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, 2017

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

For the transition period from _____to _____

Commission file number: 000-55473

BIOSIG TECHNOLOGIES, INC.

(Exact name of registrant as specified in its charter)

Delaware	**26-4333375**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

8441 Wayzata Blvd, Suite 240
Minneapolis, MN 55426
(Address of principal executive offices) (zip code)

(763) 999-7331
(Registrant's telephone number, including area code)

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

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

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

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☒
Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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

As of May 9, 2017, there were 25,186,718 shares of registrant's common stock outstanding.

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PART 1 – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

BIOSIG TECHNOLOGIES, INC.
CONDENSED BALANCE SHEETS

	March 31, 2017 (unaudited)	December 31, 2016
ASSETS		
Current assets:		
Cash	$ 1,244,126	$ 1,055,895
Prepaid expenses	161,777	134,263
Total current assets	1,405,903	1,190,158
Property and equipment, net	22,739	24,188
Other assets:		
Deposits	27,612	27,612
Total assets	$ 1,456,254	$ 1,241,958
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable and accrued expenses, including $6,837 and $15,755 to related parties as of March 31, 2017 and December 31, 2016, respectively	$ 582,048	$ 373,103
Dividends payable	383,636	359,891
Warrant liability	2,302,275	1,937,234
Derivative liability	297,504	288,934
Total current liabilities	3,565,463	2,959,162
Series C Preferred Stock, 1,070 shares issued and outstanding; liquidation preference of $1,070,000 as of March 31, 2017 and December 31, 2016	1,070,000	1,070,000
Stockholders' deficit		
Preferred stock, $0.001 par value, authorized 1,000,000 shares, designated 200 shares of Series A, 600 shares of Series B and 4,200 shares of Series C Preferred Stock		
Common stock, $0.001 par value, authorized 200,000,000 shares, 24,405,863 and 22,588,184 issued and outstanding as of March 31, 2017 and December 31, 2016, respectively	24,406	22,588
Additional paid in capital	43,898,053	41,019,251
Accumulated deficit	(47,101,668)	(43,829,043)
Total stockholders' deficit	(3,179,209)	(2,787,204)
Total liabilities and stockholders' deficit	$ 1,456,254	$ 1,241,958

See the accompanying notes to the unaudited condensed financial statements

BIOSIG TECHNOLOGIES, INC.
CONDENSED STATEMENTS OF OPERATIONS
(unaudited)

	Three months ended March 31, 2017	2016
Operating expenses:		
Research and development	$ 1,338,604	$ 372,426
General and administrative	1,557,341	1,939,148
Depreciation	3,069	2,908
Total operating expenses	2,899,014	2,314,482
Loss from operations	(2,899,014)	(2,314,482)
Other income (expense):		
Loss on change in fair value of derivatives	(373,611)	(268,425)
Loss before income taxes	(3,272,625)	(2,582,907)
Income taxes (benefit)	-	-
Net loss	(3,272,625)	(2,582,907)
Preferred stock dividend	(23,745)	(32,244)
NET LOSS AVAILABLE TO COMMON STOCKHOLDERS	$ (3,296,370)	$ (2,615,151)
Net loss per common share, basic and diluted	$ (0.14)	$ (0.15)
Weighted average number of common shares outstanding, basic and diluted	23,051,872	17,074,329

See the accompanying notes to the unaudited condensed financial statements

BIOSIG TECHNOLOGIES, INC.
CONDENSED STATEMENT OF STOCKHOLDERS' DEFICIT
THREE MONTHS ENDED MARCH 31, 2017

	Common stock		Additional Paid in	Accumulated	
	Shares	Amount	Capital	Deficit	Total
Balance, December 31, 2016	22,588,184	$ 22,588	$ 41,019,251	$ (43,829,043)	$ (2,787,204)
Sale of common stock	1,322,929	1,323	1,798,369	-	1,799,692
Common stock issued for services	325,000	325	453,424	-	453,749
Fair value of warrant issued to acquire research and development	-	-	543,927	-	543,927
Stock based compensation	169,750	170	106,827	-	106,997
Preferred stock dividend	-	-	(23,745)	-	(23,745)
Net loss	-	-	-	(3,272,625)	(3,272,625)
Balance, March 31, 2017 (unaudited)	24,405,863	$ 24,406	$ 43,898,053	$ 47,101,668)	$ (3,179,209)

See the accompanying notes to the unaudited condensed financial statements

BIOSIG TECHNOLOGIES, INC.
CONDENSED STATEMENTS OF CASH FLOWS
(unaudited)

	Three months ended March 31, 2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (3,272,625)	$ (2,582,907)
Adjustments to reconcile net loss to cash used in operating activities:		
Depreciation	3,069	2,908
Change in derivative liabilities	373,611	268,425
Equity based compensation	560,746	1,119,319
Fair value of issued warrant to acquire research and development	543,927	-
Changes in operating assets and liabilities:		
Prepaid expenses	(27,514)	20,017
Accounts payable	209,466	4,314
Deferred rent payable	(521)	303
Net cash used in operating activities	(1,609,841)	(1,167,621)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	(1,620)	-
Net cash used in investing activity	(1,620)	-
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from sale of common stock	1,799,692	352,000
Net cash provided by financing activities	1,799,692	352,000
Net increase (decrease) in cash and cash equivalents	188,231	(815,621)
Cash and cash equivalents, beginning of the period	1,055,895	953,234
Cash and cash equivalents, end of the period	$ 1,244,126	$ 137,613
Supplemental disclosures of cash flow information:		
Cash paid during the period for interest	$ -	$ -
Cash paid during the period for income taxes	$ -	$ -
Non-cash investing and financing activities:		
Common stock issued upon conversion of Series C Preferred Stock and accrued dividends	$ -	$ 80,248
Reclassify fair value of derivative liability to equity	$ -	$ 11,938

See the accompanying notes to the unaudited condensed financial statements

BIOSIG TECHNOLOGIES, INC.
NOTES TO THE CONDENSED FINANCIAL STATEMENTS
MARCH 31, 2017
(unaudited)

NOTE 1 – NATURE OF OPERATIONS AND BASIS OF PRESENTATION

BioSig Technologies Inc. (the "Company") was initially incorporated on February 24, 2009 under the laws of the State of Nevada and subsequently re-incorporated in the state of Delaware in 2011. The Company is principally devoted to improving the quality of cardiac recordings obtained during EP studies and catheter ablation procedures. The Company has not generated any revenue to date and consequently its operations are subject to all risks inherent in the establishment of a new business enterprise.

The unaudited condensed interim financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP") for interim financial information and the instructions to Form 10-Q and Rule 8-03 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included.

The condensed balance sheet as of December 31, 2016 has been derived from audited financial statements.

Operating results for the three months ended March 31, 2017 are not necessarily indicative of results that may be expected for the year ending December 31, 2017. These condensed financial statements should be read in conjunction with the audited financial statements for the year ended December 31, 2016 filed with the Company's Form 10-K with the Securities and Exchange Commission on March 30, 2017.

NOTE 2 – GOING CONCERN AND MANAGEMENT'S LIQUIDITY PLANS

As of March 31, 2017, the Company had cash of $1,244,126 and working capital deficit (current liabilities in excess of current assets) of $2,159,560 principally due to the inclusion of non-cash derivative and warrant liabilities recorded in current liabilities. In addition, the Company raised approximately $1,800,000 in three months ended March 31, 2017 through the sale of common stock and warrants and approximately $865,000 subsequent to March 31, 2017 (See Note 12). As of March 31, 2017, excluding the derivative and warrant liabilities, the Company's working capital would have been $440,219. During the three months ended March 31, 2017, the Company used net cash in operating activities of $1,609,841. These conditions raise substantial doubt about the Company's ability to continue as a going concern. Management believes that the Company has sufficient funds to meet its research and development and other funding requirements for at least the next 4 months.

The Company's primary source of operating funds since inception has been cash proceeds from private placements of common and preferred stock. The Company has experienced net losses and negative cash flows from operations since inception and expects these conditions to continue for the foreseeable future. The Company has stockholders' deficiencies at March 31, 2017 and requires additional financing to fund future operations. Further, the Company does not have any commercial products available for sale and there is no assurance that if approval of their products is received that the Company will be able to generate cash flow to fund operations. In addition, there can be no assurance that the Company's research and development will be successfully completed or that any product will be approved or commercially viable.

Accordingly, the accompanying financial statements have been prepared in conformity with U.S. GAAP, which contemplates 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 condensed financial statements do not include any adjustment that might result from the outcome of this uncertainty.

