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 December 31, 2015

☐ Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from _____ to _____.

Commission file number 001-35527

MYnd Analytics, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**87-0419387**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

26522 La Alameda, Suite 290
Mission Viejo, California 92691
(Address of principal executive offices) (Zip Code)

(949) 420-4400
(Registrant's telephone number, including area code)

(Former name, former address, 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 preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes ☒ No ☐

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

Large accelerated filer ☐ Accelerated filer ☐

Non-accelerated filer ☐ (Do not check if smaller reporting company) Smaller reporting company ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

As of February 16, 2016, the issuer had 102,717,409 shares of common stock, par value $0.001 per share, issued and outstanding.

MYnd Analytics, Inc.

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PART I
FINANCIAL INFORMATION

Item 1. Financial Statements

MYND ANALYTICS, INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	For the three months ended December 31,	
	2015	**2014**
REVENUES		
Neurometric Services	$ 24,700	$ 22,700
OPERATING EXPENSES		
Cost of neurometric service revenues	1,200	1,100
Research	22,700	23,800
Product development	123,400	245,500
Sales and marketing	123,200	89,700
General and administrative	377,100	441,800
Total operating expenses	647,600	801,900
OPERATING LOSS	(622,900)	(779,200)
OTHER INCOME (EXPENSE)		
Interest expense, net	(700)	(800)
Financing expenses	(499,500)	(50,600)
Loss on extinguishment of debt	(2,337,400)	-
Gain (loss) on derivative liabilities	11,300	(39,900)
Total other income (expense)	(2,826,300)	(91,300)
LOSS BEFORE PROVISION FOR INCOME TAXES	(3,449,200)	(870,500)
Provision for income taxes	300	3,200
LOSS FROM CONTINUING OPERATIONS	(3,449,500)	(873,700)
Loss from discontinued operations	(1,800)	(900)
NET LOSS	$ (3,451,300)	$ (874,600)
BASIC AND DILUTED NET LOSS PER SHARE		
From continuing operations	$ (0.03)	$ (0.01)
From discontinued operations	(0.00)	(0.00)
Combined Net Loss	$ (0.03)	$ (0.01)
WEIGHTED AVERAGE SHARES OUTSTANDING:		
Basic and diluted	102,417,409	101,667,409

See accompanying Notes to Unaudited Condensed Consolidated Financial Statements.

MYND ANALYTICS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

	Unaudited as at December 31, 2015	Audited as at September 30, 2015
ASSETS		
CURRENT ASSETS:		
Cash	$ 823,800	$ 432,100
Accounts receivable (net of allowance for doubtful accounts of $1,200 and $1,200 as of December 31, 2015, and September 30, 2015, respectively)	3,800	11,800
Prepaid insurance	23,900	57,400
Prepaid other assets	55,300	46,900
Total current assets	906,800	548,200
Furniture and equipment, net	800	1,700
Other assets	16,700	17,200
TOTAL ASSETS	$ 924,300	$ 567,100
LIABILITIES AND STOCKHOLDERS' DEFICIT CURRENT LIABILITIES:		
Accounts payable (including $10,000 and $10,000 to related parties as of December 31, 2015, and September 30, 2015, respectively)	$ 817,100	$ 852,000
Accrued liabilities	129,200	156,300
Accrued compensation	384,600	418,500
Accrued compensation – related parties	265,800	226,100
Deferred revenue - grant funds	45,900	45,900
Current portion of capital lease	1,600	2,400
Total current liabilities	1,644,200	1,701,200
LONG-TERM LIABILITIES		
Secured convertible debt – related parties (net of discounts $322,100 and $209,900 as of December 31, 2015 and September 30, 2015, respectively)	3,127,900	2,240,100
Secured convertible debt - other (net of discounts $0 and $28,900 as of December 31, 2015, and September 30, 2015, respectively)	550,000	525,700
Accrued interest	142,500	103,600
Derivative liability	2,112,900	833,000
Total long-term liabilities	5,933,300	3,702,400
TOTAL LIABILITIES	7,577,500	5,403,600
STOCKHOLDERS' DEFICIT:		
Common stock, $0.001 par value; authorized 500,000,000 shares and issued and outstanding 102,417,409 shares and 102,417,409 shares as of December 31, 2015 and September 30, 2015, respectively	102,400	102,400
Additional paid-in capital	59,288,600	57,654,000
Accumulated deficit	(66,044,200)	(62,592,900)
Total stockholders' deficit	(6,653,200)	(4,836,500)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	$ 924,300	$ 567,100

See accompanying Notes to Unaudited Condensed Consolidated Financial Statements.

MYND ANALYTICS, INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the three months ended December 31,	
	2015	**2014**
OPERATING ACTIVITIES:		
Net loss	$ (3,451,300)	$ (874,600)
Adjustments to reconcile net loss to net cash used in operating activities:		
Net loss from discontinued operations	1,800	900
Depreciation and amortization	1,400	2,200
Loss (Gain) on derivative liability valuation	(11,300)	39,900
Valuation of warrants – investor relations	-	21,600
Stock based compensation	39,900	62,500
Loss on extinguishment of debt	2,337,400	-
Financing expenses	499,500	50,600
Changes in operating assets and liabilities:		
Accounts receivable	8,000	300
Prepaids and other	25,100	31,600
Accounts payable and accrued liabilities	(63,800)	(128,600)
Deferred compensation	5,800	(100)
Net cash used in operating activities	(607,500)	(793,700)
FINANCING ACTIVITIES:		
Repayment of a capital lease	(800)	(1,200)
Net proceeds from issuance of secured convertible debt	1,000,000	-
Net cash provided by (used in) financing activities	999,200	(1,200)
NET INCREASE (DECREASE) IN CASH	391,700	(794,900)
CASH- BEGINNING OF THE QUARTER	432,100	1,240,600
CASH- END OF THE QUARTER	$ 823,800	$ 445,700
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid during the period for:		
Interest	$ 800	$ 900
Income taxes	$ 300	$ 3,200

See accompanying Notes to Unaudited Condensed Consolidated Financial Statements.

MYND ANALYTICS, INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT
FOR THE THREE MONTHS ENDED DECEMBER 31, 2015

	Common Stock		Additional Paid-in	Accumulated	
	Shares	Amount	Capital	Deficit	Total
Balance at September 30, 2015 (Audited)	102,417,409	$ 102,400	$ 57,654,000	$ (62,592,900)	$ (4,836,500)
Stock-based compensation	—	—	39,900	—	39,900
Extension Warrants issued to note holders	—	—	1,196,000	—	1,196,000
Note Warrants issued to note holders	—	—	398,700	—	398,700
Net loss	—	—	—	(3,451,300)	(3,451,300)
Balance at December 31, 2015	102,417,409	$ 102,400	$ 59,288,600	$ (66,044,200)	$ (6,653,200)

See accompanying Notes to Unaudited Condensed Consolidated Financial Statements.

1. NATURE OF OPERATIONS

At our annual meeting of stockholders held on October 28, 2015, our stockholders approved a proposal to change the Company's name to MYnd Analytics, Inc. from CNS Response, Inc. The Company's charter was officially amended on November 2, 2015.

MYnd Analytics, Inc. ("MYnd," "CNS," "we," "us," "our," or the "Company"), formerly known as CNS Response Inc., was incorporated in Delaware on March 20, 1987, under the name Age Research, Inc. Prior to January 16, 2007, the Company (then called Strativation, Inc.) was a "shell company" with nominal assets and our sole business was to identify, evaluate and investigate various companies to acquire or with which to merge. On January 16, 2007, the Company entered into an Agreement and Plan of Merger (the "Merger Agreement") with CNS Response, Inc., a California corporation formed on January 11, 2000 ("CNS California"), and CNS Merger Corporation, a California corporation and the Company's wholly-owned subsidiary ("MergerCo") pursuant to which the Company agreed to acquire CNS California in a merger transaction wherein MergerCo would merge with and into CNS California, with CNS California being the surviving corporation (the "Merger"). On March 7, 2007, the Merger closed, CNS California became a wholly-owned subsidiary of the Company, and on the same date the corporate name was changed from Strativation, Inc. to CNS Response, Inc. At the annual meeting held on October 28, 2015, stockholders approved a change in our name from CNS Response, Inc. to MYnd Analytics, Inc. On November 2, 2015, the Company filed an amendment to its Articles of Incorporation which, among other things, effected the name change to MYnd Analytics, Inc.

The Company is a cloud-based predictive analytics company that provides objective clinical decision support to mental healthcare providers for the treatment of behavioral disorders, including depression, anxiety, bipolar disorder and post-traumatic stress disorder ("PTSD"). The Company uses its proprietary neurometric platform, PEER Online, to generate Psychiatric EEG Evaluation Registry ("PEER") Reports to predict the likelihood of response by an individual to certain medications for the treatment of behavioral disorders. Management intends to conduct a clinical trial focused on Southern California (the "SoCal Trial") using substantially the same protocol as had been previously been approved by the Walter Reed Institutional Review Board (the "Walter Reed IRB") during our 2013-2014 reimbursed clinical trial at Walter Reed National Military Medical Center ("Walter Reed") and Fort Belvoir Community Hospital ("Fort Belvoir") (collectively, the "Walter Reed PEER Trial"), which employed our neurometric platform to provide PEER Reports to military psychiatrists treating patients primarily for depression with various comorbidities, including PTSD and mild traumatic brain injury ("mTBI). Our management believes the SoCal Trial will provide additional information to demonstrate the clinical and economic utility of our neurometric platform. We are also focusing our marketing efforts on Southern California to boost our commercialization of the PEER Online platform and its PEER Reports.

The Company acquired the Neuro-Therapy Clinic, Inc. ("NTC") on January 15, 2008, to provide behavioral health care services. NTC's operations were discontinued effective September 30, 2012. *See Note 3. Discontinued Operations.*

Going Concern Uncertainty

The accompanying unaudited condensed consolidated financial statements have been prepared in conformity with U.S. generally accepted accounting principles ("GAAP"), which contemplate continuation of the Company as a going concern. The Company has a limited operating history and its operations are subject to certain challenges, expenses, difficulties, delays, complications, risks and uncertainties frequently encountered in the operation of a business with a limited operating history. These risks include the ability to obtain adequate financing on a timely basis, if at all, the failure to develop or supply technology or services to meet the demands of the marketplace, the failure to attract and retain qualified personnel, competition within the industry, government regulation and the general strength of regional and national economies.

The Company's continued operating losses and limited capital raise substantial doubt about its ability to continue as a going concern. The Company has limited cash resources for its operations and will need to raise additional funds to meet its obligations as they become due. As of December 31, 2015, we had an accumulated deficit of $66,044,200. For the three months ended December 31, 2015 and 2014, we had net losses from operations of $622,900 and $779,200 respectively. Net cash used in operating activities for the three months ended December 31, 2015 and 2014, were $607,500 and $793,700 respectively.

To date, the Company has financed its cash requirements primarily from debt and equity financings. The Company will need to raise additional funds immediately to continue its operations and needs to raise substantial additional funds before the Company can increase demand for its PEER Online services. Until it can generate a sufficient amount of revenues to finance its cash requirements, which it may never do, the Company must continue to finance future cash needs primarily through public or private equity offerings, debt financings, borrowings or strategic collaborations. The Company's liquidity and capital requirements depend on several factors, including the rate of market acceptance of its services, the future profitability of the Company, the rate of growth of the Company's business and other factors described elsewhere in this Quarterly Report on Form 10-Q. The Company continues to explore additional sources of capital, but there is substantial doubt as to whether any financing arrangement will be available in amounts and on terms acceptable to the Company to permit it to continue operations. The accompanying unaudited condensed consolidated financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

Between September 22, 2014, and December 28, 2015, the Company issued secured convertible debt in the aggregate principal amount of $4,000,000. During the 2015 fiscal year ended September 30, 2015, the aggregate gross proceeds to the Company were $1,350,000 from the debt offering. Additionally, for the three months ended December 31, 2015, the Company issued secured convertible debt in the aggregate principal amount of $1,000,000.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements of the Company have been prepared pursuant to the rules and regulations of the U.S. Securities and Exchange Commission (the "SEC") and are in accordance with accounting principles generally accepted in the United States of America.

Basis of Consolidation

The unaudited condensed consolidated financial statements include the accounts of the Company, an inactive parent company, and its wholly owned subsidiaries CNS California and NTC, which is accounted for as a discontinued operation *(Refer to Note 3. Discontinued Operations Transaction)*. All significant intercompany transactions have been eliminated on consolidation.

Use of Estimates

The preparation of the unaudited condensed consolidated financial statements requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenue and expense, and related disclosure of contingent assets and liabilities. On an ongoing basis, the Company evaluates its estimates, including those related to revenue recognition, doubtful accounts, intangible assets, income taxes, valuation of equity instruments, accrued liabilities, contingencies and litigation. The Company bases its estimates on historical experience and on various other assumptions that are believed 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 materially from these estimates.

Cash

The Company deposits its cash with major financial institutions and may at times exceed the federally insured limit of $250,000. At December 31, 2015 cash exceeds the federally insured limit by $573,800. The Company believes that the risk of loss is minimal. To date, the Company has not experienced any losses related to cash deposits with financial institutions.

Derivative Liabilities

The Company evaluates all of its agreements to determine if such instruments have derivatives or contain features that qualify as embedded derivatives. For derivative financial instruments that are accounted for as liabilities, the derivative instrument is initially recorded at its fair value and is then re-valued at each reporting date, with changes in the fair value reported in the consolidated statements of operations. For stock-based derivative financial instruments, the Company uses a weighted average Black-Scholes option pricing model to value the derivative instruments at inception and on subsequent valuation dates. The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is evaluated at the end of each reporting period. Derivative instrument liabilities are classified in the balance sheet as current or non-current based on whether or not net-cash settlement of the derivative instrument could be required within 12 months of the balance sheet date. As of December 31, 2015, the Company's only derivative financial instruments were a series of convertible notes having embedded derivative liabilities based on the conversion price of the note relative to the market price of a share of Common Stock on the valuation date. See Notes 4 & 5.

Fair Value of Financial Instruments

ASC 825-10 defines financial instruments and requires disclosure of the fair value of financial instruments held by the Company. The Company considers the carrying amount of cash, accounts receivable, other receivables, accounts payable and accrued liabilities, to approximate their fair values because of the short period of time between the origination of such instruments and their expected realization.

The Company also analyzes all financial instruments with features of both liabilities and equity under ASC 480-10, ASC 815-10 and ASC 815-40.

The Company adopted ASC 820-10 on January 1, 2008. ASC 820-10 defines fair value, establishes a three-level valuation hierarchy for disclosures of fair value measurement and enhances disclosure requirements for fair value measures. The three levels are defined as follows:

- Level 1 inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets;
- Level 2 inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the assets or liability, either directly or indirectly, for substantially the full term of the financial instruments; and
- Level 3 inputs to the valuation methodology are unobservable and significant to the fair value.

