telecommunication, data communications, high-speed computing and photovoltaic cells.

Secondarily, our Company is developing proprietary electro-optical and all-optical devices utilizing the advanced capabilities of our materials for the application in the fields mentioned above.

Electro-optic devices convert data from electric signals into optical signals for use in communications systems and in optical interconnects for high-speed data transfer. We expect our patented and patent-pending optical materials (chromophores), when combined with selected polymers to make ASEOP and NLAOP material systems and when completed and tested, to be the core of the future generations of optical devices, modules, sub-systems and systems that we will develop or be licensed by electro-optic device manufacturers, such as telecommunications component and systems manufacturers, networking and switching suppliers, semiconductor companies, aerospace companies and government agencies.

Our ASEOP material systems are property-engineered at the molecular level (nanotechnology level) to meet the exacting thermal, environmental and performance specifications demanded by electro-optic devices. We believe that our patented and patent pending technologies will enable us to design polymer based material systems that are free from the numerous diverse and inherent flaws that plague competitive polymer technologies employed by other companies and research groups. We engineer our polymer based material systems with the intent to have temporal, thermal, chemical and photochemical stability within our patented and patent pending molecular chromophore architectures.

Our non-linear all optical NLAOP material systems have demonstrated resonantly enhanced third-order properties approximately 2,630 times larger than fused silica, which means that they are highly photo-optically active in the absence of an RF circuit. In this way they differ from other polymer technologies and are considered more advanced next-generation materials.

Our revenue model relies substantially on the assumption that we will be able to successfully develop our polymer based material systems and photonic device products, which will use our polymer based material systems, for applications within the industries named below. When appropriate, we intend to create specific materials for each of these applications and use our proprietary knowledge base to continue to enhance its discoveries.

- cloud computing and data centers
- telecommunications/data communications
- backplane optical interconnects
- photovoltaic cells
- medical applications
- satellite reconnaissance
- navigation systems
- radar applications
- optical filters
- special light modulators
- all-optical switches

To be successful, we must, among other things:

- Develop and maintain collaborative relationships with strategic partners;
- Continue to expand our research and development efforts for our products;
- Develop and continue to improve on our manufacturing processes and maintain stringent quality controls;
- Produce commercial quantities of our products at commercially acceptable prices;
- Rapidly respond to technological advancements;
- Attract, retain and motivate qualified personnel; and
- Obtain and retain effective intellectual property protection for our products and technology.

We believe that Moore's Law (a principle which states the number of transistors on a silicon chip doubles approximately every eighteen months) will create markets for our high-performance electro-optic materials and photonic device products.

## **Plan of Operation**

Since inception, we have been engaged primarily in the research and development of our polymer based material systems and photonic device products. We are devoting significant resources to engineer next-generation polymer based material systems for future applications to be utilized by electro-optic device manufacturers, such as telecommunications component and systems manufacturers, networking and switching suppliers, semiconductor companies, aerospace companies, government agencies and internal device development. We expect to continue to develop products that we intend to introduce to these rapidly changing markets and to seek to identify new markets. We expect to continue to make significant operating and capital expenditures for research and development activities.

As we move from a development stage company to a product supplier, we expect that our financial condition and results of operations will undergo substantial change. In particular, we expect to record both revenue and expense from product sales, to incur increased costs for sales and marketing and to increase general and administrative expense. Accordingly, the financial condition and results of operations reflected in our historical financial statements are not expected to be indicative of our future financial condition and results of operations.

Some of our more significant milestones that we achieved during 2014-2015 include:

In January 2014 we created a new methodology to combine multiple chromophores into a single polymer host that will significantly improve their ability to generate more powerful organic, nonlinear electro-optical polymer systems. The new synthetic chemistry process can enable multiple chromophores (dyes) to work in concert with each other within a single polymer host. This proprietary process has created two new material systems, which have demonstrated outstanding electro-optic values. In addition, we now have a significant amount of data on the thermal aging of our materials. We have demonstrated that our materials can withstand considerably more than 500 hours at 110 degrees C with little to no change in electro-optic activity in our materials, which is a significant milestone. To our knowledge, this is something that has not occurred before in any polymer. We are also concurrently coating prototype waveguides with our proprietary material system.