BIOSIG TECHNOLOGIES, INC.
NOTES TO THE CONDENSED FINANCIAL STATEMENTS
MARCH 31, 2017
(unaudited)

NOTE 3 –SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates include the recoverability and useful lives of long-lived assets, the fair value of the Company's stock, stock-based compensation, fair values relating to warrant and other derivative liabilities and the valuation allowance related to deferred tax assets. Actual results may differ from these estimates.

Fair Value of Financial Instruments

Accounting Standards Codification subtopic 825-10, Financial Instruments ("ASC 825-10") requires disclosure of the fair value of certain financial instruments. The carrying value of cash and cash equivalents, accounts payable and accrued liabilities as reflected in the balance sheets, approximate fair value because of the short-term maturity of these instruments. All other significant financial assets, financial liabilities and equity instruments of the Company are either recognized or disclosed in the financial statements together with other information relevant for making a reasonable assessment of future cash flows, interest rate risk and credit risk. Where practicable the fair values of financial assets and financial liabilities have been determined and disclosed; otherwise only available information pertinent to fair value has been disclosed.

The Company follows Accounting Standards Codification subtopic 820-10, Fair Value Measurements and Disclosures ("ASC 820-10") and Accounting Standards Codification subtopic 825-10, Financial Instruments ("ASC 825-10"), which permits entities to choose to measure many financial instruments and certain other items at fair value.

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 March 31, 2017 and December 31, 2016, the Company did not have any derivative instruments that were designated as hedges.

At March 31, 2017 and December 31, 2016, the Company had outstanding preferred stock and warrants that contained embedded derivatives. These embedded derivatives include certain conversion features and reset provisions. (See Note 6 and Note 7).

Research and development costs

The Company accounts for research and development costs in accordance with the Accounting Standards Codification subtopic 730-10, Research and Development ("ASC 730-10"). Under ASC 730-10, all research and development costs must be charged to expense as incurred. Accordingly, internal research and development costs are expensed as incurred. Third-party research and developments costs are expensed when the contracted work has been performed or as milestone results have been achieved. Company-sponsored research and development costs related to both present and future products are expensed in the period incurred. The Company incurred research and development expenses of $1,338,604 and $372,426 for the three months ended March 31, 2017 and 2016, respectively.

BIOSIG TECHNOLOGIES, INC.
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Net Earnings (Loss) Per Common Share

The Company computes earnings (loss) per share under Accounting Standards Codification subtopic 260-10, Earnings Per Share ("ASC 260-10"). Net loss per common share is computed by dividing net loss by the weighted average number of shares of common stock outstanding during the year. Diluted earnings per share, if presented, would include the dilution that would occur upon the exercise or conversion of all potentially dilutive securities into common stock using the "treasury stock" and/or "if converted" methods as applicable.

The computation of basic and diluted loss per share as of March 31, 2017 and 2016 excludes potentially dilutive securities when their inclusion would be anti-dilutive, or if their exercise prices were greater than the average market price of the common stock during the period.

Potentially dilutive securities excluded from the computation of basic and diluted net loss per share are as follows:

	March 31, 2017	March 31, 2016
Series C convertible preferred stock	713,333	930,667
Options to purchase common stock	8,245,190	7,780,190
Warrants to purchase common stock	10,419,655	7,221,685
Totals	19,378,178	15,932,542

Stock Based Compensation

The Company measures the cost of services received in exchange for an award of equity instruments based on the fair value of the award. For employees and directors, the fair value of the award is measured on the grant date and for non-employees, the fair value of the award is generally re-measured on vesting dates and interim financial reporting dates until the service period is complete. The fair value amount is then recognized over the period during which services are required to be provided in exchange for the award, usually the vesting period.

As of March 31, 2017, the Company had 8,245,190 options outstanding to purchase shares of common stock, of which 7,200,928 were vested.

As of December 31, 2016, the Company had 8,245,190 options outstanding to purchase shares of common stock, of which 7,028,639 were vested.

Income Taxes

The Company follows Accounting Standards Codification subtopic 740-10, Income Taxes ("ASC 740-10") for recording the provision for income taxes. Deferred tax assets and liabilities are computed based upon the difference between the financial statement and income tax basis of assets and liabilities using the enacted marginal tax rate applicable when the related asset or liability is expected to be realized or settled. Deferred income tax expenses or benefits are based on the changes in the asset or liability during each period. If available evidence suggests that it is more likely than not that some portion or all of the deferred tax assets will not be realized, a valuation allowance is required to reduce the deferred tax assets to the amount that is more likely than not to be realized. Future changes in such valuation allowance are included in the provision for deferred income taxes in the period of change. Deferred income taxes may arise from temporary differences resulting from income and expense items reported for financial accounting and tax purposes in different periods.

BIOSIG TECHNOLOGIES, INC.
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Deferred taxes are classified as current or non-current, depending on the classification of assets and liabilities to which they relate. Deferred taxes arising from temporary differences that are not related to an asset or liability are classified as current or non-current depending on the periods in which the temporary differences are expected to reverse and are considered immaterial.

Registration Rights

The Company accounts for registration rights agreements in accordance with the Accounting Standards Codification subtopic 825-20, Registration Payment Arraignments ("ASC 825-20"). Under ASC 825-20, the Company is required to disclose the nature and terms of the arraignment, the maximum potential amount and to assess each reporting period the probable liability under these arraignments and, if exists, to record or adjust the liability to current period operations.

Beginning on October 28, 2016, the Company entered into subscription agreements with certain accredited investors pursuant to which the Company sold to the investors units, which each unit consisting of one share of the Company's common stock and a warrant to purchase one half of one share of common stock (the "*Private Placement*"). In connection with the Private Placement, the Company also entered into a registration rights agreements with the investors, pursuant to which the Company agreed to provide certain registration rights with respect to the common stock and warrants issued under the Private Placement. The registration rights agreements require the Company to file a registration statement within 45 calendar days upon the final closing under the Private Placement and to be effective 120 calendar days thereafter. The final closing under the Private Placement occurred on March 31, 2017. The Company has estimated the liability under the registration rights agreement at $-0- as of March 31, 2017.

Recent Accounting Pronouncements

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

Subsequent Events

The Company evaluates events that have occurred after the balance sheet date but before the financial statements are issued. Based upon the evaluation, the Company did not identify any recognized or non-recognized subsequent events that would have required adjustment or disclosure in the condensed financial statements, except as disclosed.

NOTE 4 – PROPERTY AND EQUIPMENT

Property and equipment as of March 31, 2017 and December 31, 2016 is summarized as follows:

	March 31, 2017	December 31, 2016
Computer equipment	$ 86,324	$ 84,704
Furniture and fixtures	10,117	10,117
Subtotal	96,441	94,821
Less accumulated depreciation	(73,702)	(70,633)
Property and equipment, net	$ 22,739	$ 24,188

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(unaudited)

Property and equipment are stated at cost and depreciated using the straight-line method over their estimated useful lives of 3 to 5 years. When retired or otherwise disposed, the related carrying value and accumulated depreciation are removed from the respective accounts and the net difference less any amount realized from disposition, is reflected in earnings.

Depreciation expense was $3,069 and $2,908 for the three months ended March 31, 2017 and 2016, respectively.

NOTE 5 – ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses at March 31, 2017 and December 31, 2016 consist of the following:

	March 31, 2017	December 31, 2016
Accrued accounting and legal	$ 142,810	$ 120,464
Accrued reimbursements	9,885	43,116
Accrued consulting	18,266	1,192
Accrued research and development expenses	392,601	181,884
Accrued office and other	2,762	10,202
Deferred rent	2,391	2,912
Accrued settlement related to arbitration	13,333	13,333
	$ 582,048	$ 373,103

NOTE 6 – SERIES C 9% CONVERTIBLE PREFERRED STOCK

On January 9, 2013, the Board of Directors authorized the issuance of up to 4,200 shares of 9% Series C Convertible Preferred Stock (the "Series C Preferred Stock").

The Series C Preferred Stock is entitled to preference over holders of junior stock upon liquidation in the amount of $1,000 plus any accrued and unpaid dividends; entitled to dividends as a preference to holders of junior stock at a rate of 9% per annum of the stated value of $1,000 per share, payable quarterly beginning on September 30, 2013 and are cumulative. The holders of the Series C Preferred Stock vote together with the holders of our common stock on an as-converted basis, but may not vote the Series C Preferred Stock in excess of the beneficial ownership limitation of the Series C Preferred Stock. The beneficial ownership limitation is 4.99% of our then outstanding shares of common stock following such conversion or exercise, which may be increased to up to 9.99% of our then outstanding shares of common stock following such conversion or exercise upon the request of an individual holder. The beneficial ownership limitation is determined on an individual holder basis, such that the as-converted number of shares of one holder is not included in the shares outstanding when calculating the limitation for a different holder.