The Company used Level 3 inputs for its valuation methodology for the conversion option liability in determining the fair value using the Black-Scholes option-pricing model with the following assumption inputs:

	December 31, 2015	September 30, 2015
Annual dividend yield	-	-
Expected life (years)	2.0	0.5
Risk-free interest rate	1.06%	0.08%
Expected volatility	221.58%	48%

	Carrying Value As of December 31, 2015	Fair Value Measurements at December 31, 2015 Using Fair Value Hierarchy		
		Level 1	Level 2	Level 3
Liabilities				
Embedded derivative liabilities	2,112,900	-	-	2,112,900
Total	$ 2,112,900	$ -	$ -	$ 2,112,900

	Carrying Value As of September 30, 2015	Fair Value Measurements at September 30, 2015 Using Fair Value Hierarchy		
		Level 1	Level 2	Level 3
Liabilities				
Embedded derivative liabilities	833,000	-	-	833,000
Total	$ 833,000	$ -	$ -	$ 833,000

For a roll-forward analysis of embedded derivative liabilities refer to *Note 5. Derivative Liabilities*

At December 31, 2015 and September 30, 2015, the Company had derivative liabilities of $2,112,900 and $833,000 respectively. For the three months ending Decembers 31, 2015 and 2014, the Company had a gain on the fair valuation of derivative liabilities of $11,300 and a $39,900 loss on fair valuation of derivative liabilities respectively. As of December 31, 2015, the Company did not identify any other assets or liabilities that are required to be presented on the balance sheet at fair value in accordance with ASC 825-10.

Accounts Receivable

The Company estimates the collectability of customer receivables on an ongoing basis by reviewing past-due invoices and assessing the current creditworthiness of each customer. Allowances are provided for specific receivables deemed to be at risk for collection which as of December 31, 2015 and September 30, 2015 were $1,200 and $1,200 respectively.

Furniture and Equipment

Furniture and Equipment, which are recorded at cost, consist of office furniture, equipment and purchased intellectual property which are depreciated, or amortized in the case of the intellectual property, over their estimated useful life on a straight-line basis. The useful life of these assets is estimated to be between three and ten years. Depreciation and amortization for the three months ended December 31, 2015 and 2014 was $1,400 and $2,200 respectively. Accumulated depreciation and amortization at December 31, 2015 and September 30, 2015 was $84,000 and $82,600, respectively.

Long-Lived Assets

As required by ASC 350-30 (formerly SFAS No. 144, *Accounting for the Impairment or Disposal of Long-Lived Assets*), the Company reviews the carrying value of its long-lived assets whenever events or changes in circumstances indicate that the historical cost-carrying value of an asset may no longer be appropriate. The Company assesses recoverability of the carrying value of the asset by estimating the future net cash flows expected to result from the asset, including eventual disposition. If the future net cash flows are less than the carrying value of the asset, an impairment loss is recorded equal to the difference between the asset's carrying value and fair value. No impairment loss was recorded for the three months ended December 31, 2015 and 2014.

Accounts Payable

Accounts payable consists of trade payables of which $483,900 and $462,800 are for legal services at December 31, 2015 and 2014 respectively.

Deferred Revenue

Deferred revenue represents revenue collected but not earned as of December 31, 2015. This represents a philanthropic grant for the payment of PEER Reports ordered for a clinical trial, which are otherwise not paid for by the military. These deferred revenue grant funds as of December 31, 2015 and 2014 are $45,900 for both periods.

Revenues

The Company recognizes revenue on services, being the delivery of PEER Reports to medical providers, in accordance with the Financial Accounting Standards Board ("FASB") ASC No. 605, "Revenue Recognition." In all cases, revenue is recognized when we have persuasive evidence of an arrangement, a determinable fee, when collection is considered to be reasonable assured and the services are delivered.

Research and Development Expenses

The Company charges all research and development expenses to operations as incurred.

Advertising Expenses

The Company charges all advertising expenses to operations as incurred. For the three months ended December 31, 2015 and 2014 advertising expenses were $40,200 and $18,200 respectively.

Stock-Based Compensation

The Company has adopted ASC 718-20 and related interpretations which establish the accounting for equity instruments exchanged for employee services. Under ASC 718-20, share-based compensation cost to option grantee, being employees and directors, and is measured at the grant date based on the calculated fair value of the award (*see Note 5 for further discussion on valuations*). The expense is recognized over the option grantees' requisite service period, generally the vesting period of the award.

Income Taxes

The Company accounts for income taxes under the asset and liability method. Deferred tax assets and liabilities are recognized for future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Valuation allowances are recorded, when necessary, to reduce deferred tax assets to the amount expected to be realized.

As a result of the implementation of certain provisions of ASC 740, *Income Taxes*, which clarifies the accounting and disclosure for uncertainty in tax positions, as defined. ASC 740 seeks to reduce the diversity in practice associated with certain aspects of the recognition and measurement related to accounting for income taxes. The Company adopted the provisions of ASC 740 and have analyzed filing positions in each of the federal and state jurisdictions where required to file income tax returns, as well as all open tax years in these jurisdictions. We have identified the U.S. Federal and California as our "major" tax jurisdictions. Generally, we remain subject to Internal Revenue Service examination of our 2010 through 2014 U.S. federal income tax returns, and remain subject to California Franchise Tax Board examination of our 2010 through 2014 California Franchise Tax Returns. However, we have certain tax attribute carryforwards which will remain subject to review and adjustment by the relevant tax authorities until the statute of limitations closes with respect to the year in which such attributes are utilized.

We believe that our income tax filing positions and deductions will be sustained on audit and do not anticipate any adjustments that will result in a material change to our financial position. Therefore, no reserves for uncertain income tax positions have been recorded pursuant to ASC 740. In addition, we did not record a cumulative effect adjustment related to the adoption of ASC 740. Our policy for recording interest and penalties associated with income-based tax audits is to record such items as a component of income taxes.

Comprehensive Income (Loss)

ASC 220-10 requires disclosure of all components of comprehensive income (loss) on an annual and interim basis. Comprehensive income (loss) is defined as the change in equity of a business enterprise during a period from transactions and other events and circumstances from non-owner sources. The Company's comprehensive income (loss) is the same as its reported net income (loss) for the three months ended December 31, 2015 and 2014.

Earnings (Loss) per Share

Basic earnings (loss) per share are computed by dividing income (loss) available to common stockholders by the weighted average common shares outstanding during the period. Diluted earnings (loss) per share takes into account the potential dilution that could occur if securities or other contracts to issue Common Stock were exercised and converted into Common Stock.

Recent Accounting Pronouncements

Apart from the below-mentioned recent accounting pronouncements, there are no new accounting pronouncements that are currently applicable to the Company.

In April 2015, the FASB issued Accounting Standards Update ("ASU") No. 2015-03 is to simplify presentation of debt issuance costs, the amendments in this Update would require that debt issuance costs be presented in the balance sheet as a direct deduction from the carrying amount of debt liability, consistent with debt discounts or premiums. The recognition and measurement guidance for debt issuance costs would not be affected by the amendments in this Update. The amendments in this ASU are effective for public business entities for fiscal years, and for interim periods within those fiscal years, beginning after December 15, 2015. Early adoption is permitted, including adoption in an interim period. The Company does not expect the adoption of the standard update to have a material impact on its consolidated financial position or results of operations.

3. DISCONTINUED OPERATIONS

On September 30, 2012 the Company discontinued its Clinical Services Operation at its wholly-owned subsidiary, NTC, because the operation had persistent losses which could no longer be supported by the Company. Furthermore, the Company chose to focus its limited cash resources to conduct its clinical trial.

Summary Financial Data of Discontinued Operations:

Revenues, income before income taxes and net loss of NTC which are included in discontinued operations are as follows:

	Three Months Ended December 31,	
	2015	**2014**
Neuro-Therapy Clinic		
Revenues	$ —	$ —
Expenses	1,800	900
Operating gain (loss) before taxes	$ (1,800)	$ (900)
Taxes	—	—
Net gain (loss)	$ (1,800)	$ (900)

The assets and liabilities of NTC are as follows:

	(Unaudited) December 31, 2015	September 30, 2015
ASSETS:		
Assets of discontinued operations	$ —	$ —
LIABILITIES:		
Accrued liabilities	127,400	129,000
Liabilities of discontinued operations	$ 127,400	$ 129,000

4. CONVERTIBLE DEBT AND EQUITY FINANCINGS

Between September 22, 2014, and July 20, 2015, the Company entered into a Note Purchase Agreement (the "Original Note Purchase Agreement") in connection with a bridge financing, with nine accredited investors, including lead investor RSJ Private Equity investiční fond s proměnným základním kapitálem ("RSJ PE"). Pursuant to the Original Note Purchase Agreement, the Company issued fifteen secured convertible promissory notes (each, a "September 2014 Note") in the aggregate principal amount of $2.29 million. Of this amount, RSJ PE purchased a September 2014 Note for $750,000. The September 2014 Notes were also purchased by the following affiliates of the Company or entities under their control: RSJ PE, of which Michal Votruba is a director, purchased a September 2014 Note for $750,000, the Company's director, John Pappajohn, purchased three September 2014 Notes for $400,000; the Follman Family Trust of which Robert Follman, a director of the Company, is a trustee, purchased a September 2014 Note for $100,000; The Tierney Family Trust, which is a greater than 5% stockholder of the Company, purchased five September 2014 Notes for $540,000, of which Thomas Tierney, a former director and Chairman of the Board of the Company, is a trustee; and Oman Ventures, of which Mark Oman, a greater than 5% stockholder of the Company, is the President, purchased a September 2014 Note for $200,000. Michal Votruba joined our Board on July 30, 2015

The Original Note Purchase Agreement provided for the issuance and sale of September 2014 Notes in the aggregate principal amount of up to $2.5 million, in one or more closings to occur over a six-month period beginning September 22, 2014. The Original Note Purchase Agreement also provided that the Company and the holders of the September 2014 Notes enter into a registration rights agreement covering the registration of the resale of the shares of the Common Stock underlying the September 2014 Notes.

On April 14, 2015, the Company entered into Amendment No. 1 to the Original Note Purchase Agreement with the majority of the noteholders in principal, dated as of April 14, 2015 ("Amendment No. 1"), pursuant to which: (i) the aggregate principal amount of notes provided for issuance was increased by $0.5 million to a total of $3.0 million, and (ii) the period to raise the $3.0 million was extended to September 30, 2015. The Company subsequently amended and restated the Original Note Purchase Agreement solely to update for the changes made pursuant to Amendment No. 1 (such amended and restated agreement, together with the Original Note Purchase Agreement, the "Note Purchase Agreement").

On September 14, 2015, the Company entered into an Omnibus Amendment (the "Omnibus Amendment") to the Note Purchase Agreement and the notes purchased and sold pursuant thereto, with the majority of the noteholders to fix the conversion price of all notes at $0.05 per share (as adjusted for stock splits, stock dividends, combinations or the like affecting the Common Stock) (the "Fixed Conversion Price") (i) automatically, in the event of a qualified financing of not less than $5 million, or (ii) voluntary, within 15 days prior to the maturity date of the note. The Omnibus Amendment also amended the form of note attached to the Note Purchase Agreement to reflect the Fixed Conversion Price.

Subsequently thereto, on September 14, 15 and 24, 2015, the Company entered into a Note Purchase Agreement, as amended by the Omnibus Amendment, with each of six accredited investors, in connection with a bridge financing. Pursuant to these Note Purchase Agreements, the Company issued an aggregate principal amount of $710,000 of secured convertible promissory notes (collectively, the "September 2015 Notes," and together with the September 2014 Notes all other notes purchased and sold pursuant to the Note Purchase Agreement, the "Notes"), which amount also represents the gross proceeds to the Company from the September 2015 Notes. Four of the six September 2015 Notes were purchased by affiliates of the Company, or an entity under such affiliate's control, as follows: (i) Dr. Robin Smith, Chairman of the Board of Directors of the Company, purchased a Note for $60,000; (ii) the Follman Family Trust purchased a Note for $150,000; (iii) John Pappajohn purchased a Note for $100,000 and (iv) RSJ PE, purchased a Note for $350,000.

Through December 23, 2015, and prior to further amendments to the Notes, all of the Notes were scheduled to mature on March 21, 2016, (subject to earlier conversion or prepayment), and earned interest at a rate of 5% per annum with interest payable at maturity. The Notes could not be prepaid without the prior written consent of the holder of such Note. The Notes were secured by a security interest in the Company's intellectual property, as detailed in a security agreement. Upon a change of control of the Company, the holder of a Note had the option to have the Note repaid with a premium equal to 50% of the outstanding principal.

On December 23, 2015, the Company entered into a Second Amended and Restated Note and Warrant Purchase Agreement (which further amended and restated the Note Purchase Agreement, as modified by the Omnibus Amendment) (the "Second Amended Note & Warrant Agreement") with each of 16 accredited investors, pursuant to which (i) the aggregate principal amount of Notes available for issuance was increased from $3.0 million to up to $6.0 million, (ii) the maturity date of the Notes outstanding prior to such amendment was extended from March 21, 2016 to December 31, 2017; (iii) the time during which Notes may be issued was extended and (iv) certain warrants were issued to holders of both previously issued and Notes issued under the Second Amended Note & Warrant Agreement.

Pursuant to the Second Amended Note & Warrant Agreement, on December 23 and December 28, 2015, the Company issued to the two purchasers thereof (i) an aggregate principal amount of $1,000,000 of secured convertible promissory notes (each, a "December 2015 Note"), which amount also represents the gross proceeds to the Company from the December 2015 Notes, and (ii) a warrant to each holder of December 2015 Notes to purchase the Company's Common Stock, in an amount equal to 100% of the shares underlying their December 2015 Note (each, a "Note Warrant"). Each Note Warrant is exercisable, in whole or in part, during the period beginning on the date of its issuance, and ending on the earlier of (i) December 31, 2020 and (ii) the date that is forty-five (45) days following the date on which the daily closing price of shares of the Company's Common Stock quoted on the OTCQB Venture Marketplace (or other bulletin board or exchange on which the Company's Common Stock is traded or listed) exceeds $0.25 for at least ten (10) consecutive trading days. In connection therewith, the Company will promptly notify the Note Warrant holders in the event that the daily closing price of the Company's shares of Common Stock so exceeds $0.25 for at least ten (10) consecutive trading days. Both December 2015 Notes and Note Warrants were purchased by affiliates of the Company, or an entity under such affiliate's control, as follows: (i) on December 23, 2015, John Pappajohn, a member of the board of directors of the Company, purchased a December 2015 Note for $250,000 and was issued a Note Warrant to purchase 5,000,000 shares of Common Stock; and (ii) on December 28, 2015, RSJ PE, of which, Michal Votruba, a member of the board of directors of the Company, is the Director for Life Sciences for the RSJ/Gradus Fund, purchased a December 2015 Note for $750,000 and was issued a Note Warrant to purchase 15,000,000 shares of Common Stock.