In February 2014 we received our first purchase order for our advanced organic nonlinear electro-optic polymer from Boulder Nonlinear Systems (BNS) of Boulder, Colorado in connection with the development of a next generation LADAR system. A LADAR system is a radar system that utilizes a pulse laser to calculate the distance to a target, but

is also capable of rendering a 3-D image. In the event BNS continues to move forward with the development of this LADAR system, we expect to receive additional purchase orders from BNS.

In March 2014 we began the process of manufacturing an advanced design Silicon Organic Hybrid Transceiver prototype and we released the completed chip design to the OpSIS Center at the University of Delaware who produced initial silicon chips, which were delivered to us in December 2014 and January 2015. We are currently qualifying and testing these chips for utilization in our Silicon Organic Transceiver. The initial application will target inter-data center interconnections of more than 10 kilometers. Our next design will utilize a different frequency and address the current bottleneck in the rack-to-server layer.

In April 2014 we entered into a sole worldwide license agreement with Corning Incorporated enabling us to integrate Corning's organic electro-optical chromophores into our portfolio of electro-optic polymer materials. The agreement allows us to use the licensed patents within a defined license field that includes communications, computing, power, and power storage applications utilizing the nonlinear optical properties of their materials. As a result of obtaining this license agreement, we created a new powerful and durable nonlinear organic electro-optical material that will be used in photonic device development and is based on our new multi-chromophore approach that allows two or more chromophores to work in concert. This multi-chromophore system has achieved a 50% increase in chromophore concentration, leading to higher electro-optical activity when compared to an equivalent single chromophore system. Repeated, multi-point measurements multi-chromophore system shows approximately twice the electro-optic effect of Lithium Niobate with excellent durability.



In August 2014 the University of Colorado successfully fabricated and tested a bleached electro-optic waveguide modulator designed and fabricated through a sponsored collaborative research agreement. The results of this initial bleached waveguide modulator correlated well with previous electro-optic thin film properties. These initial results of our first in-house device are significant to our entire device program and are an important starting point for modulators that are being developed for target markets. We have multiple generations of new materials that we will soon be optimizing for this specific design.

In October 2014 we submitted an order with Reynard Corporation to produce gold-layered fused silica substrates for our bleached waveguide modulators to be coated with several of our organic electro-optical polymers, which we received in early November and performance tested throughout December. Upon completion of our side-by-side comparative testing of our organic polymers versus duplicate silicon photonic devices, we will coat the gold-layered fused silica substrates with our proprietary polymers and begin to produce working demonstration prototype devices that we will use to present to potential customers and development partners. The bleached waveguide modulator represents our first commercially viable device, and targets metro networks (< 10Km) within large scale telecommunications and data communications networks and represents approximately a \$300MM per year market opportunity for us.

In December 2014 we subjected several blends of materials created by our multi-chromophore process to thermal aging tests that included lengthy exposure to high temperatures (85C and 110C) for 300 hours. The data collected indicated minimal loss of electro-optical activity (R33), even after over 500 hours at 110C. Extrapolated internal aging calculations indicated that our organic polymers are expected to provide decades of operational performance. These results exceed previously published efforts for other organic polymers.

In May 2015 we achieved operating capability of our in-house Class 100 Clean Room where we expect to complete the development of prototype photonic devices enabled by our advanced organic electro-optic polymer material systems in a timelier manner. Additionally, the Joint Institute for Laboratory Astrophysics (JILA) certified three of our employees, which allows us access to JILA's world class facility located at the University of Colorado, Boulder. Access to this facility provides us with better control over the quality of our development work and the speed at which it progresses.

Presently, we are continuing to move towards completion of our operating organic polymer-enabled waveguide modulator prototype using our new multi-chromophore material systems.

We ultimately intend to use our next-generation electro-optic polymer material systems and non-linear all-optical polymer material systems for future applications vital to the following industries. We expect to create specific materials for each of these applications as appropriate:

.