In addition, absent the approval of holders representing at least 67% of the outstanding shares of the Series C Preferred Stock, we may not (i) increase the number of authorized shares of preferred stock, (ii) amend our charter documents, including the terms of the Series C Preferred Stock, in any manner adverse to the holders of the Series C Preferred Stock, including authorizing or creating any class of stock ranking senior to, or otherwise pari passu with, the shares of Series C Preferred Stock as to dividends, redemption or distribution of assets upon a liquidation, or (iii) perform certain covenants, including:

- incur additional indebtedness;
- permit liens on assets;
- repay, repurchase or otherwise acquire more than a de minimis number of shares of capital stock;
- pay cash dividends to our stockholders; and
- engage in transactions with affiliates.

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Any holder of Series C Preferred Stock is entitled at any time to convert any whole or partial number of shares of Series C Preferred Stock into shares of our common stock at a price of $1.50 per share. The Series C Preferred Stock is subject to full ratchet anti-dilution price protection upon the issuance of equity or equity-linked securities at an effective common stock purchase price of less than $1.50 per share as well as other customary anti-dilution protection.

In the event that:

(i) we fail to, or announce our intention not to, deliver common stock share certificates upon conversion of our Series C Preferred Stock prior to the seventh trading day after such shares are required to be delivered,
(ii) we fail for any reason to pay in full the amount of cash due pursuant to our failure to deliver common stock share certificates upon conversion of our Series C Preferred Stock within five calendar days after notice therefor is delivered,
(iii) we fail to have available a sufficient number of authorized and unreserved shares of common stock to issue upon a conversion of our Series C Preferred Stock,
(iv) we fail to observe or perform any other covenant, agreement or warranty contained in, or otherwise commit any breach of our obligations under, the securities purchase agreement, the registration rights agreement, the certificate of designation or the warrants entered into pursuant to the private placement transaction for our Series C Preferred Stock, which failure or breach could have a material adverse effect, and such failure or breach is not cured within 30 calendar days after written notice was delivered,
(v) we are party to a change of control transaction,
(vi) we file for bankruptcy or a similar arrangement or are adjudicated insolvent,
(vii) we are subject to a judgment, including an arbitration award against us, of greater than $100,000, and such judgment remains unvacated, unbonded or unstayed for a period of 45 calendar days,

The holders of the Series C Preferred Stock are entitled, among other rights, to redeem their shares of Series C Preferred Stock at any time for greater than their stated value or increase the dividend rate on their shares of Series C Preferred Stock to 18%. The Company determined that certain of the defined triggering events were outside the Company's control and therefore classified the Series C Preferred Stock outside of equity.

In connection with the sale of the Series C preferred stock, the Company issued an aggregate of 1,330,627 warrants to purchase the Company's common stock at $2.61 per share expiring five years from the initial exercise date. The warrants contain full ratchet anti-dilution price protection upon the issuance of equity or equity-linked securities at an effective common stock purchase price of less than $2.61 per share as well as other customary anti-dilution protection. The warrants are exercisable for cash; or if at any time after six months from the issuance date, there is no effective registration statement registering the resale, or no current prospectus available for the resale, of the shares of common stock underlying the warrants, the warrants may be exercised by means of a "cashless exercise".

As a result of an amendment to the conversion price of our Series C Preferred Stock, the full-ratchet anti-dilution protection provision of the warrants decreased the exercise price of the warrants from $2.61 per share to $1.50 per share and increased the aggregate number of shares issuable under the warrants to 2,315,301.

In accordance with ASC 470-20, at issuance, the Company recognized an embedded beneficial conversion feature present in the Series C Preferred Stock when it was issued. The Company allocated the net proceeds between the intrinsic value of the conversion option ($1,303,671) and the warrants ($1,064,739) to additional paid-in capital. The aggregate debt discount, comprised of the relative intrinsic value of the conversion option ($1,303,671), the relative fair value of the warrants ($1,064,739), and the issuance costs ($412,590), for a total of $2,781,000, is amortized over an estimated one year as interest expense.

BIOSIG TECHNOLOGIES, INC.
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(unaudited)

During the month of February 2013, the holders of previously issued convertible bridge notes converted into 600 shares of the Company's Series C Preferred Stock.

During the months of February, March, May, and July 2013, the Company sold an aggregate of 2,181 shares of the Company's Series C Preferred Stock for net proceeds of $1,814,910.

At the time of issuance and until March 31, 2015, the Company determined that the anti-dilutive provisions embedded in the Series C Preferred Stock and related issued warrants did not meet the defined criteria of a derivative in such that the net settlement requirement of delivery of common shares does not meet the "readily convertible to cash" as described in Accounting Standards Codification 815 and therefore bifurcation is not required. There was no established market for the Company's common stock. As described in Note 7, as of March 31, 2015, the Company determined a market had been established for the Company's common stock and accordingly, reclassified the fair value of the embedded reset provisions of the Series C Preferred Stock and warrants of $1,242,590 and $4,097,444, respectively, from equity to liabilities.

At March 31, 2015, the Company valued the reset provisions of the Series C Preferred Stock and warrants in accordance with ASC 470-20 using the Multinomial Lattice pricing model and the following assumptions: contractual terms of 2.78 to 3.50 years, a risk free interest rate of 0.56% to 0.89%, a dividend yield of 0%, and volatility of 141.00%.

During January 2015, the Company issued an aggregate of 42,334 shares of its common stock in exchange for 50 shares of the Company's Series C Preferred Stock and accrued dividends.

During March 2015, the Company issued an aggregate of 169,334 shares of its common stock in exchange for 200 shares of the Company's Series C Preferred Stock and accrued dividends.

In April 2015, the Company issued an aggregate of 152,401 shares of its common stock in exchange for 180 shares of the Company's Series C Preferred Stock and accrued dividends.

On May 11, 2015, the Company sold an aggregate of 450 shares of its Series C Preferred Stock for net proceeds of $450,000. In connection with the sale, the Company issued 374,641 warrants to purchase the Company's common stock at an exercise price of $1.50 per share for five years with certain reset provisions as described above. The Company determined the initial fair values of the embedded beneficial conversion feature of the Series C Preferred Stock and the reset provisions of the related issued warrants $506,348 and $334,784, respectively, using a Multinomial Lattice pricing model and the following assumptions: estimated contractual terms of 2.00 years, a risk free interest rate of 0.25%, a dividend yield of 0%, and volatility of 140.00%. The determined fair values were recorded as liabilities and a charge to current period operations.

In May 2015, the Company issued an aggregate of 273,473 shares of its common stock in exchange for 323 shares of the Company's Series C Preferred Stock and accrued dividends.

In June 2015, the Company issued an aggregate of 296,333 shares of its common stock in exchange for 350 shares of the Company's Series C Preferred Stock and accrued dividends.

In July 2015, the Company issued an aggregate of 169,333 shares of its common stock in exchange for 200 shares of the Company's Series C Preferred Stock and accrued dividends.

In October 2015, the Company issued an aggregate of 143,935 shares of its common stock in exchange for 170 shares of the Company's Series C Preferred Stock and accrued dividends.

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(unaudited)

In November 2015, the Company issued an aggregate of 99,061 shares of its common stock in exchange for 117 shares of the Company's Series C Preferred Stock and accrued dividends.

In December 2015, the Company issued an aggregate of 84,667 shares of its common stock in exchange for 100 shares of the Company's Series C Preferred Stock and accrued dividends.

In February 2016, the Company issued an aggregate of 54,859 shares of its common stock in exchange for 75 shares of the Company's Series C Preferred Stock and accrued dividends.

In May 2016, the Company issued an aggregate of 197,713 shares of its common stock in exchange for 236 shares of the Company's Series C Preferred Stock and accrued dividends.

In June 2016, the Company issued an aggregate of 54,759 shares of its common stock in exchange for 70 shares of the Company's Series C Preferred Stock and accrued dividends.

In December 2016, the Company issued an aggregate of 18,188 shares of its common stock in exchange for 20 shares of the Company's Series C Preferred Stock and accrued dividends.

Series C Preferred Stock issued and outstanding totaled 1,070 as of March 31, 2017 and December 31, 2016. As of March 31, 2017 and December 31, 2016, the Company has accrued $383,636 and $359,891 dividends payable on the Series C Preferred Stock.