The table below provides additional detail regarding the Notes as of December 2015 with respect to the carrying value and discount on the Balance Sheet.

		As of December 31, 2015		
Note Type and Investor	**Due Date**	**Balance**	**Discount**	**Carrying Value**
Senior Secured 5% Notes Convertible at $0.05 (the "Notes")		**($)**	**($)**	**($)**
RSJ Private Equity	12/31/2017	$ 1,850,000	$ (241,900)	$ 1,608,100
10 Accredited Investors	12/31/2017	550,000	-	550,000
Robin L. Smith	12/31/2017	60,000	-	60,000
John Pappajohn	12/31/2017	550,000	(80,200)	469,800
Tierney Family Trust	12/31/2017	540,000	-	540,000
Oman Ventures	12/31/2017	200,000	-	200,000
Follman Family Trust	12/31/2017	250,000	-	250,000
Total Secured Convertible Promissory Notes		**$ 4,000,000**	**$ (322,100)**	**$ 3,677,900**

Also on December 23, 2015, in consideration for the agreement to extend the maturity date of the Notes, the Company issued to holders of all Notes outstanding prior to the date of the Second Amended Note & Warrant Agreement, warrants to purchase an aggregate of 60,000,000 shares of Common Stock (the "Extension Warrants", together with the Note Warrants, the "Warrants"). All Warrants have identical terms. Each such holder was issued an Extension Warrant to purchase Common Stock in an amount equal to 100% of the shares underlying each such holder's previously outstanding Notes. *For additional detail refer to the warrant section of Note 6. Stockholders' Deficit.*

Pursuant to the Second Amended and Restated Note and Warrant Agreement, all Notes: (i) mature on December 31, 2017 (subject to earlier conversion or prepayment), (ii) earn interest at a rate of 5% per annum with interest payable at maturity, and (iii) are convertible into shares of Common Stock (a) automatically upon the closing of a qualified offering of no less than $5 million, at a conversion price of $0.05 per share or (b) voluntarily, within 15 days prior to maturity, at a conversion price of $0.05 per share. No Note may be prepaid without the prior written consent of the holder of such Note. The Notes are secured by a security interest in the Company's intellectual property, as detailed in the amended and restated security agreement. Upon a change of control of the Company (as described in the Notes), the holder of a Note will have the option to have the Note repaid with a premium equal to 50% of the outstanding principal.

5. DERIVATIVE LIABILITIES

At September 30, 2015 the Notes totaled $3.0 million and the derivative liability value was determined to be $833,000. For the fiscal year ended September 30, 2015, gains on derivatives liabilities totaled $162,800.

On December 23, 2015, the Company entered into the Second Amended Note & Warrant Agreement, with each of 16 accredited investors, pursuant to which (i) the aggregate principal amount of Notes available for issuance was increased from $3.0 million to up to $6.0 million, (ii) the maturity date of currently outstanding Notes was extended from March 21, 2016 to December 31, 2017; (iii) the time during which Notes may be issued was extended and (iv) certain warrants were issued to holders of both previously issued and newly issued Notes. Consequently, the existing notes totaling $3 million, plus $121,900 of accrued interest thereon, for an aggregate total debt of $3,121,900 was revalued on December 23, 2015, and on the prior trading day, December 22, 2015, to determine the impact on derivative valuation. On December 22, 2015, the derivative liability of the aggregate debt was determined to be $60,200, which resulted in a write down of $772,800 from the derivative liability balance of $833,000 at September 30, 2015, which resulted in a Gain on Derivative Liabilities of $772,800.

On December 23, 2015, all the Notes were revalued with the maturity date extended to December 31, 2017. The derivative liability value was determined to be $1,022,400 and the offset was booked to other income as a Loss on Extinguishment of Debt, adjustment amount of $962,300.

Pursuant to the Second Amended Note & Warrant Agreement, on December 23 and December 28, 2015, the Company issued to the two purchasers of December 2015 Notes in the aggregate principal amount of $1,000,000 of secured convertible promissory notes. Consequently, on December 31, 2015, notes in the aggregate principal amount of $4 million were revalued, and the derivative liability value was determined to be $2,112,900; the offset was booked to other income as a Loss on Derivative Liability of $761,500.

The Black-Scholes option-pricing model assumption inputs for all the valuation dates are in the table below:

	September 30, 2015	December 22, 2015	December 23, 2015	December 28, 2015	December 31, 2015
Annual dividend yield	—	—	—	—	—
Expected life (years)	0.2	0.25	2.0	2.0	2.0
Risk-free interest rate	0.08%	0.21%	1.01%	1.05%	1.06%
Expected volatility	47.83%	140.31%	220.46%	222.35%	221.58%

The net changes in the derivative valuation are summarized in the table below:

Fair Value of Embedded Derivative Liabilities of:	Valuation Date	Valuation	Net Adjustments
$3M of convertible debt (balance at the beginning of the period)	September 30, 2015	$ 833,000	$ 833,000
$3M of convertible debt prior to amendment	December 22, 2015	60,200	(772,800)
$3M of convertible debt as amended	December 23, 2015	1,022,400	962,300
$250,000 convertible note issued	December 23, 2015	81,900	81,900
$750,000 convertible note issued	December 28, 2015	247,000	247,000
$4M of convertible debt (balance at the end of the period)	December 31, 2015	$ 2,112,900	761,500
Fair Value of Embedded Derivative Liabilities			$ 2,112,900

The gain and (loss) on the accounting for derivative liabilities for the three months ended December 31, 2015 is summarized in the table below:

· Gain on embedded derivative liabilities of $3M of convertible debt valued on December 22, 2015	$	772,800
· The loss on embedded derivative liabilities on $4M of convertible debt valued on December 31, 2015		(761,500)
Net gain on derivative liabilities for the three months ended December 31 2015	**$**	**11,300**

The gain and (loss) on the accounting for Extinguishment of Debt for the three months ended December 31, 2015 is summarized in the table below:

· The extinguishment of the conversion discount on $3M of convertible debt on December 22, 2015	$	(179,100)
· Changes in fair value of embedded derivative liabilities on the amended $3M of convertible debt at December 23. 2015		(962,300)
· Valuation of Extension Warrants issued to Noteholders on December 23, 2015 (1)		(1,196,000)
Net loss on Extinguishment of Debt for the three months ended December 31 2015	**$**	**(2,337,400)**

(1) For Details Refer to the Warrant Section of Note 6. Stockholders' Deficit

The net changes in Derivative Liabilities for transactions which were booked to other income resulted in a net gain on derivative liabilities of $11,300 for the three months ended December 31, 2015. The three months ended December 31, 2014, we had a net loss on derivative liabilities of $39,900.

The net changes in Extinguishment of Debt for transactions which were booked to other income resulted in a net loss on extinguishment of debt of $2,337,400 for the three months ended December 31, 2015. For the same period in 2014 we had no similar expenses.

As of December 31, 2015 and September 30, 2015 we had derivative liabilities of $2,112,900 and $833,000 respectively.

6. STOCKHOLDERS' DEFICIT

Common and Preferred Stock

At the Company's annual stockholders meeting held on October 28, 2015, stockholders approved to amend the Company's Articles of Incorporation to increase the number of shares of Common Stock authorized for issuance from 180,000,000 to 500,000,000 shares.

As of December 31, 2015, the Company is authorized to issue 515,000,000 shares of stock, of which 500,000,000 are Common Stock; the remaining 15,000,000 shares, with a par value of $0.001 per shares are blank-check preferred stock which the Board is expressly authorized to issue without stockholder approval, for one or more series of preferred stock and, with respect to each such series, to fix the number of shares constituting such series and the designation of such series, the voting powers, if any, of the shares of such series, and the preferences and relative, participating, optional or other special rights, if any, and any qualifications, limitations or restrictions thereof, of the shares of such series. The powers, preferences and relative, participating, optional and other special rights of each series of preferred stock, and the qualifications, limitations or restrictions thereof, if any, may differ from those of any and all other series at any time outstanding.

As of December 31, 2015, 102,417,409 shares of Common Stock were issued and outstanding. No shares of preferred stock were issued or outstanding.

On August 20, 2015, the Board approved an award of 750,000 shares of the Company's restricted Common Stock to Dr. Smith in connection with her appointment as Chairman of the Company's Board. These shares, which are fully vested, were valued at $0.055 per share, the closing price of the shares on the day of grant, and were valued in aggregate at $41,250. The issuance of the shares was processed on October 30, 2015.

Stock-Option Plans

On August 3, 2006, CNS California adopted the CNS California 2006 Stock Incentive Plan (the "2006 Plan"). The 2006 Plan provides for the issuance of awards in the form of restricted shares, stock options (which may constitute incentive stock options (ISO) or non-statutory stock options (NSO), stock appreciation rights and stock unit grants to eligible employees, directors and consultants and is administered by the Board. A total of 667,667 shares of stock were ultimately reserved for issuance under the 2006 Plan. As of December 31, 2014, 70,825 options were exercised and there were 501,924 options and 6,132 restricted shares outstanding under the amended 2006 Plan leaving 87,786 shares which will not be issued as the 2006 Plan has been frozen. The outstanding options have exercise prices to purchase shares of Common Stock ranging from $3.60 to $32.70.

On March 22, 2012, our Board approved the MYnd Analytics, Inc. 2012 Omnibus Incentive Compensation Plan (the "2012 Plan"), reserved 333,334 shares of stock for issuance and on December 10, 2012, the Board approved the amendment of the 2012 Plan to increase the shares authorized for issuance from 333,334 shares to 5,500,000 shares. On March 26, 2013, the Board further approved the amendment of the 2012 Plan to increase the shares authorized for issuance from 5,500,000 shares to 15,000,000 shares. The 2012 Plan, as amended, was approved by our stockholders at the 2013 annual meeting held on May 23, 2013.

On January 8, 2015, the Board granted an option to purchase 250,000 shares of its Common Stock pursuant to the 2012 Plan, at an exercise price of $0.25 per share to a consultant. The option vesting is contingent upon the achievement of agreed upon goals.

On August 20, 2015, August 20, 2015, the Board approved an award of options to purchase 250,000 shares of the Company's common stock for each of the Company's directors, for an aggregate grant of 1,750,000 options. The options are exercisable at a price per share of $0.055, the closing price of the Company's common stock on the date of grant, and will vest pro-rata over 36 months.

As of December 31, 2015, under the amended 2006 Plan, 70,825 options had been exercised and 501,924 options and 6,132 restricted shares were outstanding leaving 87,786 shares which will never be issued as the 2006 Plan is frozen. Under the 2012 Plan as amended, options to purchase 13,728,087 shares of Common Stock and 750,000 restricted shares remain outstanding. No options have been exercised under the 2012 Plan and 521,913 shares remain available for issuance.

Stock-based compensation expenses are generally recognized over the employees' or service provider's requisite service period, generally the vesting period of the award. Stock-based compensation expense included in the accompanying statements of operations for the three months ended December 31, 2015 and 2014 is as follows:

	For the three months ended December 31,	
	2015	**2014**
Research	10,400	10,400
Product Development	9,200	18,500
Sales and marketing	9,100	9,900
General and administrative	11,200	23,700
Total	$ 39,900	$ 62,500

Total unrecognized compensation as of December 31, 2015 amounted to $176,432.

A summary of stock option activity is as follows:

	Number of Shares	**Weighted Average Exercise Price**
Outstanding at September 30, 2015	14,230,011	$ 0.75
Granted	-	
Exercised	-	-
Forfeited	-	
Outstanding at December 31, 2015	14,230,011	$ 0.75

Following is a summary of the status of options outstanding at December 31, 2015:

Exercise Price ($)	Number of Shares	Expiration Date	Weighted Average Exercise Price ($)
$ 0.055	1,750,000	08/2025	$ 0.055
0.04718	8,795,308	12/2022 – 01/2023	0.04718
0.25	2,715,109	03/2023 – 01/2025	0.25
0.26	425,000	07/2024	0.26
3.00	42,670	03/2022	3.00
3.60	28,648	08/2016	3.60
3.96	32,928	08/2016	3.96
9.00	4,525	11/2016	9.00
12.00	28,535	03/2019 – 07/2020	12.00
14.10	10,000	03/2021	14.10
15.30	1,373	09/2018	15.30
16.50	262,441	03/2020	16.50
17.70	953	08/2016	17.70
24.00	4,667	12/2017	24.00
26.70	32,297	09/2017	26.70
28.80	11,767	04/2018	28.80
$ 32.70	83,790	08/2017	$ 32.70
Total	**14,230,011**	Average	$ **0.75**

Warrants to Purchase Common Stock

The warrant activity for the period starting October 1, 2013, through December 31, 2015, is described as follows:

	Number of Shares	Weighted Average Exercise Price
Outstanding at September 30, 2015	**781,524**	$ 0.53
Granted	80,000,000	0.05
Exercised	-	-
Expired	(16,668)	1.00
Outstanding at December 31, 2015	**80,764,856**	$ **0.054**

Following is a summary of the status of warrants outstanding at December 31, 2015:

Exercise Price	Number of Shares	Expiration Date	Weighted Average Exercise Price
$ 0.04718	38,152	03/2018	$ 0.04718
0.05	20,000,000(1)	12/31/2020	0.05
0.05	60,000,000(2)	12/31/2020	0.05
0.25	332,200	04/2016 – 07/2017	0.25
0.275	324,000	06/2018 – 03/2019	0.275
1.00	50,502	10/2015 – 01/2017	1.00
7.50	3,334	05/2016	7.50
$ 9.00	16,668	07/2017	9.00
Total	**80,764,856**		$ **0.054**

(1) On December 23, 2015, the Company entered into a Second Amended Note and Warrant Purchase Agreement pursuant to which on December 23 and December 28, 2015, the Company issued December 2015 Notes to the two purchasers for an aggregate principal amount of $1,000,000 and issued a Note Warrant to each holder of December 2015 Notes to purchase the Company's Common Stock, in an amount equal to 100% of the shares underlying their December 2015 Note. Each Note Warrant is exercisable, in whole or in part, during the period beginning on the date of its issuance, and ending on the earlier of (i) December 31, 2020 and (ii) the date that is forty-five (45) days following the date on which the daily closing price of shares of the Company's Common Stock quoted on the OTCQB Venture Marketplace (or other bulletin board or exchange on which the Company's Common Stock is traded or listed) exceeds $0.25 for at least ten (10) consecutive trading days. In connection therewith, the Company will promptly notify the Note Warrant holders in the event that the daily closing price of the Company's shares of Common Stock so exceeds $0.25 for at least ten (10) consecutive trading days. Both December 2015 Notes and Note Warrants were purchased by affiliates of the Company, or an entity under such affiliate's control, as follows: (i) on December 23, 2015, John Pappajohn, a member of the board of directors of the Company, purchased a December 2015 Note for $250,000 and was issued a Note Warrant to purchase 5,000,000 shares of Common Stock; and (ii) on December 28, 2015, RSJ PE, of which, Michal Votruba, a member of the board of directors of the Company, is the Director for Life Sciences for the RSJ/Gradus Fund, purchased a December 2015 Note for $750,000 and was issued a Note Warrant to purchase 15,000,000 shares of Common Stock.