Cloud computing and data centers

.

Telecommunications/data communications

.

Backplane optical interconnects

.

Photovoltaic cells

.

Medical applications

.

Satellite reconnaissance

.

Navigation systems

.

Radar applications

.

Optical filters

.

Special light modulators

.

All-optical switches

In an effort to maximize our future revenue stream from our electro-optic polymer material systems and non-linear all-optical polymer material systems, our business model anticipates that our revenue stream will be derived from one or some combination of the following: (i) technology licensing for specific product applications; (ii) joint venture relationships with significant industry leaders; or (iii) the production and direct sale of our own photonic device components. Our objective is to be a leading provider of proprietary technology and know-how in the photonic device markets. In order to meet this objective, subject to successful testing of our technology and having available financial resources, we intend to:

.

Develop electro-optic polymer material systems and non-linear all-optical polymer material systems and photonic devices

.

Continue to develop proprietary intellectual property

.

Streamline our product development process

.

Develop a comprehensive marketing plan

.

Maintain/develop strategic relationships with government agencies, private firms, and academic institutions

.

Continue to attract and retain high level science and technology personnel to our Company

### **Our Proprietary Products in Development**

As part of a two-pronged marketing strategy, our Company is developing several devices, which are in various stages of development that utilize our organic nonlinear optical materials.

They include:

.

Bleached waveguide modulator

.

Ridge waveguide modulator

.

Slot waveguide modulator

.

Spatial light modulator

.

100 Gbps telecommunications modulator

.

200 Gbps datacomm/telecomm photonic transceiver

.

Integrated photonic system

Additionally, we must continue to create and maintain an infrastructure, including operational and financial systems, and related internal controls, and recruit qualified personnel. Failure to do so could adversely affect our ability to support our operations.

### **Capital Requirements**

As a development stage company, we do not generate revenues. We have incurred substantial net losses since inception. We have satisfied our capital requirements since inception primarily through the issuance and sale of our common stock.

### **Results of Operations**

#### **Comparison of three months ended March 31, 2015 to three months ended March 31, 2014**

##### *Revenues*

As a development stage company, we had revenues of \$0 during the three months ended March 31, 2015 and \$2,500 for the three months ended March 31, 2014. The Company is in various stages of material and photonic device development and evaluation with potential customers and strategic partners. We expect the next revenue stream to be in sale of nonlinear optical polymer materials, prototype devices, product development agreements prior to moving into production.

##### *Operating Expenses*

Our operating expenses were \$1,065,452 and \$987,671 for the three months ended March 31, 2015 and 2014, respectively, for an increase of \$77,781. This increase in operating expenses was due primarily to increases in salaries and wages, laboratory electro-optic device prototype, development and outsourced testing expenses, laboratory

materials and supplies, professional fees, consulting expenses, legal fees, investor relations expenses, rent and utility expenses, human resource support and 401(k) Plan processing fees offset by decreases in non-cash amortization of options and warrants, travel and lodging expenses.

Included in our operating expenses for the three months ended March 31, 2015 was \$645,206 for research and development expenses compared to \$585,506 for the three months ended March 31, 2014, for an increase of \$59,700. This is primarily due to increases in research and development salaries and wages, laboratory electro-optic devices prototype, development and outsourced testing expenses, laboratory materials and supplies, consulting expense and rent offset by decrease in research and development non-cash stock option and warrant amortization.

Research and development expenses currently consist primarily of compensation for employees engaged in internal research, product and application development activities; laboratory operations, internal and outsourced material and device testing and prototype electro-optic device design, development and processing work; costs; and related operating expenses.

We expect to continue to incur substantial research and development expense to develop and commercialize our electro-optic material platform. These expenses will increase as a result of accelerated development effort to support commercialization of our non-linear optical polymer materials technology; outsourcing work to build device prototypes; expanding and equipping in-house laboratories; hiring additional technical and support personnel; engaging a senior technical advisor; pursuing other potential business opportunities and collaborations; customer testing and evaluation; and incurring related operating expenses.