Registration Rights Agreement

In connection with the Company's private placement of Series C Preferred Stock and warrants, the Company entered into a registration rights agreement with the purchasers pursuant to which the Company agreed to provide certain registration rights with respect to the common stock issuable upon conversion of Series C Preferred Stock and exercise of the warrants issued to holders of Series C Preferred Stock. Specifically, the Company agreed to file a registration statement with the Securities and Exchange Commission covering the resale of the common stock issuable upon conversion of the Series C Preferred Stock and exercise of the warrants on or before July 22, 2013 and to cause such registration statement to be declared effective by the Securities and Exchange Commission, in the event that the registration statement is not reviewed by the Securities and Exchange Commission, within five trading days after the Company is notified that registration statement is not being reviewed by the Securities and Exchange Commission, and by November 22, 2013 in the event that the registration statement is reviewed by the Securities and Exchange Commission and the Securities and Exchange Commission issues comments.

If (i) the registration statement is not filed by July 22, 2013, (ii) the registration statement is not declared effective by the Securities and Exchange Commission within five trading days after the Company is notified that the registration statement is not being reviewed by the Securities and Exchange Commission, in the case of a no review, (iii) the registration statement is not declared effective by the Securities and Exchange Commission by November 22, 2013 in the case of a review by the Securities and Exchange Commission pursuant to which the Securities and Exchange Commission issues comments or (iv) the registration statement ceases to remain continuously effective for more than 20 consecutive calendar days or more than an aggregate of 45 calendar days during any 12-month period after its first effective date, then the Company is subject to liquidated damage payments to the holders of the shares sold in the private placement in an amount equal to 0.25% of the aggregate purchase price paid by such purchasers per month of delinquency.

Notwithstanding the foregoing, (i) the maximum aggregate liquidated damages due under the registration rights agreement shall be 3% of the aggregate purchase price paid by the purchasers, and (ii) if any partial amount of liquidated damages remains unpaid for more than seven days, the Company shall pay interest of 18% per annum, accruing daily, on such unpaid amount.

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Pursuant to the registration rights agreement, the Company must maintain the effectiveness of the registration statement from the effective date until the date on which all securities registered under the registration statement have been sold, or are otherwise able to be sold pursuant to Rule 144 without volume or manner-of-sale restrictions, subject to the right to suspend or defer the use of the registration statement in certain events.

The Company filed a registration statement on July 22, 2013, which was originally declared effective on June 23, 2014 and has subsequently filed required registration statements to maintain effectiveness.

NOTE 7 – WARRANT AND DERIVATIVE LIABILITIES

At the time of issuance and until March 31, 2015, the Company determined that the anti-dilutive provisions embedded in the Series C Preferred Stock and related warrants (see Note 6) did not meet the defined criteria of a derivative in such that the net settlement requirement of delivery of common shares does not meet the "readily convertible to cash" as described in Accounting Standards Codification 815 and therefore bifurcation was not required. There was no established market for the Company's common stock. As of March 31, 2015, the Company determined a market had been established for the Company's common stock and accordingly, reclassified from equity to liability treatment the fair value of the embedded reset provisions of the Series C Preferred Stock and warrants of $1,242,590 and $4,097,444, respectively.

The Company valued the reset provisions of the Series C Preferred Stock and warrants in accordance with ASC 470-20 using the Multinomial Lattice pricing model and the following assumptions: estimated contractual terms, a risk free interest rate of 0.56% to 0.89, a dividend yield of 0%, and volatility of 141.00%.

At March 31, 2017, the Company marked to market the fair value of the reset provisions of the Series C Preferred Stock and warrants and determined fair values of $297,504 and $2,302,275, respectively. The Company recorded a loss from change in fair value of derivatives of $373,611 and $268,425 for three months ended March 31, 2017 and 2016, respectively. The fair values of the embedded derivatives as of March 31, 2017 were determined using the Multinomial Lattice pricing model and the following assumptions: estimated contractual term of 0.11 to 3.11 years, a risk free interest rate of 0.59% to 1.47%, a dividend yield of 0%, and volatility of 165%

NOTE 8 – STOCKHOLDER EQUITY

Preferred stock

The Company is authorized to issue 1,000,000 shares of $0.001 par value preferred stock. As of March 31, 2017 and December 31, 2016 and 2015, the Company has authorized 200 shares of Series A preferred stock, 600 shares of Series B preferred stock and 4,200 shares of Series C Preferred Stock. As of March 31, 2017 and December 31, 2016, there were 0, 0, and 1,070 outstanding shares of Series A, Series B and Series C preferred stock, respectively.

Common stock

The Company is authorized to issue 200,000,000 shares of $0.001 par value common stock. As of March 31, 2017 and December 31, 2016, the Company had 24,405,863 and 22,588,184 shares issued and outstanding, respectively.

During the three months ended March 31, 2017, the Company issued an aggregate of 325,000 shares of its common stock for services totaling $453,749 ($1.40 per share).

During the three months ended March 31, 2017, the Company entered into securities purchase agreements with investors pursuant to which the Company issued 1,310,071 shares of common stock and 655,037 warrants for aggregate proceeds of $1,799,692, net of $165,415 in expenses.

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On February 10, 2017, the Company issued an aggregate of 12,858 shares of its common stock to 2016 investors to re-price the investment to $1.50 per share.

During the three months ended March 31, 2017, the Company issued an aggregate of 45,000 shares of common stock as vested previously issued restricted stock units

During the three months ended March 31, 2017, the Company issued an aggregate of 124,750 shares of its common stock previously accrued as board of director compensation in 2016 ($1.35 per share).

Beginning on October 28, 2016, the Company entered into subscription agreements with certain accredited investors pursuant to which the Company sold to the investors units, which each unit consisting of one share of the Company's common stock and a warrant to purchase one half of one share of common stock (the "*Private Placement*"). In connection with the Private Placement, the Company also entered into a registration rights agreements with the investors, pursuant to which the Company agreed to provide certain registration rights with respect to the common stock and warrants issued under the Private Placement.

The registration rights agreements require the Company to file a registration statement within 45 calendar days of the final closing under the Private Placement and to be effective 120 calendar days thereafter. The final closing under the Private Placement occurred on March 31, 2017. The Company has estimated the liability under the registration rights agreement at $-0- as of March 31, 2017.

NOTE 9 – OPTIONS, RESTRICTED STOCK UNITS AND WARRANTS

Options

On October 19, 2012, the Company's Board of Directors approved the 2012 Equity Incentive Plan ("the "Plan) and terminated the Long-Term Incentive Plan (the "2011 Plan"). The Plan provides for the issuance of options to purchase up to 15,186,123 (as amended) shares of the Company's common stock to officers, directors, employees and consultants of the Company (as amended). Under the terms of the Plan the Company may issue Incentive Stock Options as defined by the Internal Revenue Code to employees of the Company only and nonstatutory options. The Board of Directors of the Company or a committee thereof administers the Plan and determines the exercise price, vesting and expiration period of the grants under the Plan.

However, the exercise price of an Incentive Stock Option should not be less than 110% of fair value of the common stock at the date of the grant for a 10% or more stockholder and 100% of fair value for a grantee who is not 10% stockholder. The fair value of the common stock is determined based on the quoted market price or in absence of such quoted market price, by the administrator in good faith.

Additionally, the vesting period of the grants under the Plan will be determined by the administrator, in its sole discretion, with an expiration period of not more than ten years.

The following table presents information related to stock options at March 31, 2017:

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Options Outstanding			Options Exercisable
Exercise Price	Number of Options	Weighted Average Remaining Life In Years	Exercisable Number of Options
$ 1.01-2.00	2,294,642	6.5	1,838,059
2.01-3.00	5,650,548	5.1	5,062,869
3.01-4.00	300,000	8.0	300,000
	8,245,190	5.6	7,200,928

A summary of the stock option activity and related information for the 2012 Plan for the three months ended March 31, 2017 is as follows:

	Shares	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding at December 31, 2016	8,245,190	$ 2.24	5.8	$ -
Grants	-		0	$ -
Exercised	-			
Canceled	-			
Outstanding at March 31, 2017	8,245,190	$ 2.24	5.6	$ -
Exercisable at March 31, 2017	7,200,928	$ 2.28	5.4	$ -

The aggregate intrinsic value in the preceding tables represents the total pretax intrinsic value, based on options with an exercise price less than the Company's stock price of $1.45 as of March 31, 2017, which would have been received by the option holders had those option holders exercised their options as of that date.

Option valuation models require the input of highly subjective assumptions. The fair value of stock-based payment awards was estimated using the Black-Scholes option model with a volatility figure derived from an index of historical stock prices of comparable entities until sufficient data exists to estimate the volatility using the Company's own historical stock prices. Management determined this assumption to be a more accurate indicator of value. The Company accounts for the expected life of options based on the contractual life of options for non-employees.