(2) On December 23, 2015, in consideration for the agreement to extend the maturity date of the Notes, the Company issued to holders of all Notes outstanding prior to the date of the Second Amended Note & Warrant Agreement, Extension Warrants to purchase an aggregate of 60,000,000 shares of Common Stock. Each such holder was issued an Extension Warrant to purchase Common Stock in an amount equal to 100% of the shares underlying each such holder's previously outstanding Notes. 11 million Extension Warrants were issued to 10 accredited investors and 49 million Extension Warrants were issued to Directors and Affiliates; for further detail *refer to Note 7. Related Party Transactions.*

On December 23, 2015, we valued the Extension Warrants to purchase 60 million shares of Common Stock using the Black-Scholes model and determined their value to be $1,196,000, which was booked as an Extinguishment of Debt expense.

The Black-Scholes option-pricing model assumption inputs for December 23, 2015, valuation were as follows:

	December 23, 2015
Annual dividend yield	—
Expected life (years)	5.00
Risk-free interest rate	1.74%
Expected volatility	272.56%

At December 31, 2015, there were warrants outstanding to purchase 80,764,856 shares of the Company's Common Stock. The exercise prices of the outstanding warrants range from $0.04718 to $9.00 with a weighted average exercise price of $0.54. The warrants expire at various times starting 2016 through 2020.

7. RELATED PARTY TRANSACTIONS

Termination of Governance Agreements

On March 28, 2015, the Company entered into a separate termination agreement with each of Equity Dynamics and SAIL, in each case to immediately terminate the respective November 28, 2012 governance agreement (collectively, the "Governance Agreements") that the Company had entered into with each of Equity Dynamics and SAIL (collectively, the "Termination Agreements"). Equity Dynamics is an entity owned by John Pappajohn, a director of the Company, and SAIL is one of the Company's principal stockholders of which former director, Walter Schindler, was the managing partner. Pursuant to the Governance Agreements, the Company had agreed, subject to providing required notice to stockholders, to appoint four individuals nominated by Equity Dynamics and three individuals nominated by SAIL to the Company's Board of Directors, and to create vacancies for that purpose, if necessary. In addition, at each meeting of stockholders of the Company at which directors were nominated and elected, the Company had agreed to nominate for election the four designees of Equity Dynamics and the three designees of SAIL, and further had agreed to take all necessary action to support such election, and to oppose any challenges to such designees. The Governance Agreements also restricted the Company's ability to increase the number of directors to more than seven without the consent of Equity Dynamics and SAIL. Pursuant to the Termination Agreements, the Governance Agreements were terminated in their entirety as of March 28, 2015, and are of no further force or effect.

Note Purchase Agreement, Notes and Omnibus Amendment and Second Amendment Note & Warrant Agreement

Between September 22, 2014, and July 20, 2015, the Company entered into a the Original Note Purchase Agreement in connection with a bridge financing, with nine accredited investors, including lead investor RSJ PE. Pursuant to the Original Note Purchase Agreement, the Company issued fifteen September 2014 Note in the aggregate principal amount of $2.27 million. Of this amount, RSJ PE purchased a September 2014 Note for $750,000. The September 2014 Notes were also purchased by the following affiliates of the Company or entities under their control: RSJ PE, of which Michal Votruba is a director, which purchased a September 2014 Note for $750,000; the Company's director, John Pappajohn, purchased three September 2014 Notes for $400,000; the Follman Family Trust of which Robert Follman, a director of the Company, is a trustee, purchased a September 2014 Note for $100,000; The Tierney Family Trust, which is a greater than 5% stockholder of the Company, purchased four September 2014 Notes for $540,000, of which Thomas Tierney, a former director and Chairman of the Board of the Company, is a trustee; and Oman Ventures, of which Mark Oman, a greater than 5% stockholder of the Company, is the President, purchased a September 2014 Note for $200,000. Michal Votruba joined our Board on July 30, 2015.

For details of the Original Note Purchase Agreement, Amendment No.1 on April 14, 2015, the Omnibus Amendment on September 14, 2015 and subsequent Second Amended Note & Warrant Agreement on December 23, 2015 please refer to *Note 4. Convertible Debt and Equity Financing.*

On September 14, 2015, the Company entered into an Omnibus Amendment and subsequently thereto, on September 14, 15 and 24, 2015, the Company entered into a Note Purchase Agreement, as amended by the Omnibus Amendment, with each of six accredited investors, in connection with a bridge financing. Pursuant to these Note Purchase Agreements, the Company issued an aggregate principal amount of $710,000 of secured convertible September 2015 Notes, which amount also represents the gross proceeds to the Company from the September 2015 Notes. Four of the six September 2015 Notes were purchased by affiliates of the Company, or an entity under such affiliate's control, as follows: (i) Dr. Robin Smith, Chairman of the Board of Directors of the Company, purchased a Note for $60,000; (ii) the Follman Family Trust, of which, Robert Follman, a director of the Company, is a trustee, purchased a Note for $150,000; (iii) John Pappajohn, a director of the Company, purchased a Note for $100,000 and (iv) RSJ PE, purchased a Note for $350,000.

On December 23, 2015, the Company entered into a Second Amended Note & Warrant Agreement pursuant to which, on December 23 and December 28, 2015, the Company issued to the two purchasers thereof, who are both affiliates of the Company, (i) an aggregate principal amount of $1,000,000 of December 2015 Notes, which amount also represents the gross proceeds to the Company from the December 2015 Notes, and (ii) a Note Warrant issued to each holder of December 2015 Notes to purchase the Company's Common Stock, in an amount equal to 100% of the shares underlying their December 2015 Note and is exercisable at $0.05 per share. The affiliates who purchased the December 2015 Notes were as follows: (i) John Pappajohn, a director of the Company, purchased a Note for $250,000 and was issued a Note Warrant to purchase 5,000,000 shares of Common Stock and (ii) RSJ PE, who purchased a Note for $750,000 and was issued a Note Warrant to purchase 15,000,000 shares of Common Stock.

Each Note Warrant is exercisable, in whole or in part, during the period beginning on the date of its issuance, and ending on the earlier of (i) December 31, 2020 and (ii) the date that is forty-five (45) days following the date on which the daily closing price of shares of the Company's Common Stock quoted on the OTCQB Venture Marketplace (or other bulletin board or exchange on which the Company's Common Stock is traded or listed) exceeds $0.25 for at least ten (10) consecutive trading days. In connection therewith, the Company will promptly notify the Note Warrant holders in the event that the daily closing price of the Company's shares of Common Stock so exceeds $0.25 for at least ten (10) consecutive trading days.

Also on December 23, 2015, in consideration for the agreement to extend the maturity date of the Notes, the Company issued to holders of all Notes outstanding prior to the date of the Second Amended Note & Warrant Agreement, Extension Warrants to purchase an aggregate of 60,000,000 shares of Common Stock. Each such holder was issued an Extension Warrant to purchase Common Stock in an amount equal to 100% of the shares underlying each such holder's previously outstanding Notes. Extension warrants were issued to affiliates as follows:

5-Year Extension Warrants with an non-cashless exercise price of $0.05	Secured Convertible Promissory Notes	Warrants to purchase Shares of Common Stock
RSJ Private Equity	1,850,000	22,000,000
Robin L. Smith	60,000	1,200,000
John Pappajohn	550,000	6,000,000
Tierney Family Trust	540,000	10,800,000
Oman Ventures	200,000	4,000,000
Follman Family Trust	250,000	5,000,000
Total Secured Convertible Promissory Notes	**3,450,000**	**49,000,000**

Director and Officer Indemnification Agreement

On December 7, 2015, the Company entered into indemnification agreements with each of its Directors and Executive Officers. The agreements provide for, among other things: the indemnification of these Directors and Officers by the Company to the fullest extent permitted by the laws of the State of Delaware; the advancement to such persons by the Company of certain expenses; related procedures and presumptions of entitlement; and other related matters.

Transactions with John Pappajohn, Director

On September 22, 2014, March 18, 2015, June 2, 2015 and September 15, 2015, Mr. Pappajohn purchased four Notes for $200,000, $100,000, $100,000 and $100,000 respectively. Pursuant to the Omnibus Amendment, the Notes are convertible into shares of Common Stock at $0.055 per share: (i) automatically upon the closing of a qualified offering of not less than $5 million or (ii) voluntarily within 15 days prior to maturity.

On September 6, 2015, Mr. Pappajohn irrevocably assigned $200,000 in principal of his September 2014 Notes to four outside parties in the amount of $50,000 each.

On September 15, 2015, Mr. Pappajohn purchased a September 2015 Note for $100,000. The September 2015 Notes are convertible into share of Common Stock (i) automatically, in the event of a qualified financing of not less than $5 million, or (ii) voluntary, within 15 days prior to the maturity date of the note. The Omnibus Amendment also amended the form of note attached to the Note Purchase Agreement to reflect the Fixed Conversion Price, such that the conversion price of all notes will be $0.05 per share (as adjusted for stock splits, stock dividends, combinations or the like affecting the Common Stock).

On December 23, 2015, Mr. Pappajohn purchased a December 2015 Note for $250,000 pursuant to the abovementioned Second Amended Note & Warrant Purchase Agreement. Additionally, in connection with the Second Amended and Restated Note & Warrant Purchase Agreement, Mr. Pappajohn was issued Warrants to purchase an aggregate of 11,000,000 shares of Common Stock at $0.05 per share, consisting of a Note Warrant to purchase 5,000,000 shares of Common Stock, and an Extension Warrant to purchase 6,000,000 shares of Common Stock.

Transactions with Robert J. Follman, Director

On October 19, 2012, an October 2012 Note in the aggregate principal amount of $200,000 was issued in exchange for cash to the Trust of Robert J. Follman and Carole A. Follman, dated August 14, 1979 (the “Follman Trust”), an accredited investor, of which Robert J. Follman is a trustee. As of February 25, 2013, Mr. Follman was elected as a Director of the Company. On June 14, 2013, the Follman Trust converted their October 2012 Note and interest thereon into 4,491,310 shares of Common Stock at a conversion price $0.04718 per share.

The Follman Trust made multiple additional investments pursuant to a series of subscription agreements all of which were the result of private placements of unregistered stock at $0.25 per share. All individual transactions were in tranches of $100,000 for the purchase of 400,000 shares and the Company received gross cash proceeds of $100,000 on each occasion. These transactions occurred on the following dates: August 16 and September 11 of 2013 and January 17, February 14 and July 8 of 2014. In aggregate the Follman Trust has purchased 2,000,000 shares at $0.25 per share for $500,000 gross cash proceeds to the Company.

On March 17, 2015 and September 15, 2015, the Follman Trust purchased Notes for $100,000 and $150,000, respectively. Pursuant to the Omnibus Amendment, these Notes are convertible into shares of Common Stock at $0.05 per share: (i) automatically, upon the closing of a qualified offering of not less than $5 million or (ii) voluntarily, within 15 days prior to maturity.

Additionally, on December 23, 2015, in connection with the Second Amended and Restated Note & Warrant Purchase Agreement, the Follman Trust was issued an Extension Warrant to purchase 5,000,000 shares of Common Stock at $0.05 per share.

Transaction with Robin L. Smith, Chairman

On September 14, 2015, Dr. Smith, our Chairman of the Board of Directors, purchased a Note for $60,000. Pursuant to the Omnibus Amendment, such Notes are convertible into shares of Common Stock at $0.05 per share: (i) automatically, upon the closing of a qualified offering of not less than $5 million, or (ii) voluntarily, within 15 days prior to maturity.

Additionally, on December 23, 2015, in connection with the Second Amended and Restated Note & Warrant Purchase Agreement, Dr. Smith was issued an Extension Warrant to purchase 1,200,000 shares of Common Stock at $0.05 per share.

Transactions with George Carpenter, President and Chief Executive Officer

On September 25, 2013, the Board approved a consulting agreement effective May 1, 2013, for marketing services provided by Decision Calculus Associates, an entity operated by Mr. Carpenter's spouse, Jill Carpenter. For the period from May 1, 2013 through to February 28, 2015, we have paid $210,000 to Decision Calculus Associates and have an accounts payable balance of a further $10,000. For the period from March through July of 2015, DCA was not engaged by the Company. Effective August 2015 DCA has been re-engaged and paid at $10,000 per month.

Transactions with the SAIL Capital Partners and SAIL Holdings

Mr. Schindler served as a Director between November 29, 2012 and June 11, 2015, and was the Managing Partner of SAIL Capital Partners, which was a greater than 5% stockholder of the Company, and is the general partner of all the SAIL entities except for SAIL Holding, LLC which is controlled directly by Mr. Schindler.

On January 5, 2015, the Company entered into a three-month long consulting engagement with Dr. Eric Warner, Managing Partner, Europe, Middle East & Africa, SAIL Capital Partners Ltd. The objectives of the engagement include the establishment of a revenue-generating licensing agreement in the United Kingdom (U.K.) and initiation a pilot study of our PEER Online technology. Dr. Warner has been paid $10,000 per month for a total of $30,000. On January 8, 2015, the Board granted Dr. Warner an option to purchase 250,000 shares of Common Stock with an exercise price of $0.25 per share; the option vesting is conditioned on the execution of a licensing agreement and a PEER Online pilot study. The fair value of the option, which was determined using the Black-Scholes model, was $28,300 and was expensed over the term of the engagement.

Transactions with Tierney Family Trust, Greater than 5% Stockholder

Mr. Tierney, who resigned from the Board on May 22, 2015, had served on the Board since February 2013, and had served as Chairman of the Board since March 2013. Mr. Tierney is a trustee of the Thomas T. and Elizabeth C. Tierney Family Trust (the "Tierney Family Trust"), which is a greater than 5% stockholder.

On September 22, 2014, January 8, 2015, March 17, 2015, June 3, 2015 and July 3, 2015 the Tierney Family Trust purchased five Notes for $200,000, $100,000, $115,000, $100,000 and $25,000, respectively, for an aggregate total of $540,000. Pursuant to the Omnibus Amendment, all such Notes are convertible into shares of Common Stock at $0.05 per share: (i) automatically, upon the closing of a qualified offering of not less than $5 million, or (ii) voluntarily, within 15 days prior to maturity.