Laboratory material testing expense and electro-optic device development increased \$15,102 from \$98,547 for the three months ended March 31, 2014 to \$113,649 for the three months ended March 31, 2015. Laboratory materials and supplies also increased \$18,038 from \$22,884 for the three months ended March 31, 2014 to \$40,922 for the three months ended March 31, 2015.

Wages and salaries increased \$22,470 from \$211,272 for the three months ended March 31, 2014 to \$233,742 for the three months ended March 31, 2015.

Consulting expenses increased \$16,809 from \$5,785 for the three months ended March 31, 2014 to \$22,594 for the year ended March 31, 2015.

Research and development non-cash stock option amortization decreased \$40,883 from \$144,451 for the three months ended March 31, 2014 to \$103,568 for the three months ended March 31, 2015.

Rent and utilities increased \$11,965 from \$19,692 for the three months ended March 31, 2014 to \$31,657 for the three months ended March 31, 2015 due to the expansion of the corporate and lab facility in Colorado.

General and administrative expense consists primarily of compensation and support costs for management staff, and for other general and administrative costs, including executive, sales and marketing, investor relations, accounting and finance, legal, consulting and other operating expenses.

General and administrative expenses increased \$18,081 to \$420,246 for the three months ended March 31, 2015 compared to \$402,165 for the three months ended March 31, 2014. The increase is due primarily to increases in legal fees, professional fees, investor relations expenses, salaries and wages, human resource support and 401(k) Plan processing fees, offset by decreases in general and administrative non-cash amortization of options and warrants and

travel expenses.

General and Administrative wages and salaries increased \$1,723 from \$118,594 for the three months ended March 31, 2014 to \$120,317 for the three months ended March 31, 2015.

Professional fees increased \$10,500 to \$10,500 for the three months ending March 31, 2015 from \$0 for the three months ended March 31, 2014.

Legal fees increased \$11,016 to \$43,294 for the three months ending March 31, 2015 from \$32,278 for the three months ended March 31, 2014.

Investor relation expenses increased \$9,131 to \$27,998 for the three months ending March 31, 2015 from \$18,867 for the three months ended March 31, 2014.

Human resource support and 401(k) Plan processing fees increased \$1,589 to \$3,883 for the three months ending March 31, 2015 from \$2,294 for the three months ended March 31, 2014.

General and administrative non-cash stock option and warrant amortization decreased \$9,331 to \$67,377 for the three months ending March 31, 2015 from \$76,708 for the three months ended March 31, 2014.

Travel expenses decreased \$7,728 to \$12,912 for the three months ending March 31, 2015 from \$20,640 for the three months ended March 31, 2014.

We expect general and administrative expense to increase in future periods as we increase the level of corporate and administrative activity, including increases associated with our operation as a public company; and significantly increase expenditures related to the future production and sales of our products.





### *Net Loss*

Net loss was \$1,065,391 and \$987,851 for the three months ended March 31, 2015 and 2014, respectively, for an increase of \$77,540, due primarily to increases in salaries and wages, laboratory electro-optic device prototype, development and outsourced testing expenses, laboratory materials and supplies, professional fees, consulting expenses, legal fees, investor relations expenses, rent and utility expenses, human resource support and 401(k) Plan processing fees offset by decreases in non-cash amortization of options and warrants, travel and lodging expenses.

### **Significant Accounting Policies**

Our discussion and analysis of our financial condition and results of operations are based on our financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. On an ongoing basis, we evaluate our estimates based upon historical experience and various other assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Our actual results may differ materially from these estimates.

We believe our significant accounting policies affect our more significant estimates and judgments used in the preparation of our financial statements. Our Annual Report on Form 10-K for the year ended December 31, 2014 contains a discussion of these significant accounting policies. There have been no significant changes in our significant accounting policies since December 31, 2014. See our Note 1 in our unaudited financial statements for the three months ended March 31, 2015, as set forth herein for a complete discussion of our Company's accounting policies.

