

Lightwave Logic, Inc.
Form 10-Q
May 14, 2009

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, 2009

Transition Report Under Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from _____ to _____

Commission File 0-52567

Lightwave Logic, Inc.

(Exact name of registrant as specified in its charter)

Nevada
(State or Other Jurisdiction of Incorporation or
Organization)

82-049-7368
(I.R.S. Employer Identification Number)

121 Continental Drive, Suite 110, Newark, Delaware 19713

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(Address of Principal Executive Offices)(Zip Code)

(302) 356-2717

(Registrant's Telephone Number, Including Area Code)

(Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report)

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 past 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 is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

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

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

APPLICABLE ONLY TO CORPORATE ISSUERS

As of May 14, 2009, there were approximately 37,969,042 shares of common stock, \$0.001 par value, issued and outstanding.

LIGHTWAVE LOGIC, INC.

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March 31, 2009

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PART I - FINANCIAL INFORMATION

Item 1.

Financial Statements

LIGHTWAVE LOGIC, INC.

(A Development Stage Company)

BALANCE SHEETS

	March 31, 2009 (Unaudited)	December 31, 2008 (Audited)
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 195,460	\$ 88,225
Receivable for issuance of common stock	10,000	-
Prepaid expenses	10,674	12,198
	216,134	100,423
PROPERTY AND EQUIPMENT - NET	58,700	61,726
OTHER ASSETS		
Intangible assets	213,601	212,416
TOTAL ASSETS	\$ 488,435	\$ 374,565
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$ 34,747	\$ 62,650
Accounts payable - related party	-	7,172
Accrued expenses	42,088	98,205
CONTINGENCY		
TOTAL LIABILITIES	76,835	168,027
STOCKHOLDERS' EQUITY		
Preferred stock, \$0.001 par value, 1,000,000 authorized		

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No shares issued or outstanding	-	-
Common stock \$0.001 par value, 100,000,000 authorized		
37,971,042 and 35,911,156 issued and outstanding at March 31, 2009 and December 31, 2008	37,971	35,911
Additional paid-in-capital	15,088,630	14,196,060
Deferred charges	-	(55,330)
Accumulated deficit	(15,827)	(15,827)
Receivable for issuance of common stock	-	(12,500)
Deficit accumulated during development stage	(14,699,174)	(13,941,776)
 TOTAL STOCKHOLDERS' EQUITY	 411,600	 206,538
 TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	 \$ 488,435	 \$ 374,565

See accompanying notes to these financial statements.

LIGHTWAVE LOGIC, INC.

(A Development Stage Company)

STATEMENTS OF OPERATIONS FOR THE THREE MONTHS ENDING

MARCH 31, 2009 AND 2008 AND FOR THE PERIOD

JANUARY 1, 2004 (INCEPTION OF DEVELOPMENT STAGE) TO MARCH 31, 2009

(UNAUDITED)

	Cumulative Since Inception	For the Three Months Ending March 31, 2009	For the Three Months Ending March 31, 2008
NET SALES	\$ -	\$ -	\$ -
COST AND EXPENSE			
Research and development	6,711,482	449,717	375,889
General and administrative	7,941,795	307,267	590,213
	14,653,277	756,984	966,102
LOSS FROM OPERATIONS	(14,653,277)	(756,984)	(966,102)
OTHER INCOME (EXPENSE)			
Interest income	29,434	-	4,624
Dividend income	1,551	-	-
Realized gain (loss) on investment	3,911	-	-
Realized gain on disposal of assets	637	-	-
Litigation settlement	(47,500)	-	(47,500)
Interest expense	(33,930)	(414)	(842)
NET LOSS	\$ (14,699,174)	\$ (757,398)	\$ (1,009,820)
Basic and Diluted Loss per Share		\$ (0.02)	\$ (0.03)

Basic and Diluted Weighted Average Number of Shares	37,428,638	33,718,463
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See accompanying notes to these financial statements.

LIGHTWAVE LOGIC, INC.

(A Development Stage Company)

STATEMENTS OF COMPREHENSIVE LOSS

FOR THE THREE MONTHS ENDING MARCH 31, 2009 AND 2008 AND FOR THE
 PERIOD JANUARY 1, 2004 (INCEPTION OF DEVELOPMENT STAGE) TO MARCH 31, 2009
 (UNAUDITED)

	Cumulative	For the	For the Three
	Since	Three	Months Ending
	Inception	Months	Months Ending
		Ending	March 31, 2008
		March 31,	
		2009	
NET LOSS	\$ (14,699,174)	\$ (757,398)	\$ (1,009,820)
OTHER COMPREHENSIVE INCOME (LOSS)			
Unrealized gain on available for sale securities	-	-	32,459
COMPREHENSIVE LOSS	\$ (14,699,174)	\$ (757,398)	\$ (977,361)

See accompanying notes to these financial statements.