For employees, the Company accounts for the expected life of options in accordance with the "simplified" method, which is used for "plain-vanilla" options, as defined in the accounting standards codification. The risk-free interest rate was determined from the implied yields of U.S. Treasury zero-coupon bonds with a remaining life consistent with the expected term of the options. The fair value of stock-based payment awards during the three months ended March 31, 2017 and 2016 was estimated using the Black-Scholes pricing model.

The fair value of all options vesting during the three months ended March 31, 2017 and 2016 of $42,984 and $697,649, respectively, was charged to current period operations. Unrecognized compensation expense of $243,528 and $310,817 at March 31, 2017 and December 31, 2016, respectively, will be expensed in future periods.

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Restricted Stock

The following table summarizes the restricted stock activity for the two years ended December 31, 2016:

Total restricted shares issued as of December 31, 2016	135,000
Granted	-
Vested	(45,000)
Vested restricted shares as of March 31, 2017	-
Unvested restricted shares as of March 31, 2017	90,000

Stock based compensation expense related to restricted stock grants was $64,013 and $50,084 for the three months ended March 31, 2017 and 2016, respectively. As of March 31, 2017, the stock-based compensation relating to restricted stock of $31,049 remains unamortized and is expected to be amortized over the remaining period of approximately 5 months.

Warrants

The following table summarizes information with respect to outstanding warrants to purchase common stock of the Company at March 31, 2017:

Exercise Price	Number Outstanding	Expiration Date
$ 0.001	383,320	January 2020
$ 1.50	6,298,009	February 2018 to March 2020
$ 1.84	35,076	January 2020
$ 1.95	1,689,026	October 2018 to September 2019
$ 2.00	100,000	August 2018
$ 2.02	30,755	January 2020
$ 2.50	100,000	August 2018
$ 2.75	228,720	August 2019 to September 2019
$ 3.67	214,193	December 2018 to January 2019
$ 3.75	1,340,556	April 2019 to March 2020
	10,419,655	

On February 9, 2017, the Company exchanged 38,572 warrants with an exercise price of $2.10 with 45,001 warrants with an exercise price of $1.50, all other terms and conditions the same, to 2016 investors to adjust offered terms in connection with the Company's equity raise with other investors.

On February 10, 2017, the Company issued an aggregate of 300,628 warrants to purchase the Company's common stock at $1.50 per share, expiring on February 10, 2020, in connection with the sale of the Company's common stock.

On March 10, 2017, the Company issued an aggregate of 197,159 warrants to purchase the Company's common stock at $1.50 per share, expiring on March 10, 2020, in connection with the sale of the Company's common stock.

On March 15, 2017, the Company issued 630,000 warrants to purchase the Company's common stock at $1.50 per share, expiring on March 15, 2020, to Mayo Foundation in connection with a know-how licensing agreement (See Note 10). The fair value of the of the issued warrants of $543,927, determined using the Black-Scholes option model with an estimated volatility of 105.22%, risk free rate of 1.599%, dividend yield of -0- and fair value of the Company's common stock of $1.37, was charged to current period operations as acquired research and development.

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On March 31, 2017, the Company issued an aggregate of 157,250 warrants to purchase the Company's common stock at $1.50 per share, expiring on March 31, 2020, in connection with the sale of the Company's common stock.

Stock based compensation related to warrants issued for services was $-0- and $36,405 for the three months ended March 31, 2017 and 2016, respectively.

A summary of the warrant activity for the three months ended March 31, 2017 is as follows:

	Shares	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding at December 31, 2016	9,128,189	$ 1.96	2.1	$ 494,099
Grants	1,330,038	$ 1.50	3.0	-
Exercised	-			
Canceled	(38,572)	$ 2.10	2.4	-
Outstanding at March 31, 2017	10,419,655	$ 1.96	2.1	$ 494,099
Vested and expected to vest at March 31, 2017	10,419,655	$ 1.90	2.0	$ 555,431
Exercisable at March 31, 2017	10,419,655	$ 1.90	2.0	$ 555,431

The aggregate intrinsic value in the preceding tables represents the total pretax intrinsic value, based on warrants with an exercise price less than the Company's stock price of $1.45 as of March 31, 2017, which would have been received by the warrant holders had those warrant holders exercised their warrants as of that date.

NOTE 10 – COMMITMENTS AND CONTINGENCIES

On March 15, 2017, the Company entered into a know-how license agreement with Mayo Foundation for Medical Education and Research whereby the Company was granted an exclusive license, with the right to sublicense, certain know how and patent applications in the field of signal processing, physiologic recording, electrophysiology recording, electrophysiology software and autonomics to develop, make and offer for sale. The agreement expires in ten years from the effective date.

The Company is obligated to pay to Mayo Foundation a 1% or 2% royalty payment on net sales of licensed products, as defined.

In consideration, the Company issued 630,000 warrants to acquire the Company's common stock at an exercise price of $1.50, expiring on March 15, 2020.

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NOTE 11 – FAIR VALUE MEASUREMENT

The Company adopted the provisions of Accounting Standards Codification subtopic 825-10, Financial Instruments ("ASC 825-10"). 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.

All items required to be recorded or measured on a recurring basis are based upon level 3 inputs.

To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement is disclosed and is determined based on the lowest level input that is significant to the fair value measurement.

Upon adoption of ASC 825-10, there was no cumulative effect adjustment to beginning retained earnings and no impact on the financial statements.

The carrying value of the Company's cash and cash equivalents, accounts payable and other current assets and liabilities approximate fair value because of their short-term maturity.

As of March 31, 2017 and December 31, 2016, the Company did not have any items that would be classified as level 1 or 2 disclosures.

The Company recognizes its derivative and warrant liabilities as level 3 and values its derivatives using the methods discussed in Note 7. While the Company believes that its valuation methods are appropriate and consistent with other market participants, it recognizes that the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date. The primary assumptions that would significantly affect the fair values using the methods discussed in Note 5 are that of volatility and market price of the underlying common stock of the Company.

As of March 31, 2017 and December 31, 2016, the Company did not have any derivative instruments that were designated as hedges.

The derivative and warrant liability as of March 31, 2017, in the amount of $297,504 and $2,302,275, respectively, has a level 3 classification.

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The following table provides a summary of changes in fair value of the Company's level 3 financial liabilities as of March 31, 2017:

	Warrant Liability	Derivative
Balance, December 31, 2016	1,937,234	288,934
Mark to market to March 31, 2017	365,041	8,570
Balance, March 31, 2017	$ 2,302,275	$ 297,504
Loss on change in warrant and derivative liabilities for the three months ended March 31, 2017	$ (365,041)	$ (8,570)

Fluctuations in the Company's stock price are a primary driver for the changes in the derivative valuations during each reporting period. As the stock price increases for each of the related derivative instruments, the value to the holder of the instrument generally increases, therefore increases the liability on the Company's balance sheet. Additionally, stock price volatility is one of the significant unobservable inputs used in the fair value measurement of each of the Company's derivative instruments.

NOTE 12 – SUBSEQUENT EVENTS

On April 2017, the Company entered into securities purchase agreements with investors, pursuant to which the Company received from subscriptions for the purchase of 576,599 shares of the Company's common stock and warrants to purchase 288,300 shares of our common stock at $1.50, expiring three years from issuance, for aggregate net cash proceeds of $864,819. In addition, the Company issued 186,957 warrants to purchase the Company's common stock at $1.50, expiring January 13, 2020 for prior placement agent services.

In April 2017, the Company issued an aggregate of 200,000 shares of its common stock for services totaling $290,000 ($1.45 per share).

In April 2017, the Company issued 15,000 shares of its common stock in payment of vested restricted share units.

In April 2017, the Company received and canceled 10,744 shares of its common stock as payment for short-swing profit pursuant to Section 16(b) of the U.S. Securities Exchange Act of 1934, as amended from an officer and member of the Company's Board of Directors.

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

This Management's Discussion and Analysis of Financial Condition and Results of Operations includes a number of forward-looking statements that reflect Management's current views with respect to future events and financial performance. You can identify these statements by forward-looking words such as "may," "will," "expect," "anticipate," "believe," "estimate" and "continue," or similar words. Those statements include statements regarding the intent, belief or current expectations of us and members of our 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 Management 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 our assumptions are based upon reasonable data derived from and known about our business and operations. No assurances are made that actual results of operations or the results of our future activities will not differ materially from our assumptions. Factors that could cause differences include, but are not limited to, expected market demand for our products, fluctuations in pricing for materials, and competition.