### **Liquidity and Capital Resources**

During the three months ended March 31, 2015, net cash used in operating activities was \$699,499 and net cash used in investing activities was \$127,592, which was due primarily to the Company's research and development activities and general and administrative expenditures. At March 31, 2015, our cash and cash equivalents totaled \$2,338,849, our assets totaled \$3,525,442, our liabilities totaled \$341,056, and we had stockholders' equity of \$3,184,386.

## Sources and Uses of Cash

Our future expenditures and capital requirements will depend on numerous factors, including: the progress of our research and development efforts; the rate at which we can, directly or through arrangements with original equipment manufacturers, introduce and sell products incorporating our polymer materials technology; the costs of filing, prosecuting, defending and enforcing any patent claims and other intellectual property rights; market acceptance of our products and competing technological developments; and our ability to establish cooperative development, joint venture and licensing arrangements. We expect that we will incur approximately \$3,540,000 of expenditures over the next 12 months. Our cash requirements are expected to increase at a rate consistent with the Company's path to revenue growth as we expand our activities and operations with the objective of commercializing our electro-optic polymer technology during 2016.

Our business does not presently generate the cash needed to finance our current and anticipated operations. We believe we have raised sufficient capital to finance our operations through October 2015, however, we will need to obtain additional future financing after that time to finance our operations until such time that we can conduct profitable revenue-generating activities. Such future sources of financing may include cash from equity offerings, exercise of stock options, warrants and proceeds from debt instruments; but we cannot assure you that such equity or borrowings will be available or, if available, will be at rates or prices acceptable to us. Presently, we expect to be able to begin closing on a private placement of our securities in the near future.

In June 2013 we signed a stock purchase agreement with Lincoln Park to sell up to \$20 million of common stock whereby subject to certain conditions and at our sole discretion, Lincoln Park has committed to purchase up to \$20 million of our common stock over a 30-month period. We registered for resale by Lincoln Park 10,000,000 shares of our common stock in October 2013. Pursuant to the stock purchase agreement, Lincoln Park is obligated to make purchases as the Company directs in accordance with the purchase agreement, which may be terminated by the Company at any time, without cost or penalty. Sales of shares will be made in specified amounts and at prices that are based upon the market prices of our Company's common stock immediately preceding the sales to Lincoln Park. We expect this financing to provide our Company with sufficient funds to maintain its operations for the foreseeable future. With the additional capital, we expect to achieve a level of revenues attractive enough to fulfill our development activities and adequate enough to support our business model for the foreseeable future. We cannot assure you that we will meet the conditions of the stock purchase agreement with Lincoln Park in order to obligate Lincoln Park to purchase our shares of common stock. In the event we fail to do so, and other adequate funds are not available to satisfy either short-term or long-term capital requirements, or if planned revenues are not generated, we may be required to substantially limit our operations. This limitation of operations may include reductions in capital expenditures and reductions in staff and discretionary costs.

There are no trading volume requirements or restrictions under the new stock purchase agreement, and we will control the timing and amount of any sales of our common stock to Lincoln Park. Lincoln Park has no right to require any sales by us, but is obligated to make purchases from us as we direct in accordance with the purchase agreement. We can also accelerate the amount of common stock to be purchased under certain circumstances. There are no limitations on use of proceeds, financial or business covenants, restrictions on future funding, rights of first refusal, participation rights, penalties or liquidated damages in the purchase agreement. We may terminate the stock purchase agreement at any time, at our discretion, without any penalty or cost to us. Lincoln Park may not assign or transfer its rights and obligations under stock the purchase agreement.

We expect that our cash used in operations will increase during 2015 and beyond as a result of the following planned activities:

.

The addition of management, sales, marketing, technical and other staff to our workforce;

.

Increased spending for the expansion of our research and development efforts, including purchases of additional laboratory and production equipment;

.

Increased spending in marketing as our products are introduced into the marketplace;

Developing and maintaining collaborative relationships with strategic partners;

Developing and improving our manufacturing processes and quality controls; and

Increases in our general and administrative activities related to our operations as a reporting public company and related corporate compliance requirements.