Additionally, on December 23, 2015, in connection with the Second Amended and Restated Note & Warrant Purchase Agreement, the Tierney Family Trust was issued an Extension Warrant to purchase 10,800,000 shares of Common Stock at $0.05 per share.

Transactions with Mark and Jill Oman, Greater than 5% Stockholder

On September 22, 2014, Oman Ventures LLC, of which Mr. Oman, a greater than 5% stockholder is the President, purchased a Note for $200,000. Pursuant to the Omnibus Amendment, such Notes are convertible into shares of Common Stock at $0.05 per share: (i) automatically, upon the closing of a qualified offering of not less than $5 million, or (ii) voluntarily, within 15 days prior to maturity.

Additionally, on December 23, 2015, in connection with the Second Amended and Restated Note & Warrant Purchase Agreement, Oman Ventures LLC was issued an Extension Warrant to purchase 4,000,000 shares of Common Stock at $0.05 per share.

Transactions with RSJ PE

Michal Votruba joined our Board on July 30, 2015. Mr. Votruba is a director of RSJ PE, which acted as the lead investor in the private placement financing of September 2014 Notes.

On September 26, 2014, and September 24, 2015, investor RSJ PE purchased a two Notes for $750,000 and $350,000 respectively. Pursuant to the Omnibus Amendment, such Notes are convertible into shares of Common Stock at $0.05 per share: (i) automatically, upon the closing of a qualified offering of not less than $5 million, or (ii) voluntarily, within 15 days prior to maturity.

On December 28, 2015, RSJ PE purchased a December 2015 Note for $750,000 pursuant to the abovementioned Second Amended Note & Warrant Purchase Agreement. Additionally, in connection with the Second Amended Note & Warrant Purchase Agreement, RSJ PE was issued Warrants to purchase an aggregate of 37,000,000 shares of Common Stock at $0.05 per share, consisting of a Note Warrant to purchase 15,000,000 shares of Common Stock and an Extension Warrant to purchase 22,000,000 shares of Common Stock.

8. LOSS PER SHARE

In accordance with ASC 260-10 (formerly SFAS 128, “Computation of Earnings Per Share”), basic net income (loss) per share is computed by dividing the net income (loss) to common stockholders for the period by the weighted average number of common shares outstanding during the period. Diluted net income (loss) per share is computed by dividing the net income (loss) for the period by the weighted average number of common and dilutive common equivalent shares outstanding during the period. For the three months ended December 31, 2015 and 2014, the Company has excluded all common equivalent shares from the calculation of diluted net loss per share as such securities are anti-dilutive.

A summary of the net income (loss) and shares used to compute net income (loss) per share for the three months ended December 31, 2015 and 2014 is as follows:

	Three months ended December 31,	
	2015	**2014**
Net Loss for computation of basic and diluted net loss per share:		
From continuing operations	$ (3,449,500)	$ (873,700)
From discontinued operations	(1,800)	(900)
Net loss	$ (3,451,300)	$ (874,600)
Basic and Diluted net loss per share:		
From continuing operations	$ (0.03)	$ (0.01)
From discontinued operations	(0.00)	(0.00)
Basic net loss per share	$ (0.03)	$ (0.01)
Basic and Diluted weighted average shares outstanding	102,417,409	101,667,409
The weighted average of anti-dilutive common equivalent shares not included in the computation of dilutive net loss per share:		
Convertible debt	63,196,467	1,650,000
Warrants	6,856,792	939,404
Options	14,230,011	12,417,499

9. COMMITMENTS AND CONTINGENT LIABILITIES

Litigation

From time to time, the Company may be involved in litigation relating to claims arising out of the Company's operations in the ordinary course of business. Other than as set forth below, the Company is not currently party to any legal proceedings, the adverse outcome of which, in the Company's management's opinion, individually or in the aggregate, would have a material adverse effect on the Company's results of operations or financial position.

Since June 2009, the Company has been involved in litigation against Leonard J. Brandt, a stockholder, former Director and the Company's former Chief Executive Officer ("Brandt") in the Delaware Chancery Court, the Supreme Court of the State of Delaware, the United States District Court for the Central District of California and the Superior Court for the State of California, Orange County. Other than current actions described below, the Company has prevailed in all actions or the matters have been dismissed.

On April 11, 2011, Brandt and his family business partnership Brandt Ventures, GP, filed an action in the Superior Court for the State of California, Orange County against the Company, one of its stockholders, SAIL Venture Partner, LP, and Mr. David Jones, a former member of the Board, alleging breach of a promissory note agreement entered into by Brandt Ventures, GP and the Company and alleging that Mr. Brandt was wrongfully terminated as Chief Executive Officer in April, 2009. The Company was served with a summons and complaint in the action on July 19, 2011.

On November 1, 2011, Mr. Brandt and Brandt Ventures filed an amended complaint amending their claims and adding new claims against the same parties. On March 12, 2012, the court sustained demurrers to certain of the counts against each defendant. On March 22, 2012, the plaintiffs filed a second amended complaint modifying certain of their claims, but did not add new claims. On February 6, 2013, the plaintiffs moved for leave to amend the second amended complaint and file a third amended complaint. On March 6, 2013, the Court granted leave to amend, but awarded fees and costs for the defendants to again make dispositive motions. The third amended complaint adds a claim for breach of the promissory note and seeks to foreclose on the collateral securing the note obligation. In addition, Mr. Brandt is seeking approximately $170,000 of severance and compensatory and punitive damages in connection with his termination. In interrogatory responses served on January 26, 2013, Mr. Brandt for the first time identified that he seeks damages in connection with his termination exceeding $9,000,000. Mr. Brandt has proffered no credible evidence to support damages in this amount, and the Company believes this claim for damages is without merit. The plaintiffs also seek rescission of a $250,000 loan made by Brandt Ventures, GP to the Company which was converted into Common Stock in accordance with its terms and restitution of the loan amount.

A trial date had originally been set for May 2014. However, plaintiffs' counsel requested a continuance until August 2014, to which the Company agreed. On June 18, 2014, at plaintiffs' counsel's request, the Company entered into a Standstill and Tolling Agreement, whereby the parties agreed to seek a stay of the litigation and plaintiffs agreed to provide the Company with an executed dismissal of all the claims without prejudice, with the ability to re-file the third amended complaint, without change, on or before June 18, 2015. The Company had the right to file the executed stipulation of dismissal if the Court lifted the stay. On May 7, 2015, the parties agreed to continue the Standstill and Tolling Agreement for another year, until June, 2016, on the same terms. On May 12, 2015, the Court agreed to stay the case for another six months. On November 4, 2015 the Court lifted the stay, and set the case for trial on March 7, 2016. On February 3, 2016, the Company filed the executed stipulation of dismissal, thereby ending the current action in Orange County. As noted, Mr. Brandt can start a new action and re-file the third amended complaint, without change, on or before June 18, 2016. The Company continues to believe that Mr. Brandt's allegations set forth in the third amended complaint, like the prior complaints, are without merit. The Company has not accrued any amounts related to this matter. The just-dismissed action was captioned Leonard J. Brandt and Brandt Ventures, GP v. CNS Response, Inc., Sail Venture Partners and David Jones, case no. 30-2011-00465655-CU-WT-CJC.

The Company has expended substantial resources to pursue the defense of legal proceedings initiated by Mr. Brandt. The Company does not know whether Mr. Brandt will institute additional claims against the Company and the defense of any such claims could involve the expenditure of additional resources by the Company.

Lease Commitments

The Company has its current Headquarters and Neurometric Services business premises located at 85 Enterprise, Aliso Viejo, California 92656 since February 2010. On February 6, 2014, we signed a 24 month extension to our lease for our current location. The lease period commenced on February 1, 2014 and terminates on January 31, 2016. The rent for months one through 13 is $4,349 per month; the months of February 2014 and January 2015 are abated; the rent for months 14 through 24 is $4,523 per month.

The Company incurred rent expense from continuing operations of $12,200 and $12,200 for the three months ended December 31, 2015 and 2014, respectively.

On April 24, 2013, we entered into a financial lease to acquire additional EEG equipment costing $8,900. The term of the lease is 36 months ending May 2016 with a monthly payment of $325. As of December 31, 2015 the remaining lease obligation is $1,600 all of which is due in fiscal year 2016.

	Payments due by period				
Contractual Obligations	**Total**	**Less than 1 year**	**1 to 3 years**	**3 to 5 years**	**More than 5 years**
Operating Lease Obligations	$ -	$ -	$ -	-	-
Capital Lease Obligations	1,600	1,600	-	-	-
Total	$ 1,600	$ 1,600	$ -	-	-

10. SUBSEQUENT EVENTS

Events subsequent to December 31, 2015 have been evaluated through the date these financial statements were issued, to determine whether they should be disclosed to keep the financial statements from being misleading. The following events have occurred since December 31, 2015.

On January 15, 2016, the company engaged Dian Griesel International (DGI) for a 12 month long consulting agreement to provide public and investor relations services. The fee for the services is $5,000 per month, plus out-of-pocket expenses. As an origination fee for the agreement, the Board of Directors approved the issuance of 300,000 shares of common stock to Ms. Griesel on January 15, 2016.

The Company relocated its new Headquarters and Neurometric Services business to 26522 La Alameda, Suite 290, Mission Viejo, CA 92691; the new premises are 2,290 sqft in size. We signed a 24 month lease for our new location on January 22, 2016. The lease period commenced on February 1, 2016 and terminates on January 31, 2018. The rent for the first four months is $2,290 per month, which is abated by 50%; for months 5 through 12 the rent increases to $4,580 per month and for the final 12 months the rent will increase by 5% to $4,809 per month.

On February 2, 2016, we signed a 23.5 month lease for 1,092 sqft of office space to house our EEG testing center. The premises are located at 25201 Paseo De Alicia, Laguna Hills, CA 92653. The lease period commenced on February 15, 2016 and terminates on January 31, 2018. The rent for first half month of February will be prorate at $928.20; for the next 11 months the rent is $1,856 per month, and for the remaining twelve months the rent will increase by 3% to $1,911 per month. The landlord will abate the rent for March 2016.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operation should be read in conjunction with our unaudited condensed consolidated financial statements as of, and for, the three months ended December 31, 2015 and 2014, and our Annual Report on Form 10-K for the year ended September 30, 2015, filed with the U.S. Securities and Exchange Commission on January 5, 2016.

Forward-Looking Statements

This discussion summarizes the significant factors affecting the unaudited condensed consolidated operating results, financial condition and liquidity and cash flows of MYnd Analytics, Inc. ("we," "us," "our," or the "Company") for the three months ended December 31, 2015 and 2014. Except for historical information, the matters discussed in this management's discussion and analysis or plan of operation and elsewhere in this Quarterly Report on Form 10-Q are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that include information relating to future events, future financial performance, strategies, expectations, competitive environment, regulation and availability of resources. These forward-looking statements include, without limitation, statements regarding: proposed new products or services; our statements concerning litigation or other matters; statements concerning projections, predictions, expectations, estimates or forecasts for our business, financial and operating results and future economic performance; statements of management's goals and objectives; trends affecting our financial condition, results of operations or future prospects; our financing plans or growth strategies; and other similar expressions concerning matters that are not historical facts. Words such as "may," "will," "should," "could," "would," "predicts," "potential," "continue," "expects," "anticipates," "future," "intends," "plans," "believes" and "estimates," and similar expressions, as well as statements in future tense, identify forward-looking statements.

Forward-looking statements should not be read as a guarantee of future performance or results, and will not necessarily be accurate indications of the times, or by which, that performance or those results will be achieved. Forward-looking statements are based on information available at the time they are made and/or management's good faith belief as of that time with respect to future events, and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements. Important factors that could cause these differences include, but are not limited to:

- *our inability to raise additional funds to support operations and capital expenditures;*
- *our inability to achieve greater and broader market acceptance of our products and services in existing and new market segments;*
- *our inability to successfully compete against existing and future competitors;*
- *our inability to manage and maintain the growth of our business;*
- *our inability to protect our intellectual property rights; and*
- *other factors discussed under the headings "Risk Factors" and "Business" in our Annual Report on Form 10-K for the year ended September 30, 2015 and this Quarterly Report on Form 10-Q.*

Forward-looking statements speak only as of the date they are made. You should not put undue reliance on any forward-looking statements. We assume no obligation to update forward-looking statements to reflect actual results, changes in assumptions or changes in other factors affecting forward-looking information, except to the extent required by applicable securities laws. If we do update one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect to those or other forward-looking statements.

Overview

We are a clinical decision support company with a patented commercial neurometric platform to predict drug response for treatment of brain disorders, including depression, anxiety, bipolar disorder and post-traumatic stress disorder ("PTSD"). We will be conducting clinical trials focused on military personnel and their family members who are suffering from depression, PTSD and mild traumatic brain injury ("mTBI") in order to support clinical decisions in the treatment of depression and related disorders. We are also planning to commercialize our Psychiatric Electroencephalographic Evaluation Registry ("PEER") Report by using social media advertising to individual consumers suffering from depression, anxiety, PTSD and other behavioral disorders.

Working Capital

We are unable to pay all our obligations as they become due and we are in arrears on paying certain of our creditors. If we are not able to raise additional funds within the next several months, and we cannot find additional sources of funds and/or reach accommodations with certain of our creditors, we will likely be required to cease our operations.

Since our inception, we have never been profitable and we have generated significant net losses. As of December 31, 2015, we had an accumulated deficit of approximately $66.0 million; and as of December 31, 2014, our accumulated deficit was approximately $60.1 million. We incurred operating losses of $0.65 million and $0.80 million for the quarters ended December 31, 2015 and 2014, respectively, and incurred net losses of $3.35 million and $0.87 million for those respective periods. Large, non-cash, accounting transactions significantly impacted the net losses for the 2015 and 2014 quarters in question, including:

- For the quarter ended December 31, 2015, our net loss was exacerbated by non-cash charges totaling approximately $2.83 million as a result of accounting for the extinguishment of debt, non-cash interest and derivative liability transactions. These non-cash charges are primarily the result of amendments to the terms of our convertible notes payable along with the issuance of warrants.

- For the quarter ended December 31, 2014 our non-cash expenses were approximately $91,000.

Assuming we are able to continue our operations, we expect our net losses to continue for at least the next eighteen months to two years. We anticipate that a substantial portion of any capital resources and efforts would be focused on conducting our proposed clinical trials, followed by the scale-up of our commercial organization, further research, product development and other general corporate purposes, including the payment of legal fees incurred as a result of our litigation. We anticipate that future research and development projects would be funded by grants or third-party sponsorship, along with funding by the Company.