LIGHTWAVE LOGIC, INC.

(A Development Stage Company)

STATEMENT OF STOCKHOLDERS EQUITY

FOR THE PERIOD JANUARY 1, 2004 (INCEPTION OF DEVELOPMENT STAGE)
TO MARCH 31, 2009
(UNAUDITED)

	Number of Shares	Common Stock	Paid-in Capital	Subscription Receivable	Deferred Charges	Unrealized Loss on Securities	Accumulated Deficit	Deficit Accumulated During Development Stage
AT R	100	\$ 1	\$ -	\$ -	\$ -	\$ -	(15,827)	\$ -
on	706,973	706	(706)	-	-	-	-	-
AT l,	707,073	707	(706)	-	-	-	(15,827)	-
ck	13,292,927	13,293	(13,293)	-	-	-	-	-
ck	1,600,000	1,600	254,400	-	-	-	-	-
es at	2,000,000	2,000	(2,000)	-	-	-	-	-
ck	637,500	638	74,362	-	-	-	-	-

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ck								
es								
04								
e								
of								
in								
004								
e	187,500	187	29,813	-	-	-	-	-
he								
,	-	-	-	-	-	-	-	(722,146)
AT								
R	18,425,000	18,425	342,576	-	-	-	(15,827)	(722,146)
ck								
t								
4,000,000	4,000	996,000	-	-	-	-	-	-
of								
e in								
3,118,750	3,119	495,881	-	-	-	-	-	-
-	-	-	(6,500)	-	-	-	-	-
ck								
es								
05,								
210,000	210	585,290	-	-	-	-	-	-
ck								
es								
05,								
200,000	200	583,800	-	-	-	-	-	-
ued								
n								
g								
at	-	-	37,000	-	-	-	-	-

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ued n	-	-	24,200	-	-	-	-	-
ued n 5, g	-	-	15,900	-	-	-	-	-
at	-	-	435,060	-	-	-	-	-
ued	-	-	-	-	(584,000)	-	-	-
at	-	-	-	-	265,455	-	-	-
ck es 05,	300,000	300	74,700	-	-	-	-	-
a of	-	-	-	-	-	-	-	(1,721,765)
005 e he	26,253,750	26,254	3,590,407	(6,500)	(318,545)	-	(15,827)	(2,443,911)
,	850,000	850	424,150	-	-	-	-	-
AT R ck								

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at	300,000	300	269,700	-	-	-	-	-
ck								
es								
at	400,000	400	619,600	-	-	-	-	-
ck								
es								
,	25,000	25	36,225	-	-	-	-	-
ck								
es								
at	60,000	60	29,340	-	-	-	-	-
ued								
n								
at	-	-	66,500	-	-	-	-	-
ued								
ne								
at	-	-	465,996	-	-	-	-	-
ed								
n								
06,								
g								
at	-	-	428,888	-	-	-	-	-
	-	-	35,624	-	-	-	-	-

	-	-	-	6,500	-	-	-	-
a of	-	-	-	-	318,545	-	-	-
in	-	-	-	-	-	(26,000)	-	-
he	-	-	-	-	-	-	-	(2,933,809)
,	-	-	-	-	-	-	-	(2,933,809)
AT	27,888,750	\$ 27,889	\$ 5,966,430	\$ -	\$ -	\$ (26,000)	\$ (15,827)	\$ (5,377,720)
R								

See accompanying notes to these financial statements.

LIGHTWAVE LOGIC, INC.

(A Development Stage Company)

STATEMENT OF STOCKHOLDERS' EQUITY

FOR THE PERIOD JANUARY 1, 2004 (INCEPTION OF DEVELOPMENT STAGE)
TO MARCH 31, 2009 (CONTINUED)
(UNAUDITED)

	Number of Shares	Common Stock	Paid-in Capital	Receivable for Issuance of Common Stock	Deferred Charges	Unrealized Loss on Securities	Accumulated Deficit	Deficit Accumulated During Development Stage	Total
ANCE									
EMBER									
2006	27,888,750	\$ 27,889	\$ 5,966,430	\$ -	\$ -	(26,000)	(15,827)	(5,377,720)	\$ 574
mon issued ivate ment g 2007 50/share	2,482,000	2,482	1,238,518	-	-	-	-	-	1,241
mon issued ivate ment g 2007 60/share	1,767,540	1,768	1,058,756	-	-	-	-	-	1,060
mon ription aded g 2007 50/share	(400,000)	(400)	(199,600)	-	-	-	-	-	(200)
mon issued ture ces in	151,785	152	106,098	-	-	-	-	-	106