Business Overview

We are a development stage medical device company that is developing a proprietary technology platform to minimize noise and artifacts from cardiac recordings during electrophysiology studies and ablation. We are developing the PURE (Precise Uninterrupted Real-time evaluation of Electrograms) EP System, a surface electrocardiogram and intracardiac multichannel recording and analysis system that acquires, processes and displays electrocardiogram and electrograms required during electrophysiology studies and ablation procedures.

The PURE EP System is designed to assist electrophysiologists in making clinical decisions in real-time by providing information that, we believe, is not always easily obtained, if at all, from any other equipment presently used in electrophysiology labs. The PURE EP System's ability to acquire high fidelity cardiac signals will potentially increase these signals' diagnostic value, and therefore offer improved accuracy and efficiency of the electrophysiology studies and related procedures. We are developing signal processing tools within the PURE EP System. We believe that these will assist electrophysiologists in further differentiating true signals from noise, and will provide guidance in identifying ablation targets.

Since June 2011, we have collaborated with physicians affiliated with the Texas Cardiac Arrhythmia Institute at St. David's Medical Center in Austin, Texas for initial technology validation. The physicians affiliated with the Texas Cardiac Arrhythmia Institute have provided us with digital recordings obtained with conventional electrophysiology recording systems during different stages of electrophysiology studies. Using our proprietary signal processing tools that are part of the PURE EP System, we analyzed these recordings and successfully removed baseline wander, noise and artifacts from the data thereby providing better diagnostic quality signals.

We are focused on improving the quality of cardiac recordings obtained during ablation of atrial fibrillation, the most common cardiac arrhythmia, and ventricular tachycardia, an arrhythmia evidenced by a fast heart rhythm originating from the lower chambers of the heart, which can be life-threatening. Cardiac ablation is a procedure that corrects conduction of electrical impulses in the heart that cause arrhythmias. During this invasive procedure, a catheter is usually inserted using a venous access into a specific area of the heart. A special radiofrequency generator delivers energy through the catheter to small areas of the heart muscle that cause the abnormal heart rhythm.

According to a 2009 article in *Circulation: Arrhythmia and Electrophysiology*, ablation is superior to pharmacological treatments and is becoming a first line of therapy for certain patients with arrhythmias ("Treatment of Atrial Fibrillation With Antiarrhythmic Drugs or Radiofrequency Ablation," *Circulation: Arrhythmia and Electrophysiology* (2009) 2: 349-361).

Our overall goal is to establish our proprietary technology as a new platform that will have the following advantages over the electrophysiology recording systems currently available on the market:

- Higher quality cardiac signal acquisition for accurate and more efficient electrophysiology studies;
- Precise, uninterrupted, real time evaluations of electrograms;
- Reliable cardiac recordings to better determine precise ablation targets, strategy and end point of procedures; and
- A portable device that can be fully integrated into existing electrophysiology lab environments.

If we are able to develop our product as designed, we believe that the PURE EP System and its signal processing tools will contribute to an increase in the number of procedures performed in each electrophysiology lab and possibly improved patient outcomes.

Our significant scientific achievements to date include:

- Initial system concept validation was performed in collaboration with physicians at the Texas Cardiac Arrhythmia Institute at St. David's Medical Center in Austin, Texas in June 2011. The Texas Cardiac Arrhythmia Institute provided challenging recordings obtained with electrophysiology recording systems presently in use at the institute during various electrophysiology studies. Our technology team successfully imported the data into the PURE EP System software and using proprietary signal processing, the PURE EP System software was able to reduce baseline wander, noise, and artifacts from the data and therefore provide better diagnostic quality signals.

- We have established clinical and/or advisory relationships for both technology development and validation studies with physicians and researchers affiliated with the following medical centers: Texas Cardiac Arrhythmia Institute, Austin, TX; Cardiac Arrhythmia Center at the University of California at Los Angeles, Los Angeles, CA; Mount Sinai Medical Center, New York, NY; University Hospitals Case Medical Center, Cleveland, OH; Bringham & Women's Hospital in Boston, MA; and Mayo Clinic, Rochester, MN.

- The Cardiac Arrhythmia Center at the University of California at Los Angeles and Dr. Kalyanam Shivkumar, a former member of our board of directors, have played a significant role in the initial functional testing of our hardware. Dr. Shivkumar and his team have enabled us to learn the connectivity of the lab and its devices that pertain to where our PURE EP System will fit in. In June 2013, we commenced our first proof of concept pre-clinical study with the assistance of Dr. Shivkumar in order to further test the components of the PURE EP System hardware, as further explained below.

- We are developing signal processing tools within the PURE EP System that will assist electrophysiologists in further differentiating true signals from noise, which may potentially provide guidance in identifying ablation targets. The signal processing tools are expected to be an integral part of the software of the PURE EP System, which we believe will significantly facilitate the locating of ablation targets.

- In the second and third quarters of 2013, we performed and finalized testing of our proof of concept unit by initially using an electrocardiogram/intracardiac simulator at our lab, and subsequently by obtaining pre-clinical recordings from the lab at the University of California at Los Angeles. As part of the testing, we simultaneously recorded electrocardiogram and intracardiac signals on our proof of concept unit and GE's CardioLab recording system. An identical signal was applied to the input of both systems and the monitor of our proof of concept unit was positioned next to the monitor of GE's CardioLab recording system to allow for visual comparison. We believe that our proof of concept unit performed well as compared to GE's CardioLab recording system, in that the electrocardiogram and intracardiac signals displayed on our proof of concept unit showed less baseline wander, noise and artifacts compared to signals displayed on GE's CardioLab recording system. However, because this was a proof of concept test, without any clearly established protocols, we cannot present this data for publication and we do not have any independent verification or peer review of these findings.

- In the third quarter of 2013, we analyzed the results of our proof of concept unit to determine the final design of the PURE EP System prototype, which has since been completed.

- In September 2014, we performed additional tests on the PURE EP System prototype at the University of California at Los Angeles.

- In the fourth quarter of 2014, we appointed Dr. Samuel J. Asirvatham from Mayo Clinic as a member of our Scientific Advisory Board and initiated plans for pre-clinical studies at Mayo Clinic.

- In the first quarter of 2015, we appointed Dr. K. L. Venkatachalam from Mayo Clinic as a member of our Scientific Advisory Board. On March 31, 2015 Drs. Asirvatham and Venkatachalam performed our first pre-clinical study at Mayo Clinic in Rochester, Minnesota.

- On June 10, 2015, Dr. Asirvatham performed our second pre-clinical study at Mayo Clinic in Rochester, Minnesota.

- On November 17, 2015, Dr. Asirvatham performed our third pre-clinical study at Mayo Clinic in Rochester, Minnesota.

- On February 22, 2016, we signed an agreement to initiate development of its PURE EP System with Minnetronix, Inc. ("Minnetronix") and are taking steps toward its 510(k) submission.

- On March 28, 2016, we announced an Advanced Research Program with Dr. Asirvatham at Mayo Clinic beginning June 2016.

- On March 8, 2016, Dr. Ammar Killu from Mayo Clinic presented our preclinical data at the 13 th Annual Dead Sea Symposium on Innovations in Cardiac Arrhythmias and Device Therapy in Tel Aviv, Israel entitled "Enhanced Electrophysiology Recording Improves Signal Acquisition and Differentiation".

- On June 2, 2016, Dr. Asirvatham performed our fourth pre-clinical study at Mayo Clinic in Rochester, Minnesota.

- On June 23 and August 25 and 26, 2016, Dr. Vivek Reddy performed a pre-clinical study on a ventricular scar model at the Mount Sinai Hospital in New York, NY.

- On July 27, 2016, Dr. Asirvatham performed our fifth pre-clinical study at Mayo Clinic in Rochester, Minnesota.

- On September 14, 2016, Dr. Asirvatham performed our sixth pre-clinical study at Mayo Clinic in Rochester, Minnesota.

- On August 19, 2016, we presented a poster at the IEEE Engineering in Medicine and Biology Society annual conference (IEEE EMBC 2016) entitled “Enhanced Electrophysiology Recording System”.

- In December 2016, the Journal of the American College of Cardiology (JACC): Clinical Electrophysiology (Vol.2, No.7, pp.850) published the article entitled, “Novel Electrophysiology Signal Recording System Enables Specific Visualization of the Purkinje Network and Other High-Frequency Signals”, submitted by the Mayo Clinic team.

- On December 9, 2016, we filed a provisional patent application entitled “Assessment of Catheter Position by Local Electrogram”.

- On December 9, 2016, we filed a provisional patent application entitled “Visualization of Conduction Tissue Signals”.