As of December 31, 2015, our current liabilities of approximately $1.64 million exceeded our current assets of approximately $0.91 million by approximately $0.73 million. During fiscal year 2015 we raised $1.35 million in the private placement of secured debt convertible at $0.05 per share. During fiscal year 2014 we were successful in raising a net $3.34 million of which $1.69 million was in the private placement of equity at $0.25 per share of Common Stock and $1.65 million was in the private placement of secured convertible debt at $0.05 per share.

On December 23, 2015, the Company entered into a second amended and restated note and warrant purchase agreement with each of 16 accredited investors, pursuant to which (i) the aggregate principal amount of notes available for issuance was increased from $3.0 million to up to $6.0 million, (ii) the maturity date of currently outstanding notes was extended from March 21, 2016 to December 31, 2017; (iii) the time during which notes may be issued was extended and (iv) certain warrants were issued to holders of both previously issued and newly issued notes.

Pursuant to the second amended note and warrant agreement, on December 23 and December 28, 2015, the Company issued to the two purchasers thereof (i) an aggregate principal amount of $1,000,000 of secured convertible promissory notes, which amount also represents the gross proceeds to the Company therefrom, and (ii) a warrant to each such purchaser holder to purchase the Company's Common Stock, in an amount equal to 100% of the shares underlying such purchased notes. For details of the second amended note and warrant agreement financing see "*Private Placement Transactions*" below.

We will need additional funding to conduct additional clinical trials and to conduct a marketing campaign to significantly increase the demand for our PEER Online services. We are actively exploring additional sources of capital. However, we cannot offer assurances that additional funding will be available on acceptable terms, or at all. Even if we were to raise additional funds, any additional equity funding may result in significant dilution to existing stockholders, and, if we incur additional debt financing, a substantial additional portion of our operating cash flow may be dedicated to the payment of principal and interest on such indebtedness, thus limiting the funds available for our business activities. If adequate funds are not available, it will likely force us to cease operations or would otherwise have a material adverse effect on our business, financial condition and/or results of operations.

Private Placement Transactions

Between September 22, 2014, and July 20, 2015, the Company entered into a Note Purchase Agreement (the "Original Note Purchase Agreement") in connection with a bridge financing, with nine accredited investors, including lead investor RSJ Private Equity investiční fond s proměnným základním kapitálem ("RSJ PE"). Pursuant to the Original Note Purchase Agreement, the Company issued fifteen secured convertible promissory notes (each, a "September 2014 Note") in the aggregate principal amount of $2.27 million. The September 2014 Notes were also purchased by the following affiliates of the Company or entities under their control: RSJ PE, of which Michal Votruba is a director, which purchased a September 2014 Note for $750,000; the Company's director, John Pappajohn, who purchased three September 2014 Notes for $400,000; the Follman Family Trust, which purchased a September 2014 Note for $100,000; The Tierney Family Trust, which is a greater than 5% stockholder of the Company, which purchased five September 2014 Notes for $540,000; and Oman Ventures, of which Mark Oman, a greater than 5% stockholder of the Company, is the President, which purchased a September 2014 Note for $200,000. Michal Votruba joined our Board on July 30, 2015.

The Original Note Purchase Agreement provided for the issuance and sale of September 2014 Notes in the aggregate principal amount of up to $2.5 million, in one or more closings to occur over a six-month period beginning September 22, 2014. The Original Note Purchase Agreement also provided that the Company and the holders of the September 2014 Notes enter into a registration rights agreement covering the registration of the resale of the shares of the Common Stock underlying the September 2014 Notes.

On April 14, 2015, the Company entered into Amendment No. 1 to the Original Note Purchase Agreement with the majority of the noteholders in principal, dated as of April 14, 2015 ("Amendment No. 1"), pursuant to which: (i) the aggregate principal amount of notes provided for issuance was increased by $0.5 million to a total of $3.0 million, and (ii) the period to raise the $3.0 million was extended to September 30, 2015. The Company subsequently amended and restated the Original Note Purchase Agreement solely to update for the changes made pursuant to Amendment No. 1 (such amended and restated agreement, together with the Original Note Purchase Agreement, the "Note Purchase Agreement").

On September 14, 2015, the Company entered into an Omnibus Amendment (the "Omnibus Amendment") to the Note Purchase Agreement and the notes purchased and sold pursuant thereto, with the majority of the noteholders to fix the conversion price of all notes at $0.05 per share (as adjusted for stock splits, stock dividends, combinations or the like affecting the Common Stock) (the "Fixed Conversion Price") (i) automatically, in the event of a qualified financing of not less than $5 million, or (ii) voluntary, within 15 days prior to the maturity date of the note. The Omnibus Amendment also amended the form of note attached to the Note Purchase Agreement to reflect the Fixed Conversion Price.

Subsequently thereto, on September 14, 15 and 24, 2015, the Company entered into a Note Purchase Agreement, as amended by the Omnibus Amendment, with each of six accredited investors, in connection with a bridge financing. Pursuant to these Note Purchase Agreements, the Company issued an aggregate principal amount of $710,000 of secured convertible promissory notes (collectively, the "September 2015 Notes," and together with the September 2014 Notes all other notes that may be purchased and sold, from time to time in the future, pursuant to the Note Purchase Agreement, and any further amendments or modifications thereto, the "Notes"), which amount also represents the gross proceeds to the Company from the September 2015 Notes. Four of the six September 2015 Notes were purchased by affiliates of the Company, or an entity under such affiliate's control, as follows: (i) Dr. Robin Smith, Chairman of the Board of Directors of the Company, purchased a Note for $60,000; (ii) the Follman Family Trust purchased a Note for $150,000; (iii) John Pappajohn purchased a Note for $100,000 and (iv) RSJ PE purchased a Note for $350,000.

On December 23, 2015, the Company entered into a Second Amended Note & Warrant Agreement (which further amended the Note Purchase Agreement, as modified by the Omnibus Amendment) (the "Second Amended Note & Warrant Agreement"), with each of 16 accredited investors, pursuant to which (i) the aggregate principal amount of Notes available for issuance was increased from $3.0 million to up to $6.0 million, (ii) the maturity date of currently outstanding Notes was extended from March 21, 2016 to December 31, 2017; (iii) the time during which Notes may be issued was extended and (iv) certain warrants were issued to holders of both previously issued and newly issued Notes.

Pursuant to the Second Amended Note & Warrant Agreement, on December 23 and December 28, 2015, the Company issued to the two purchasers thereof (i) an aggregate principal amount of $1,000,000 of Notes (the "December 2015 Notes"), which amount also represents the gross proceeds to the Company from the December 2015 Notes, and (ii) a Note Warrant to each holder of December 2015 Notes to purchase the Company's Common Stock, in an amount equal to 100% of the shares underlying their December 2015 Note (each, a "Note Warrant"). Each Note Warrant is exercisable, in whole or in part, during the period beginning on the date of its issuance, and ending on the earlier of (i) December 31, 2020 and (ii) the date that is forty-five (45) days following the date on which the daily closing price of shares of the Company's Common Stock quoted on the OTCQB Venture Marketplace (or other bulletin board or exchange on which the Company's Common Stock is traded or listed) exceeds $0.25 for at least ten (10) consecutive trading days. In connection therewith, the Company will promptly notify the Note Warrant holders in the event that the daily closing price of the Company's shares of Common Stock so exceeds $0.25 for at least ten (10) consecutive trading days. Both December 2015 Notes and Note Warrants were purchased by affiliates of the Company, or an entity under such affiliate's control, as follows: (i) on December 23, 2015, John Pappajohn, a member of the board of directors of the Company, purchased a December 2015 Note for $250,000 and was issued a Note Warrant to purchase 5,000,000 shares of Common Stock; and (ii) on December 28, 2015, RSJ PE, of which, Michal Votruba, a member of the board of directors of the Company, is the Director for Life Sciences for the RSJ/Gradus Fund, purchased a December 2015 Note for $750,000 and was issued a Note Warrant to purchase 15,000,000 shares of Common Stock.

Also on December 23, 2015, in consideration for the agreement to extend the maturity date of the Notes, the Company issued to holders of all Notes outstanding prior to the date of the Second Amended Note & Warrant Agreement, warrants to purchase an aggregate of 60,000,000 shares of Common Stock (the "Extension Warrants", together with the Note Warrants, the "Warrants"). All Warrants have identical terms. Each such holder was issued an Extension Warrant to purchase Common Stock in an amount equal to 100% of the shares underlying each such holder's previously outstanding Notes. Accordingly, Extension Warrants to purchase a total of 60,000,000 shares of Common Stock were issued, consisting of (i) Extension Warrants to purchase 11,000,000 shares of Common Stock issued to 10 accredited investors, and (ii) Extension Warrants to purchase 49,000,000 shares of Common Stock issued to Directors and Affiliates. For further details regarding these transactions, *refer to Note 7. Related Party Transactions of the Unaudited Condensed Consolidated Financial Statements.*

Pursuant to the Second Amended Note & Warrant Agreement, all Notes: (i) mature on December 31, 2017 (subject to earlier conversion or prepayment), (ii) earn interest at a rate of 5% per annum with interest payable at maturity, and (iii) are convertible into shares of Common Stock (A) automatically upon the closing of a qualified offering of no less than $5 million, at a conversion price of $0.05 per share or (B) voluntarily, within 15 days prior to maturity, at a conversion price of $0.05 per share. No Note may be prepaid without the prior written consent of the holder of such Note. The Notes are secured by a security interest in the Company's intellectual property. Upon a change of control of the Company, the holder of a Note will have the option to have the Note repaid with a premium equal to 50% of the outstanding principal.

Capitalization

At our annual meeting of stockholders held on October 28, 2015, our stockholders approved a proposal to amend the Company's Certificate of Incorporation in order to increase the number of shares of Common Stock authorized for issuance under our Charter from 180,000,000 to 500,000,000. The table below summaries our capitalization as of February 15, 2016:

	Shares
Shares of Common Stock Authorized	500,000,000
Shares of Preferred stock Authorized (none issued and outstanding)	15,000,000
Total Authorized Shares	515,000,000
Shares of Common Stock Issued and Outstanding	102,717,409
Common Stock issuable upon the exercise of outstanding stock options	14,230,011(1)
Common Stock issuable upon the exercise of outstanding warrants	80,764,856(1)
Common Stock reserved for conversion of $4M Secured Convertible Notes at $0.05 per share	80,000,000(2)
Total securities outstanding and reserved for issuance at February 15, 2016	277,712,276(2)

(1) For more detail on exercise prices and expiration dates of the options and warrants please refer to the Stock Option Plans and Warrants to Purchase Common Stock sections of Note 6. Stockholders' Deficit of the Unaudited Condensed Consolidated Financial Statements
(2)Does not include stock issued on the conversion of interest earned at 5% per annum on the Secured Convertible Notes

At our annual meeting of stockholders held on October 28, 2015, our stockholders also approved an amendment to amend the Company's Charter for the purposes of effecting a reverse stock split of our Common Stock at a later time and at any time until the next meeting of the Company's stockholders which are entitled to vote on such actions, by a ratio of not less than 1-for-10 and not more than 1-for-200, and to authorize the Board of Directors to determine, at its discretion, the timing of the amendment and the specific ratio of the reverse stock split. There has been no such stock split as of the date of this filing.

Recent Developments

Canadian Forces/NATO

The Company has been meeting over a period of two years with Canadian Military mental health leaders for purposes of conducting clinical trials for our PEER technology. From these discussions, we have identified with the Canadian Military two potential Canadian study sites to support a clinical trial using a protocol for PEER substantially similar to the one we used for the Walter Reed PEER Trial. This study protocol has been reviewed and approved by the Research Ethics Board of The Royal, University of Ottawa Institute of Mental Health Research, which is equivalent to an internal review board at the university. We are advised by the Canadian Military that the Canadian Military's funding for the study has been secured and we expect to begin the study within the next three to six months.

Marketing Initiatives

We conducted a marketing campaign throughout the month of October 2015 which resulted in a 10 fold increase in leads at 6% of our prior cost when compared to our prior marketing initiative. These leads have been referred to psychiatrists and other practitioners who use our PEER Online Technology. To date, the adoption of PEER Reports continues to be minimal, and the Company has generated no significant revenue from PEER Reports.

Our management believes that by investing in marketing automation we may be able to increase yield and reduce the time from a potential user's awareness of our technology to their ultimate order of a PEER Report. We intend to focus on targeted social media advertising purchases in the Southern California region to build regional demand, for purpose of referring EEG testing to the Company's MYnd Analytics Center, scheduled to open shortly. Initially, we expect that The MYnd Analytics Center will offer two benefits to consumers and prescribers: 1) It will allow for easy scheduling and EEG administration in a central location, and 2) will provide a consistent high quality experience for all, while reducing physician workload.

We also intend to partner with key opinion leaders to drive visibility with the goal of prompting consumer, provider and military adoption. For example, George Carpenter, our Chief Executive Officer, was a panelist on the November 2015 Brain Futures Forum moderated by Tom Insel, Director of the National Institute of Mental Health, and is scheduled to participate in a similar expert panel at the March 2016 National Council for Behavioral Health.

Commercial Adoption Plan

As a result of the responses to our October 2015 marketing initiative, and due to the lead time required to conduct research with the military, the Company intends to commence a commercial study focused on our local Southern California market. With several military bases and a high concentration of veterans in the region, we believe we are well positioned to recruit enrollees into our Southern California Clinical Study (the "SoCal Study"). This project will be led by a prominent mental health researcher, Dan V. Iosifescu, MD, Director of the Mood and Anxiety Disorders Program and Associate Professor of Psychiatry and Neuroscience at the Icahn School of Medicine at Mount Sinai, New York. The study protocol is substantially similar to that used for the Walter Reed PEER Trial with similar endpoints. The study protocol has been reviewed and approved by the Western Institutional Review Board ("WIRB"). We anticipate enrolling 468 subjects into the study and tracking each of them for twelve weeks. We also anticipate performing an interim review when approximately 50% of the enrolled subjects have been treated. We estimate that this project will take between 18 and 24 months to complete and will cost approximately $1.5 million. We currently do not have the funds necessary to complete this study, and will need to raise additional funds within the requisite period of time to successfully complete the study.

As we are recruiting for the SoCal Study, we also will seek to generate media coverage and demand from regular patients. If we are able to secure sufficient additional financing, and our SoCal Study is successful, we intend to expand our direct-to-consumer marketing to have a presence in the top 10 metro areas in the United States. We also intend to develop a consumer-facing mobile app (web/ iOS/ Android), which when ultimately introduced will seek to automate patient-reported outcomes and support patient engagement. If we are successful in increasing patient reported outcomes, we expect to be able to expand the PEER Online database, with the goal of improving its predictive accuracy.

Payer Reimbursement

We have been focused on invoicing payers to get reimbursement for EEG recordings, the conversion of analog EEG to a digital Quantitative EEG (QEEG), and ultimately, processing and delivering a PEER Report. To date, we still have limited experience with payer reimbursement and have only been successful in obtaining reimbursement for a few EEG recordings and QEEG conversions from certain payer organizations. Allowed reimbursement for the EEG and QEEG has averaged approximately $250 and $300 respectively, over the last 12 months. The PEER Report, which does not have a separate billing code yet, has not been reimbursed to date and we currently bill each patient $400 for this procedure.