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ary valued 70/share	1,000,000	1,000	579,000	-	-	-	-	-	580
non issued ture ces in h 2007, d at /share									
mon issued ervices									
ment for ants ble in 2007, valued 35/share	100,000	100	34,900	-	-	-	-	-	35
mon issued ervices in ber 2007, d at /share	150,000	150	101,850	-	-	-	-	-	102
mon issued ervices in ber 2007, d at /share	150,000	150	134,850	-	-	-	-	-	135
mon issued ervices in mber valued 72/share	400,000	400	287,600	-	-	-	-	-	288
ants d for ces in mber vested g 2007, d at /share	-	-	36,370	-	-	-	-	-	36
ants d for ces in	-	-	52,180	-	-	-	-	-	52

h 2007, d during valued 63/share	-	-	293,476	-	-	-	-	-	293
ants d for ces in 2007, d during valued 63/share	-	-	140,490	-	-	-	-	-	140
ants d for ces in 2007, d during valued 56/share	-	-	52,946	-	-	-	-	-	52
ants d for ces in ber 2007, d during valued 61/share	-	-	61,449	-	-	-	-	-	61
ants d for ces in ber 2007, d during valued 78/share	-	-	52,292	-	-	-	-	-	52
ants d for ces in ber vested g 2007, d at /share	-	-	1,159	-	-	-	-	-	1
ns d for	-	-	17,589	-	-	-	-	-	17

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ces in ary , vested g 2007, d at /share	-	-	43,757	-	-	-	-	-	43
ns d for ces in ary , vested g 2007, d at /share	-	-	41,653	-	-	-	-	-	41
ants d for e ces in 2007, d during valued 70/share	-	-	348,000	-	-	-	-	-	348
red es for non issued ture ces in h 2007, d at /share	-	-	-	-	(928,000)	-	-	-	(928)
rtization ferred es	-	-	-	-	773,333	-	-	-	773
alized (loss) on ities	-	-	-	-	-	(32,610)	-	-	(32)
oss for ear g mber 31,	-	-	-	-	-	-	-	(4,223,449)	(4,223)

ANCE

EMBER

007

33,690,075

33,690

10,449,763

- (154,667)

(58,610)

(15,827)

(9,601,169)

653

See accompanying notes to these financial statements.

LIGHTWAVE LOGIC, INC.

(A Development Stage Company)

STATEMENT OF STOCKHOLDERS' EQUITY

FOR THE PERIOD JANUARY 1, 2004 (INCEPTION OF DEVELOPMENT STAGE)
TO MARCH 31, 2009 (CONTINUED)
(UNAUDITED)

	Number of Shares	Common Stock	Paid-in Capital	Receivable for Issuance of Common Stock	Deferred Charges	Unrealized Loss on Securities	Accumulated Deficit	Deficit Accumulated During Development Stage	Total
BALANCE AT DECEMBER 31, 2007	33,690,075	33,690	10,449,763	-	(154,667)	(58,610)	(15,827)	(9,601,169)	65,000,000
Common stock issued in connection with the reorganization effective January 1, 2008 at \$0.001 per share	690,001	690	413,310	-	-	-	-	-	414,000
Common stock issued for services in 2008, valued at \$0.75 per share	100,000	100	74,900	-	-	-	-	-	75,000
Common stock issued for services in 2008, valued at \$1.80 per share	200,000	200	359,800	-	-	-	-	-	360,000
Increase of value of warrants at March 31, 2009, valued at \$0.25 per share	320,000	320	79,680	-	-	-	-	-	80,000
Increase of value of warrants at March 31, 2009, valued at \$0.25 per share	641,080	641	159,629	-	-	-	-	-	160,000

/share, want to number adjusted offering									
rise of nts at /share	270,000	270	134,730	-	-	-	-	-	13
nts l for es in mber vested g 2008, l at /share	-	-	27,014	-	-	-	-	-	2
nts l for es in n 2007, l during valued at /share	-	-	10,885	-	-	-	-	-	10
nts l for es in 2007, l during valued at /share	-	-	121,713	-	-	-	-	-	12
nts l for es in 2007, l during valued at /share	-	-	48,738	-	-	-	-	-	48
nts l for es in May vested g 2008, l at /share	-	-	31,444	-	-	-	-	-	3
nts l for es in mber vested	-	-	12,487	-	-	-	-	-	12

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g 2008, d at /share									
ns issued rvice in mber vested g 2008, d at /share	-	-	286,803	-	-	-	-	-	286,803
ns issued rvice in y 2008, d during valued at /share	-	-	30,750	-	-	-	-	-	30,750
ns issued rvice in 008, d during valued at /share	-	-	114,519	-	-	-	-	-	114,519
ns issued rvice in st 2008, d during valued at /share	-	-	525,263	-	-	-	-	-	525,263
ns issued rvice in mber vested g 2008, d at /share	-	-	6,439	-	-	-	-	-	6,439
ants l for services rch 2008, l through mber valued at /share	-	-	332,000	-	(332,000)	-	-	-	
ants l for es in May vested gh	-	-	976,193	-	-	-	-	-	976,193