### **Analysis of Cash Flows**

For the three months ended March 31, 2015

Net cash used in operating activities was \$699,499 for the three months ended March 31, 2015, primarily attributable to the net loss of \$1,065,391 adjusted by \$27,673 in warrants issued for services, \$143,272 in options issued for services, \$21,250 in common stock issued for services, \$40,461 in depreciation expenses and patent amortization expenses, \$14,021 in prepaid expenses and \$119,215 in accounts payable and accrued expenses. Net cash used in operating activities consisted of payments for research and development, legal, professional and consulting expenses, rent and other expenditures necessary to develop our business infrastructure.

Net cash used by investing activities was \$127,592 for the three months ended March 31, 2015, consisting of \$3,927 in cost for intangibles and \$123,665 in asset additions primarily for the new lab facility and clean room.

### **Inflation and Seasonality**

We do not believe that our operations are significantly impacted by inflation. Our business is not seasonal in nature.



**Item 4**

**Controls and Procedures**

*Evaluation of Disclosure Controls and Procedures.* The Company's management, with the participation of the Company's Principal Executive Officer and Principal Financial Officer, evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended) as of March 31, 2015. Based on this evaluation, the Company's Principal Executive Officer and Principal Financial Officer concluded that, as of March 31, 2015 the Company's disclosure controls and procedures were effective, in that they provide reasonable assurance that information required to be disclosed by the Company in the reports that it files or submits under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and is accumulated and communicated to the Company's management, including the Company's Principal Executive Officer and Principal Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

*Changes in Internal Control Over Financial Reporting.* There were no changes in our internal control over financial reporting during the quarter ended March 31, 2015 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## PART II OTHER INFORMATION

### Item 2

#### Unregistered Sales of Equity Securities and Use of Proceeds

Date	Security/Value
January 2015	Warrant right to buy 100,000 shares of common stock at \$0.77 per share issued for services.
January 2015	Option right to buy 15,000 shares of common stock at \$0.77 per share issued for services.
January 2015	Common Stock 2,524 shares of common stock at \$0.79 per share issued for services.
January 2015	Common Stock 6,250 shares of common stock at \$0.81 per share issued for services.
February 2015	Common Stock 2,576 shares of common stock at \$0.77 per share issued for services.
February 2015	Common Stock 6,250 shares of common stock at \$0.79 per share issued for services.
March 2015	Common Stock 2,316 shares of common stock at \$0.86 per share issued for services.
March 2015	Common Stock 6,250 shares of common stock at \$0.84 per share issued for services.
March 2015	Options right to buy 252,500 shares of common stock at \$0.80 per share issued for services.

No underwriters were utilized and no commissions or fees were paid with respect to any of the above transactions. We relied on Section 4(a)(2) of the Securities Act of 1933, as amended, since the transactions did not involve any public offering.

### Item 5

#### Other Information

In March 2015 the Company amended its Code of Ethics to add Section 10.5 Whistleblower Policy. The Company's Code of Ethics, as amended, is located on the Company's website at [www.lightwavelogic.com](http://www.lightwavelogic.com).

### Item 6

#### Exhibits

The following exhibits are included herein:



<b>Exhibit No.</b>	<b>Description of Exhibit</b>	<b>Location</b>
31.1	Certification pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended, executed by the Principal Executive Officer of the Company.	Filed herewith
31.2	Certification pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended, executed by the Principal Financial Officer of the Company.	Filed herewith
32.1	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, executed by the Principal Executive Officer of the Company.	Filed herewith
32.2	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, executed by the Principal Financial Officer of the Company.	Filed herewith
101	XBRL	

**SIGNATURES**

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

**LIGHTWAVE LOGIC, INC.**

Registrant

By: /s/ Thomas E. Zelibor  
Thomas E. Zelibor,  
Chief Executive Officer  
(Principal Executive Officer)

Date: May 15, 2015

By: /s/ James S. Marcelli  
James S. Marcelli,  
President, Chief Operating Officer  
(Principal Financial Officer)

Date: May 15, 2015