United Healthcare issued an “emerging technology” approval for PEER Online in 2011, with guidance that PEER technology was one clinical study away from full reimbursement approval. We anticipate, but cannot guarantee, that the SoCal Study will satisfy United Healthcare’s requirement for an additional study, thereby permitting the potential for full reimbursement for PEER Reports. However, even if our SoCal study is successful, there is no guarantee that it will satisfy United Healthcare’s requirement for an additional study, or even if it does, that United Healthcare will approve full reimbursement for PEER Reports, if at all. If our efforts are successful, we believe that payers could receive substantial benefit by encouraging the use of PEER Online, as they could benefit from a savings on medical expenses for patients who are successfully treated for their behavioral disorders.

One of the key elements in obtaining payer reimbursement is to become a registered CMS (Medicare/ Medicaid) provider. We have applied to become an accredited provider to CMS as an independent diagnostic testing facility, although our efforts may not be successful. Even if our application to become a registered CMS provider is approved, there is no guarantee that PEER Reports will be reimbursed.

Financial Operations Overview

Critical Accounting Policies and Significant Judgments and Estimates

This management’s discussion and analysis of financial condition and results of operations is based on our unaudited condensed consolidated financial statements, which have been prepared in accordance with U.S. GAAP. The preparation of these unaudited condensed consolidated financial statements requires management to make estimates and judgments that affect the reported amounts of assets, liabilities and expenses and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as revenues and expenses during the reporting periods. We evaluate our estimates and judgments on an ongoing basis. We base our estimates on historical experience and on various other factors we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results could therefore differ materially from those estimates under different assumptions or conditions.

Our significant accounting policies are described in Note 2 to our unaudited condensed consolidated financial statements included elsewhere in this report. We believe the following critical accounting policies reflect our more significant estimates and assumptions used in the preparation of our unaudited condensed consolidated financial statements.

Discontinued Operation

Due to our cessation of our Clinical Services operation as described in Note 3 to our unaudited condensed consolidated financial statements, we have segregated the revenues and expenses associated with the Clinical Services and accounted for them as discontinued operations.

Revenue Recognition

We have generated limited revenues since our inception. Revenues for our Neurometric Service product are recognized when a PEER Report is delivered to a Client-Physician.

Stock-based Compensation Expense

Stock-based compensation expense, which is a non-cash charge, results from stock option grants. Compensation cost is measured at the grant date based on the calculated fair value of the award. We recognize stock-based compensation expense on a straight-line basis over the vesting period of the underlying option. The amount of stock-based compensation expense expected to be amortized in future periods may decrease if unvested options are subsequently cancelled or may increase if future option grants are made.

Long-Lived Assets and Intangible Assets

Property and equipment and intangible assets are reviewed for impairment whenever events or changes in circumstances indicate the carrying value of the assets may not be recoverable. If the Company determines that the carrying value of the asset is not recoverable, a permanent impairment charge is recorded for the amount by which the carrying value of the long-lived or intangible asset exceeds its fair value. Intangible assets with finite lives are amortized on a straight-line basis over their useful lives of ten years.

Derivative accounting for convertible debt and warrants

The Company evaluates all of its agreements to determine if such instruments have derivatives or contain features that qualify as embedded derivatives. For derivative financial instruments that are accounted for as liabilities, the derivative instrument is initially recorded at its fair value and is then re-valued at each reporting date, with changes in the fair value reported in the consolidated statements of operations. For stock-based derivative financial instruments, the Company uses a weighted average Black-Scholes option pricing model to value the derivative instruments at inception and on subsequent valuation dates. The classification of derivative instruments, including whether such instruments should be recorded as liabilities or as equity, is evaluated at the end of each reporting period. Derivative instrument liabilities are classified in the balance sheet as current or non-current based on whether or not net-cash settlement of the derivative instrument could be required within 12 months of the balance sheet date. As of September 30, 2015, the Company's only derivative financial instruments were a series of convertible notes having a beneficial conversion feature based on the conversion price of the note relative to the market price of a share of Common Stock on the valuation date. See Notes 4 & 5.

Results of Operations for the three months ended December 31, 2015 and 2014

Our operations consist solely of our Neurometric Services business which is focused on the delivery of PEER Reports that enable psychiatrists and other physicians/prescribers to make more informed, patient-specific decisions when treating individual patients for behavioral (psychiatric and/or addictive) disorders based on the patient's own physiology.

The following table presents consolidated statement of operations data for each of the periods indicated as a percentage of revenues.

	Three months ended December 31,	
	2015	**2014**
Revenues	100%	100%
Cost of revenues	4	5
Gross profit	96	95
Research	92	105
Product development	500	1,082
Sales and marketing	499	395
General and administrative expenses	1,527	1,946
Operating loss	(2,522)	(3,433)
Other income (expense), net	(11,444)	(416)
Net expense before Discontinued Operations	(13,966)	(3,849)
Loss from Discontinued Operations	(7)	(4)
Net loss	(13,973)%	(3,853)%

Revenues

	Three months ended December 31,		Percent Change
	2015	2014	
Neurometric Service Revenues	$ 24,700	$ 22,700	9%

The number of third party paid PEER Reports delivered as part of our Neurometric Services business increased to 58 for the three months ended December 31, 2015, up from 54 for the same period in the prior year. The change was due to social media advertising. Our standard price per PEER Report is $400 for our commercial patients plus the fee for Company recorded EEGs and any ancillary services. The average revenue was $410 per PEER Report for the quarter ended December 31, 2015. The total numbers of free PEER Reports processed were 5 and 1 for the quarters ended December 31, 2015 and 2014 respectively. These free PEER Reports are used for training, database-enhancement and compassionate-use purposes.

Cost of Revenues

	Three months ended December 31,		Percent Change
	2015	2014	
Cost of revenues			
Neurometric Services	$ 1,200	$ 1,100	9%

The cost of Neurometric Services revenues consisting of payroll costs (including stock-based compensation) and consulting costs, which were as follows:

	Three months ended December 31,		
Key Expense Categories	**2015**	**2014**	**Change**
(1) Consulting fees	1,200	1,100	100
Total Costs of Revenues	$ 1,200	$ 1,100	$ 100

Consulting costs associated with the processing of second generation PEER Reports are between $10 and $60 per report. We expect the cost of revenues to decrease as a percentage of revenues as we improve our operating efficiency and increase the automation of certain processes.

Comparing the three months ended December 31, 2015 with the corresponding period in 2014:

(1) Consulting fees increased slightly for the quarter ended December 31, 2015 as we processed more EEGs with in-house resources.

Research

	Three months ended December 31,		Percent Change
	2015	2014	
Research			
Neurometric Services	$ 22,700	$ 23,800	(5)%

Research expenses consist of payroll costs (including stock-based compensation), consulting fees and other miscellaneous costs which were as follows:

Key Expense Categories	Three months ended December 31, 2015	2014	Change
(1) Salary and benefit costs	$ 10,400	$ 10,400	$ -
(2) Consulting fees	10,000	10,000	-
(3) Other miscellaneous costs	2,300	3,400	(1,100)
Total Research	$ 22,700	$ 23,800	$ (1,100)

Comparing the three months ended December 31, 2015 with the corresponding period in 2014:

(1) Salary and benefit costs, which are solely comprised of stock-based compensation stayed the consistent for the 2015 and 2014 periods; and

(2) Consulting costs remained the same for both periods as we have a consulting agreement with Dr. Schiller for the medical monitoring of the clinical trials, the training of clinical trial investigators and new PEER Online users. Additionally Dr. Schiller is also advising the Company on clinical trial design and product development; and

(3) Other miscellaneous costs for 2015 and 2014 periods were substantially similar.

Product Development

	Three months ended December 31,		Percent Change
	2015	2014	
Product Development			
Neurometric Services	$ 123,400	$ 245,500	(50)%

Product Development expenses consist of payroll costs (including stock-based compensation), consulting fees, system development costs, travel and miscellaneous costs which were as follows:

Key Expense Categories	Three months ended December 31, 2015	2014	Change
(1) Salaries and benefit costs	$ 106,100	$ 118,500	$ (12,400)
(2) Consulting fees	3,000	101,500	(98,500)
(3) System development costs	4,400	19,000	(14,600)
(4) Other miscellaneous costs	9,900	6,500	3,400
Total Product Development	$ 123,400	$ 245,500	$ (122,100)

Comparing the three months ended December 31, 2015 with the corresponding period in 2014:

(1) Salaries and benefits decreased by a net $12,500 in the quarter ended December 31, 2015; approximately half of this decrease, $6,600, related to stock compensation which became fully amortized during this three month period; the balance $5,900 was largely related to a vacation expense adjustment; and

(2) Consulting fees decreased by $98,500 for the quarter ended December 31, 2015, due to the Walter Reed Trial being on hold. Consequently, we reduced the expenditure on our Clinical Research Organization and released clinical trial coordinators who were contracted through the Henry Jackson Foundation to work on the trial; and

(3) System development and maintenance costs decreased in the quarter ended December 31, 2015, due to the stage in the development cycle and to conserve cash; in 2014 system development and maintenance costs were elevated due to further development of our Salesforce.com based applications including the development of a patient referral portal to handle incoming inquiries, the development of a system dashboard and the migration of our data to a more robust and secure hosting service operated by Microsoft; and

(4) Other miscellaneous expenses increased marginally by $3,400 in the quarter ended December 31, 2015, due to renewal of the FDA Medical device user fee.

Sales and Marketing

	Three months ended December 31,		Percent Change
	2015	2014	
Sales and Marketing			
Neurometric Services	$ 123,200	$ 89,700	37%

Sales and marketing expenses associated with our Neurometric Services business consist primarily of payroll and benefit costs, including stock-based compensation, advertising and marketing, consulting fees and miscellaneous expenses. The reason for the change in these expenses is discussed below.

	Three months ended December 31,		
Key Expense Categories	**2015**	**2014**	**Change**
(1) Salaries and benefit costs	$ 35,200	$ 37,000	$ (1,800)
(2) Consulting fees	33,100	30,000	3,100
(3) Advertising and marketing costs	48,400	20,700	27,700
(4) Other miscellaneous costs	6,500	2,000	4,500
Total Sales and marketing	$ 123,200	$ 89,700	$ 33,500

Comparing the three months ended December 31, 2015 with the corresponding period in 2014:

(1) Salaries and benefits for the quarter ended December 31, 2015, decreased by $1,800 as some stock compensation had become fully amortized;

(2) Consulting fees for the quarter ended December 31, 2015, increased by $3,100 as we engaged a consulting firm to assist with the configuration of patient-lead automation technology. The balance of the expenditure is associated with our engagement of Decision Calculus Associates (“DCA”) to lead our marketing efforts. The DCA fees have remained consistent for the 2015 and 2014 periods;

(3) Advertising and marketing expenses increased for the quarter ended December 31, 2015, by $27,700; of this increase approximately $22,000 was due to social media advertising focused on the Southern California market which has resulted in an increase in lead generation. The balance of the increase was a payment to a media consultant for the placement of a public relations opportunity on the Fox News program “Varney & Company”. For the quarter ended December 31, 2014, expenditures we had hired a public relations firm and an advertising agency to advise and assist in raising the awareness of our technology.

(4) Miscellaneous expenditures increased for the quarter ended December 31, 2015, by approximately $4,500 as we subscribed for a lead-automation application to assist with the efficient handling of leads generated by our social media advertising campaign. For the quarter ended December 31, 2014, expenses were largely related to travel to attend a conference.

General and administrative

	Three months ended December 31,		Percent Change
	2015	2014	
General and administrative			
Neurometric Services	$ 377,100	$ 441,800	(15)%

General and administrative expenses for our Neurometric Services business are largely comprised of payroll and benefit costs, including stock-based compensation, legal fees, other professional and consulting fees, patent costs, general administrative and occupancy costs, dues and subscriptions, conference, travel and miscellaneous costs. The reason for the change in these expenses is discussed below.

		Three months ended December 31,		
Key Expense Categories		**2015**	**2014**	**Change**
(1)	Salaries and benefit costs	$ 175,600	$ 179,800	$ (4,200)
(2)	Legal fees	38,100	52,800	(14,700)
(3)	Other professional and consulting fees	50,000	50,000	-
(4)	Patent costs	7,000	27,800	(20,800)
(5)	Marketing and investor relations costs	3,900	45,400	(41,500)
(6)	Conference and travel costs	17,500	14,800	2,700
(7)	Dues & subscriptions fees	23,500	18,300	5,200
(8)	General administrative and occupancy costs	61,500	52,900	8,600
	Total General and administrative costs	$ 377,100	$ 441,800	$ (64,700)

Comparing the three months ended December 31, 2015 with the corresponding period in 2014:

(1) Salaries and benefit expenses decreased by $4,200 for the quarter ended December 31, 2015; this was primarily due to a net $9,000 reduction in stock compensation as stock options became fully vested; this decrease in expenditure was offset by a minor increase in payroll taxes. Payroll expenditures for the two periods remained unchanged.

(2) Legal fees showed a net decrease of $14,700 for the quarter ended December 31, 2015, which was primarily due to the reduction in legal fees associated with our lobbying efforts which decreased by $18,000. This was partially offset by a minor increase in legal fees associated with our fund raising activities.

(3) Other professional and consulting fees remained unchanged for the 2015 and 2014 periods;

(4) Patent costs decreased by $20,800 due to the timing and volume of patent applications and maintenance costs;

(5) Marketing and investor relations costs decreased by $41,500 for the quarter ended December 31, 2015, as we did not engage an investor relations firm. For the quarter ended December 31, 2014, costs primarily included $22,500 for the engagement RedChip Companies, Inc. and $21,600 which was the fair value of the warrants given to RedChip for their investor relations services.

(6) Conference and travel costs increased by $2,700 for the 2015 as management traveled to New York for the Annual Stockholders Meeting;

(7) Dues and subscription cost increased by $5,200 for 2015 period due to transfer agent costs for the Annual Stockholders Meeting; and

(8) General administrative and occupancy expenses increased by $8,600 in the quarter ended December 31, 2015, largely due to printing costs associated with the annual meeting and a slight increase in insurance.