We conducted our first, second and third pre-clinical studies on March 31, 2015, June 10, 2015 and November 17, 2015 respectively, and began additional pre-clinical studies as part of an advanced research program in June 2016, at Mayo Clinic in Rochester, Minnesota with the PURE EP System prototype. We also conducted a pre-clinical study at the Mount Sinai Hospital in New York, NY with emphasis on the ventricular tachycardia (VT) model.

We intend to conduct a pre-clinical study at the Cardiac Arrhythmia Center at the University of California at Los Angeles with emphasis on the ventricular tachycardia (VT) model. We intend to conduct further pre-clinical studies, end-user preference studies, and research studies. The main objective of these studies is to demonstrate the clinical potential of the PURE EP System.

We have initiated technology development with Minnetronix, a medical technology and innovation company, and are implementing steps for obtaining 510(k) clearance from the U.S. Food and Drug Administration (the “FDA”) for the PURE EP System.

We believe that by the second half of 2017, we will have obtained 510(k) marketing clearance from the FDA and will be able to commence marketing and commercialization of the PURE EP System. Our ability to achieve the aforementioned milestones will be principally determined by our ability to obtain necessary financing and regulatory approvals, among other factors.

Because we are a development stage company, with our initial product under development, we currently do not have any customers. We anticipate that our initial customers will be hospitals and other health care facilities that operate electrophysiology labs.

Results of Operations

We anticipate that our results of operations will fluctuate for the foreseeable future due to several factors, such as the progress of our research and development efforts and the timing and outcome of regulatory submissions. Due to these uncertainties, accurate predictions of future operations are difficult or impossible to make.

Three Months Ended March 31, 2017 Compared to Three Months Ended March 31, 2016

Revenues and Cost of Goods Sold. We had no revenues or cost of goods sold during the three months ended March 31, 2017 and 2016.

Research and Development Expenses. Research and development expenses for the three months ended March 31, 2017 were $1,338,604, an increase of $966,178, or 259%, from $372,426 for the three months ended March 31, 2016. This increase is primarily due additional personnel, outside design costs and current year acquired research and development as we develop our proprietary technology platform. Research and development expenses were comprised of the following:

Three months ended:

	March 31, 2017	March 31, 2016
Salaries and equity compensation	$ 260,722	$ 230,555
Consulting expenses	91,545	86,100
Clinical studies and design work	396,301	5,938
Acquired research and development	543,927	
Travel, supplies, other	46,109	49,833
Total	$ 1,338,604	$ 372,426

On March 15, 2017, we entered into a know-how license agreement with Mayo Foundation for Medical Education and Research whereby we were granted an exclusive license, with the right to sublicense, certain know how and patent applications in the field of signal processing, physiologic recording, electrophysiology recording, electrophysiology software and autonomics to develop, make and offer for sale. The agreement expires in ten years from the effective date. As such, we are obligated to pay to Mayo Foundation a 1% or 2% royalty payment on net sales of licensed products, as defined.

In consideration, we issued 630,000 warrants to acquire the Company's common stock at an exercise price of $1.50, expiring on March 15, 2020. The estimated fair value of $543,927 was charged to operations as acquired research and development.

General and Administrative Expenses. General and administrative expenses for the three months ended March 31, 2017 were $1,557,341, a decrease of $381,807, or 19.7%, from $1,939,148 incurred in the three months ended March 31, 2016. This decrease is primarily due to a decrease in stock based compensation issued to employees and consultants in the current period as compared to the same period in the prior year and less service provider fees paid.

Payroll related expenses decreased to $279,580 in the current period from $295,702 for the three months ended March 31, 2016, a decrease of $16,122. The decrease was due to bonuses paid in 2016. We incurred $547,642 in stock based compensation in connection with the vesting of stock and stock options issued to board members, officers, employees and consultants for the three months ended March 31, 2017 as compared to $1,119,319 in stock based compensation for the same period in 2016.

Professional services for the three months ended March 31, 2017 totaled $82,551, an increase of $2,645, or 3.3%, over the $79,906 recognized for the three months ended March 31, 2016. Of professional services, legal fees totaled $42,551 for the three months ended March 31, 2017, an increase of $4,145, or 10.8%, from $38,406 incurred for the three months ended March 31, 2016. Accounting fees incurred in the three months ended March 31, 2017 amounted to $40,000, a decrease of $1,500, or 3.6%, from $41,500 incurred in same period last year. The increase in legal fees was primarily due to review and assistance in know how agreements entered into in 2017.

Consulting, public and investor relations fees for the three months ended March 31, 2017 were $493,666 as compared to $294,389 incurred for the three months ended March 31, 2016. The increase in consulting and investor relations fees during the three months ended March 31, 2017 relate to our continued efforts to develop our recognition throughout the medical industry.

Travel, meals and entertainment costs for the three months ended March 31, 2017 were $64,260, a decrease of $6,630, or 9.4%, from $70,890 incurred in the three months ended March 31, 2016. Travel, meals and entertainment costs include travel related to business development and financing. Rent for the three months ended March 31, 2017 totaled $31,650, a decrease of $52 or 0.2%, from $31,702 incurred in three months ended March 31, 2016.

Depreciation Expense. Depreciation expense for the three months ended March 31, 2017 totaled $3,069 an increase of $161, or 5.5%, over the expense of $2,908 incurred in the three months ended March 31, 2016, as a result of the replacement of aging of office computers and other equipment.

Loss on change in fair values of derivatives. Beginning in March 2015, we are required to estimate the fair value of the embedded beneficial conversion features of our issued Series C Preferred Stock and certain warrants with reset (anti-dilution) provisions. During the three months ended March 31, 2017, we incurred a loss on change in fair values of these derivatives of $373,611 as compared to a loss of $268,425 for the same period during the prior year.

Preferred Stock Dividend. Preferred stock dividend for the three months ended March 31, 2017 totaled $23,745, a decrease of $8,499, or 26.4% from $32,244 incurred during the three months ended March 31, 2016. Preferred stock dividends are primarily related to the issuance of our Series C Preferred Stock from 2013 through 2015. The reduction in 2017 as compared to 2016 is the result of conversions of the Series C Preferred Stock.

Net Loss available to common shareholders. As a result of the foregoing, net loss available to common shareholders for the three months ended March 31, 2017 was $3,296,370 compared to a net loss of $2,615,151 for the three months ended March 31, 2016.

Liquidity and Capital Resources

Three Months Ended March 31, 2017 Compared to Three Months Ended March 31, 2016

As of March 31, 2017, we had a working capital deficit (current liabilities in excess of current assets) of $2,159,560, comprised of cash of $1,244,126 and prepaid expenses of $161,777, which was offset by $582,048 of accounts payable and accrued expenses, accrued dividends on preferred stock issuances of $383,636 and an aggregate of $2,599,779 of warrant and derivative liabilities. Excluding the warrant and derivative liabilities, the Company's working capital would have been $440,219. For the three months ended March 31, 2017, we used $1,609,841 of cash in operating activities and $1,620 of cash in investing activities. Cash provided by financing activities totaled $1,799,692, comprised of proceeds from the sale of our common stock. In the comparable period in 2016, our aggregate cash provided by financing activities totaled $352,000 comprised proceeds from the sale of our common stock. At March 31, 2017, we had cash of $1,244,126 compared to $1,055,895 at December 31, 2016. Our cash is held in bank deposit accounts. At March 31, 2017 and December 31, 2016, we had no convertible debentures outstanding.

Cash used in operations for the three months ended March 31, 2017 and 2016 was $1,609,841 and $1,167,621, respectively, which represent cash outlays for research and development and general and administrative expenses in such periods. The increase in cash outlays principally resulted from additional in operating costs and general and administrative expenses net with an increase of our outstanding accounts payable by $209,466.

We used $1,620 cash for investing activities for the three months ended March 31, 2017, compared to $-0- for the three months ended March 31, 2016. During the three months ended March 31, 2017, we purchased computer equipment of $1,620.

In their report dated March 30, 2017, our independent registered public accounting firm stated at December 31, 2016, there is substantial doubt about our ability to continue as a going concern. Our ability to continue as a going concern is an issue raised due to our net losses and negative cash flows from operations since inception and our expectation that these conditions will continue for the foreseeable future. In addition, we will require additional financing to fund future operations.

Further, we do not have any commercial products available for sale and have not generated revenues to date, and there is no assurance that, if approval of our products is received, we will be able to generate cash flow to fund operations. In addition, there can be no assurance that our research and development will be successfully completed or that any product will be approved or commercially viable. Our ability to continue as a going concern is subject to our ability to obtain necessary funding from outside sources, including obtaining additional funding from the sale of our securities, obtaining loans from various financial institutions or being awarded grants from government agencies, where possible. Our continued net operating losses increase the difficulty in meeting such goals and there can be no assurances that such methods will prove successful.