Number									
valued at									
/share									
ization									
ferred									
es	-	-	-	-	431,337	-	-	-	43
available for									
issuance of									
common stock	-	-	-	(12,500)	-	-	-	-	(12
net loss									
classification	-	-	-	-	-	58,610	-	-	58
loss for the									
period ending									
September 30,									
2008	-	-	-	-	-	-	-	(4,340,607)	(4,340
BALANCE AT									
SEPTEMBER									
30, 2008	35,911,156	\$ 35,911	\$ 14,196,060	\$ (12,500)	\$ (55,330)	\$ -	\$ (15,827)	\$ (13,941,776)	\$ 20

See accompanying notes to these financial statements.

LIGHTWAVE LOGIC, INC.

(A Development Stage Company)

STATEMENT OF STOCKHOLDERS EQUITY

FOR THE PERIOD JANUARY 1, 2004 (INCEPTION OF DEVELOPMENT STAGE)
TO MARCH 31, 2009 (CONTINUED)
(UNAUDITED)

	Number of Shares	Common Stock	Paid-in Capital	Receivable for Issuance of Common Stock	Deferred Charges	Accumulated Deficit	Deficit Accumulated During Development Stage	Total
BALANCE AT DECEMBER 31, 2008	35,911,156	\$ 35,911	\$ 14,196,060	\$ (12,500)	\$ (55,330)	\$ (15,827)	\$ (13,941,776)	\$ 206,538
Rights to purchase shares issued in January 2009, vested during 2009, valued at \$0.33/share	-	-	132,058	-	-	-	-	132,058
Common stock issued for services in January 2009, valued at \$0.58/share	100,000	100	57,900	-	-	-	-	58,000
Common stock issued for services and as settlement for accounts payable in January 2009, valued at \$0.25/share	100,000	100	24,900	-	-	-	-	25,000

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Exercise of purchase right agreement in January 2009 at \$0.25/share	180,550	181	44,957	-	-	-	-	45,138
Exercise of warrants at \$0.25/share, pursuant to November 2008 adjusted stock offering	1,279,336	1,279	318,555					319,834
Exercise of warrants at \$0.001/share	400,000	400	-	-	-	-	-	400
Options issued for services in November 2007, vested during 2009, valued at \$0.60/share	-	-	49,126	-	-	-	-	49,126
Options issued for services in January 2008, vested during 2009, valued at \$0.60/share	-	-	2,377	-	-	-	-	2,377
Options issued for services in July 2008, vested during 2009, valued at \$1.48/share	-	-	12,039	-	-	-	-	12,039
Options issued for services in August 2008, vested during 2009, valued at \$1.36/share	-	-	138,180	-	-	-	-	138,180
Options issued for services in November 2008, vested during 2009, valued at \$0.50/share	-	-	37,630	-	-	-	-	37,630
Options issued for services in January 2009, vested during	-	-	13,136	-	-	-	-	13,136

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2009, valued at \$0.53/share									
Options issued for services in February 2009, vested during 2009, valued at \$0.38/share	-	-	9,583	-	-	-	-	-	9,583
Contribution of accrued payroll in February 2009	-	-	52,129	-	-	-	-	-	52,129
Amortization of deferred charges	-	-	-	-	55,330	-	-	-	55,330
Payment for the issuance of common stock	-	-	-	12,500	-	-	-	-	12,500
Net loss for the three months ending March 31, 2009	-	-	-	-	-	-	-	(757,398)	(757,398)
BALANCE AT MARCH 31, 2009 (UNAUDITED)	37,971,042	\$ 37,971	\$ 15,088,630	\$ -	\$ -	(15,827)	\$ (14,699,174)	\$ 411,600	

See accompanying notes to these financial statements.

LIGHTWAVE LOGIC, INC.

(A Development Stage Company)

STATEMENTS OF CASH FLOW FOR THE THREE MONTHS ENDING

MARCH 31, 2009 AND 2008 AND

FOR THE PERIOD JANUARY 1, 2004 (INCEPTION OF DEVELOPMENT STAGE) TO

MARCH 31, 2009

(UNAUDITED)

	Cumulative Since Inception	For the Three Months Ending March 31, 2009	For the Three Months Ending March 31, 2008
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss	\$ (14,699,174)	\$ (757,398)	\$ (1,009,820)
Adjustment to reconcile net loss to net cash used in operating activities			
Amortization of deferred charges	4,392,456	55,330	194,729
Warrants issued for servic			