We expect to incur losses from operations for the near future. We expect to incur increasing research and development expenses, including expenses related to clinical trials. We expect that our general and administrative expenses will increase in the future as we expand our business development, add infrastructure and incur additional costs related to being a public company, including incremental audit fees, investor relations programs and increased professional services.

Our future capital requirements will depend on a number of factors, including the progress of our research and development of product candidates, the timing and outcome of regulatory approvals, the costs involved in preparing, filing, prosecuting, maintaining, defending and enforcing patent claims and other intellectual property rights, the status of competitive products, the availability of financing and our success in developing markets for our product candidates. We believe our existing cash will not be sufficient to fund our operating expenses and capital equipment requirements. We anticipate we will need approximately $4 million in addition to our current cash on hand to fund our operating expenses and capital equipment requirements for the next 12 months.

We will have to raise additional funds to continue our operations and, while we have been successful in doing so in the past, there can be no assurance that we will be able to do so in the future. Our continuation as a going concern is dependent upon our ability to obtain necessary additional funds to continue operations and the attainment of profitable operations.

Future financing may include the issuance of equity or debt securities, obtaining credit facilities, or other financing mechanisms. Even if we are able to raise the funds required, it is possible that we could incur unexpected costs and expenses or experience unexpected cash requirements that would force us to seek alternative financing. Furthermore, if we issue additional equity or debt securities, existing holders of our securities may experience additional dilution or the new equity securities may have rights, preferences or privileges senior to those of existing holders of our securities.

If additional financing is not available or is not available on acceptable terms, we may be required to delay, reduce the scope of or eliminate our research and development programs, reduce our commercialization efforts or obtain funds through arrangements with collaborative partners or others that may require us to relinquish rights to certain product candidates that we might otherwise seek to develop or commercialize independently.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements.

Transactions with Related Parties

The Company’s President and shareholders have advanced funds to the Company for working capital purposes since the Company’s inception in February 2009. No formal repayment terms or arrangements exist and the Company is not accruing interest on these advances. The net amount of outstanding advances at March 31, 2017 and December 31, 2016 was $-0-.

At March 31, 2017 and December 31, 2016, the Company had reimbursable travel and other related expenses due related parties of $6,837 and $15,755, respectively.

Critical Accounting Policies and Estimates

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 of America. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities and expenses. We evaluate our estimates and judgments on an ongoing basis. We base our estimates on historical experience and on 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. Actual results may differ from these estimates.

We believe the following critical accounting policies affect our more significant judgments and estimates used in the preparation of our financial statements.

Research and Development.

We account for research and development costs in accordance with the Accounting Standards Codification subtopic 730-10, Research and Development ("ASC 730-10"). Under ASC 730-10, all research and development costs must be charged to expense as incurred. Accordingly, internal research and development costs are expensed as incurred. Third-party research and developments costs are expensed when the contracted work has been performed or as milestone results have been achieved. Company-sponsored research and development costs related to both present and future products are expensed in the period incurred.

Stock Based Compensation.

All stock-based payments to employees and to nonemployee directors for their services as directors consisted of grants of restricted stock and stock options, which are measured at fair value on the grant date and recognized in the statements of operations as compensation expense over the relevant vesting period. Restricted stock payments and stock-based payments to nonemployees are recognized as an expense over the period of performance.

Such payments are measured at fair value at the earlier of the date a performance commitment is reached or the date performance is completed. In addition, for awards that vest immediately and are non-forfeitable, the measurement date is the date the award is issued.

On October 29, 2014, our common stock commenced trading on OTCQB under the symbol "BSGM." Fair value is typically determined by the closing price of our common stock on the date of the award.

Income Taxes.

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

Derivative and Warrant Liabilities.

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 March 31, 2017 and December 31, 2016, we did not have any derivative instruments that were designated as hedges.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

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

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

As required under Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), we carried out an evaluation under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of March 31, 2017. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures as of March 31, 2017 were not effective, for the same reasons as previously disclosed under Item 9A. "Controls and Procedures" in our Annual Report on Form 10-K for our fiscal year ended December 31, 2016.

Changes in Internal Controls over Financial Reporting

There have been no changes in our internal controls over financial reporting (as defined in Rule 13a-15(f) and 15d-(f) of the Exchange Act) that occurred during the our last fiscal quarter to which this report relates that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

None.

ITEM 1A. RISK FACTORS

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

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

On February 10, 2017, we consummated one closing under the Unit Purchase Agreement, dated October 28, 2016, by and among certain accredited investors (as defined by Rule 501 under the Securities Act of 1933, as amended), pursuant to which we issued 601,254 shares of our common stock and 300,628 warrants to purchase one share of our common stock, exercisable at a price of $1.50 per share and expiring February 10, 2020, in exchange for aggregate consideration of $811,121, net of $90,760 in expenses. The securities sold in this offering were not registered under the Securities Act of 1933, as amended, or the securities laws of any state, and were offered and sold in reliance on the exemption from registration under the Securities Act of 1933, as amended, provided by Section 4(2) and Regulation D (Rule 506) under the Securities Act of 1933, as amended.

On March 10, 2017, we consummated one closing under the Unit Purchase Agreement, dated October 28, 2016, by and among certain accredited investors (as defined by Rule 501 under the Securities Act of 1933, as amended), pursuant to which we issued 394,317 shares of our common stock and 197,159 warrants to purchase one share of our common stock, exercisable at a price of $1.50 per share and expiring March 10, 2020, in exchange for aggregate consideration of $547,642, net of $43,834 in expenses. The securities sold in this offering were not registered under the Securities Act of 1933, as amended, or the securities laws of any state, and were offered and sold in reliance on the exemption from registration under the Securities Act of 1933, as amended, provided by Section 4(2) and Regulation D (Rule 506) under the Securities Act of 1933, as amended.

On March 31, 2017, we consummated one closing under the Unit Purchase Agreement, dated October 28, 2016, by and among certain accredited investors (as defined by Rule 501 under the Securities Act of 1933, as amended), pursuant to which we issued 314,500 shares of our common stock and 157,250 warrants to purchase one share of our common stock, exercisable at a price of $1.50 per share and expiring March 31, 2020, in exchange for aggregate consideration of $440,929, net of $30,821in expenses. The securities sold in this offering were not registered under the Securities Act of 1933, as amended, or the securities laws of any state, and were offered and sold in reliance on the exemption from registration under the Securities Act of 1933, as amended, provided by Section 4(2) and Regulation D (Rule 506) under the Securities Act of 1933, as amended.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

None.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

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

SIGNATURES

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

BIOSIG TECHNOLOGIES, INC.

Date: May 9, 2017

By: /s/ GREGORY D. CASH
Gregory D. Cash
Chief Executive Officer (Principal Executive Officer)

Date: May 9, 2017

By: /s/ STEVEN CHAUSSY
Steven Chaussy
Chief Financial Officer (Principal Accounting Officer)

EXHIBIT 31.01

CERTIFICATION

I, Gregory D. Cash, certify that:

1. I have reviewed this quarterly report on Form 10-Q of BioSig Technologies, 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: May 9, 2017

/s/ GREGORY D. CASH
Gregory D. Cash
Chief Executive Officer (Principal Executive Officer)

EXHIBIT 31.02

CERTIFICATION

I, Steven Chaussy, certify that:

1. I have reviewed this quarterly report on Form 10-Q of BioSig Technologies, 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: May 9, 2017

/s/ STEVEN CHAUSSY
Steven Chaussy
Chief Financial Officer (Principal Accounting Officer)

EXHIBIT 32.01

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

I, Gregory D. Cash, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report of BioSig Technologies, Inc. on Form 10-Q for the fiscal quarter ended March 31, 2017 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in this Quarterly Report on Form 10-Q fairly presents in all material respects the financial condition and results of operations of BioSig Technologies, Inc.

Date: May 9, 2017

By: /s/ GREGORY D. CASH
Name: Gregory D. Cash
Title: *Chief Executive Officer (Principal Executive Officer)*

I, Steven Chaussy, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report of BioSig Technologies, Inc. on Form 10-Q for the fiscal quarter ended March 31, 2017 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in this Quarterly Report on Form 10-Q fairly presents in all material respects the financial condition and results of operations of BioSig Technologies, Inc.

Date: May 9, 2017

By: /s/ STEVEN CHAUSSY
Name: Steven Chaussy
Title: *Chief Financial Officer (Principal Accounting Officer)*