Other Expense

	Three months ended December 31,		Percent Change
	2015	2014	
Other Expense			
Neurometric Services expense, net	$ (2,826,300)	$ (91,300)	3094.6%

For the three months ended December 31, 2015 and 2014 net non-operating Other Income (Expense) for Neurometric Services, and the primary reason for the change in these expenses for the periods, were as follows:

- For the quarter ended December 31, 2015, we incurred non-cash interest charges totaling $499,500 of which $38,900 was accrued interest on our convertible promissory notes at 5% per annum; the balance of $460,600 was comprised of warrant discount amortization and warrant and note conversion derivative liability charges; only $700 was for actual net interest paid in cash during the period. For the quarter ended December 31, 2014, we incurred non-cash interest charges totaling $50,600 of which $20,700 was accrued interest on our convertible promissory notes at 5% per annum; the balance was comprised of $29,900 of beneficial conversion discount amortization on convertible promissory notes; only $800 was for actual net interest paid in cash during the period.

- Under ASC 815, all derivative instruments are required to be measured periodically at fair value and the resultant change in fair value of non-hedging derivative instruments are to be recognized in current earnings. For the quarter ended December 31, 2015, we revalued our derivative liabilities for the beneficial conversion feature of the convertible promissory notes which resulted in a net non-cash gain on derivative liabilities of $11,300. For the quarter ended December 31, 2014, we revalued our derivative liabilities for the promissory note beneficial conversion feature which resulted in a non-cash loss on derivative liabilities of $39,900.

- For the quarter ended December 31, 2015, we incurred a non-cash loss of $2,337,400 as a result of the accounting for the extinguishment of debt. The debt extinguishment accounting was precipitated by the changes in the fair value of existing notes pursuant to the Amended Note & Warrant Purchase Agreement which extended the maturity date of the existing Notes and provided 100% warrant coverage of the shares underlying the Notes. No similar transaction occurred in the quarter ended December 31, 2014.

Net Loss from Continuing Operations

	Three months ended December 31,		Percent Change
	2015	2014	
Neurometric Services net loss	$ (3,449,500)	$ (873,700)	295%

The net loss for our Neurometric Services business of $3.4 million for the three months ended December 31, 2015, compared to the approximately $0.9 loss in the prior year is primarily due to the large non-cash accounting charges in our Other Income (Expense) expense category described above.

The Company's operating loss of $0.6 million for the three months ended December 31, 2015, is a reduction of $0.2 million from the $0.8 million loss in the prior year. This is due to substantial reductions in costs across all cost centers. These reductions were due in part to the Walter Reed Trial being put on hold as well as continuing efforts to reduce expenditures across the board.

Net loss from Discontinued Operations:

	Three months ended December 31,		Percent Change
	2015	2014	
Clinical Services net loss	(1,800)	(900)	100%

Our discontinued Clinical Services had a net loss for the three months ended December 31, 2015, due to records storage costs.

Liquidity and Capital Resources

Since our inception, we have incurred significant losses. As of December 31, 2015, we had an accumulated deficit of approximately $66.0 million; at December 31, 2014, our accumulated deficit was approximately $60.1 million. We have not yet achieved profitability and anticipate that we will continue to incur net losses for the foreseeable future. Our management expects that with our proposed clinical trials, sales and marketing and general and administrative costs, our expenditures will continue to grow and, as a result, we will need to generate significant product revenues to achieve profitability. We may never achieve profitability.

As of December 31, 2015, we had $823,800 in cash and cash equivalents and a working capital deficit of approximately $0.74 million. This is compared to our cash position of $22,700 in cash and cash equivalents as of December 31, 2014, and a working capital deficit of $1.05 million. The decrease in our working capital deficit is primarily due to our increased cash on hand and the reclassification of our derivative liabilities as long-term liabilities.

The Company has been funded through multiple rounds of private placements primarily from members of our Board of Directors or their affiliates. For details please refer to *Item 2. Private Placement Transactions* and *Notes 4 and 7 to the Unaudited Condensed Consolidated Financial Statements.*

Since September 22, 2014, we have raised $4 million of Secured Convertible Notes. These Notes are automatically convertible upon an equity offering of $5 million or more, or can be voluntarily converted at the option of the Noteholder 15 days before the maturity date of December 31, 2017. We do not now have, and, unless the notes are automatically or voluntarily converted, are not likely to have on the maturity date thereof, the cash necessary to repay the Notes when they become due. If we are unable to repay the Notes when due, the holders could pursue any remedies available to them, which could result in a complete foreclosure on their security interest in the assets of the Company.

Operating Capital and Capital Expenditure Requirements

Our continued operating losses and limited capital raise substantial doubt about our ability to continue as a going concern. We have limited ability to meet our current obligations as they become due and we are in arrears with certain of our creditors. Because of our substantial indebtedness, we are insolvent and need to raise additional funds and restructure our debt in order to continue our operations. Our financial statements include an opinion of our auditors that our continued operating losses and limited capital raise substantial doubt about our ability to continue as an ongoing concern.

We need additional funds to conduct our SoCal clinical trial and to continue our operations and will need substantial additional funds before we can implement our initiatives to increase demand for our PEER Online services. We are continuing to explore additional sources of capital; however, we do not know whether additional funding will be available on acceptable terms, or at all, especially given the economic conditions that currently prevail. Furthermore, any additional equity funding may result in significant dilution to existing stockholders and, if we incur debt financing, a substantial portion of our operating cash flow may be dedicated to the repayment of principal and interest on such indebtedness, thus limiting funds available for our business activities.

We expect to continue to incur operating losses in the future. We anticipate that our cash on hand and cash generated through our operations will not be sufficient to fund our operations beyond the next few months. If adequate funds are not available, it would have a material adverse effect on our business, financial condition and/or results of operations, and could cause us to have to cease operations.

The amount of capital we will need to conduct our operations and the time at which we will require such capital may vary significantly depending upon a number of factors, such as:

- the amount and timing of costs we incur in connection with our clinical trials and product development activities, including enhancements to our PEER Online database and costs we incur to further validate the efficacy of our technology;
- the amount and timing of costs we incur in connection with the expansion of our commercial operations, including our selling and marketing efforts;
- whether we incur additional consulting and legal fees in our efforts to conducting a Non-Significant Risk study under an FDA requirements which will enable us to obtain a 510(k) clearance from the FDA; and
- if we expand our business by acquiring or investing in complimentary businesses.

Sources of Liquidity

Since our inception, substantially all of our operations have been financed from equity and debt financings. From June, 2010, through to November, 2012, we raised $9.6 million through five rounds of private placements of convertible secured notes with 34 accredited investors. All the aforementioned notes were converted, along with the interest thereon, by September 30, 2013. Of these notes, $5.6 million, or 58% in principal amount, were purchased by directors, officers and affiliates of the Company.

Since February, 2013, through July 2014 we raised $4.8 million through the private placement of equity at $0.25 per share of Common Stock. Of these equity offerings $2.1 million, or 44%, were purchased by directors, officers and affiliates of the Company.

Between September 2014, and December 2015 we raised $4.0 million through the private placement of secured convertible debt with an exercise price of $0.05 per share of Common Stock and the issuance of 100% warrant coverage on the common stock underlying the secured convertible debt exercisable at $0.05 per share. Of this funding $3.5 million, or 87%, was provided by directors and affiliates of the Company.

For details of these financings please See Note 4 and Note 7 of the Notes to the Unaudited Condensed Consolidated Financial Statements.

Cash Flows

Net cash used in operating activities was $607,500 for the quarter ended December 31, 2015, compared to $793,700 for the same period in 2014. Of the net $179,000 reduction in cash used for operations between the two periods: $58,000 was due to the change in accounts payable as we paid down some accrued legal fees in December 2015; the balance, approximately $12,000 was largely due to reductions in operational and clinical trial expenditures during the quarter ended December 31, 2015.

The Company had no investing activities during both quarters ended December 31, 2015 and 2014.

Financing activities for the quarter ended December 31, 2015, consisted of $1 million in cash proceeds received from private placements pursuant to the Second Amended Note & Warrant Purchase Agreement with two of our affiliated investors as follows: $250,000 from John Pappajohn, a director, and $750,000 from RSJ PE, of which Michal Votruba, a director, is a director.

Cash used in discontinued operations for the quarter ended December 31, 2015, was $3,400, which was for the payout of NTC's accrued payroll liabilities and the cost of medical record storage. For the same period ended December 31, 2014, the net cash used was $10,500 which was for the same purposes as the quarter ended December 31, 2015.

Income Taxes

Current and non-current deferred taxes have been recorded on a net basis in the accompanying balance sheet. As of September 30, 2015, the Company had Federal net operating loss carryforwards of approximately $32.8 million and State net operating loss carryforwards of approximately $55.6 million. Both the Federal and State net operating loss carryforwards will begin to expire in 2035. Our ability to utilize net operating loss carryforwards may be limited in the event that a change in ownership, as defined in the Internal Revenue Code, occurs in the future. The Company has placed a valuation allowance against the deferred tax assets in excess of deferred tax liabilities due to the uncertainty surrounding the realization of such excess tax assets. Management periodically evaluates the recoverability of the deferred tax assets and the level of the valuation allowance. At such time as it is determined that it is more likely than not that the deferred tax assets are realizable, the valuation allowance will be reduced accordingly.

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements or financing activities with special purpose entities.

Item 3. Quantitative and Qualitative Disclosures about Market Risk.

Not applicable.

Item 4. Controls and Procedures.

Disclosure Controls and Procedures

Our management, including our principal executive officer (PEO) and principal financial officer (PFO), conducted an evaluation of the effectiveness of our disclosure controls and procedures, as defined by paragraph (e) of Exchange Act Rule 13a-15, as of December 31, 2015, the end of the period covered by this report. Based on this evaluation, our PEO and PFO concluded that our disclosure controls and procedures were effective as of December 31, 2015.

A "material weakness" is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis.

A "significant deficiency" is a deficiency, or combination of deficiencies, in internal control over financial reporting that is less severe than a material weakness, yet important enough to merit attention by those responsible for oversight of our financial reporting.

To the knowledge of our management, including our PEO and PFO, there were none of the aforementioned deficiencies leading to a misstatement of our results of operations for the three months ended December 31, 2015, or statement of financial position as of December 31, 2015.

Changes in Internal Control Over Financial Reporting

During the quarterly period ending December 31, 2015, there were no changes in our internal controls over financial reporting 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

Please see Note 9 of our *Notes to Unaudited Condensed Consolidated Financial Statements* for a description of our litigation with Leonard Brandt, which disclosure is incorporated herein by reference.

Item 1A. Risk Factors

There have been no material changes to the risk factors included in the Risk Factors section in our Annual Report on Form 10-K for the year ended September 30, 2015.

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

Private Placement Transactions

From September 22, 2014, through December 28, 2015, the Company entered into the Note Purchase and Warrant Purchase Agreements in connection with a bridge financing, with 16 accredited investors. Pursuant to the Second Amended Note & Warrant Purchase Agreement, the Company issued 27 secured convertible promissory notes and warrants in the aggregate principal amount of $4.0 million.

Refer to *Note 4. Convertible Debt and Equity Financings and Note 7. Related Party Transactions of our Unaudited Condensed Consolidated Financial Statements* for details of the abovementioned transaction, which detail is incorporated herein by reference to such notes.

The issuance of the securities described above was not registered under the Securities Act. No general solicitation or advertising was used in connection with the issuance. In making the issuance to accredited investors without registration under the Securities Act, the Company relied upon the exemption from registration contained in Section 4(a)(2) of the Securities Act and/or Regulation D thereunder.

Item 6. Exhibits

The following exhibits are filed as part of this report or incorporated by reference herein:

Exhibit Number	Exhibit Title
10.27	Form of Second Amended and Restated Note and Warrant Purchase Agreement.
10.28	Form of Amended and Restated Secured Convertible Promissory Note.
10.29	Form of Warrant.
10.30	Form of Amended and Restated Security Agreement.
10.31	Form of Amended and Restated Registration Rights Agreement.
31.1	Certification of Principal Executive Officer pursuant to Securities Exchange Act Rules 13a-14(a) and 15d-14(a) as adopted pursuant to section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Principal Financial Officer pursuant to Securities Exchange Act Rules 13a-14(a) and 15d-14(a) as adopted pursuant to section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Principal Executive Officer and Principal 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
101.CAL	XBRL Taxonomy Extension Calculation Linkbase
101.DEF	XBRL Taxonomy Extension Definition Linkbase
101.LAB	XBRL Taxonomy Extension Label Linkbase
101.PRE	XBRL Taxonomy Extension Presentation Linkbase

SIGNATURES

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

MYnd Analytics, Inc.

Date: February 16, 2016

/s/ George Carpenter

By: **George Carpenter**

Its: **Chief Executive Officer (Principal Executive Officer)**

/s/ Paul Buck

By: **Paul Buck**

Its: **Chief Financial Officer (Principal Financial Officer)**

Exhibit 10.27

SECOND AMENDED AND RESTATED
NOTE AND WARRANT PURCHASE AGREEMENT

THIS SECOND AMENDED AND RESTATED NOTE AND WARRANT PURCHASE AGREEMENT (this "**Agreement**") is made as of December 23, 2015 by and among MYnd Analytics, Inc., f/k/a CNS Response, Inc., a Delaware corporation (the "**Company**"), and the investors listed on Schedule A hereto (each, an "**Investor**" and together, the "**Investors**").

RECITALS

WHEREAS, the Company entered into that certain Note Purchase Agreement, dated as of September 22, 2014, with those certain investors named therein (the "**Original Agreement**");

WHEREAS, the Company entered into that certain Amendment No. 1 to the Note Purchase Agreement, dated as of April 14, 2015,with those certain investors named therein ("**Amendment No. 1**"), to increase the aggregate amount of notes issuable thereunder, and extend the period of time by which the Company was permitted to complete such fundraising; and

WHEREAS, the Company entered into that certain Amended and Restated Note Purchase Agreement, dated as of June 2, 2015,with those certain investors named therein (the "**Amended and Restated Note Purchase Agreement**"), solely to update the Original Agreement, as amended by Amendment No. 1, for the revisions provided by Amendment No. 1; and

WHEREAS, the Company entered into that certain Omnibus Amendment to the Amended and Restated Note Purchase Agreement and the Notes (as defined below), dated as of September 14, 2015, with those certain investors named therein (the "**Omnibus Amendment**"), to amend the Amended and Restated Note Purchase Agreement and the Notes to set the conversion price of all Notes purchased and sold pursuant to the Amended and Restated Note Purchase Agreement, both those that have been purchased and sold before the date of the Omnibus Amendment and those that were purchased and sold at any time thereafter, in the event of a qualified financing conversion or a voluntary conversion, at $0.05 per share (as adjusted for stock splits, stock dividends, combinations or the like affecting the common stock of the Company, par value $0.001 per share ("**Common Stock**")); and

WHEREAS, those certain investors named in the Amended and Restated Note Purchase Agreement, as amended by the Omnibus Amendment, have purchased Notes prior to the date hereof; and

WHEREAS, this Agreement amends and restates the Amended and Restated Note Purchase Agreement, as amended by the Omnibus Amendment.

NOW, THEREFORE, in consideration for the mutual promises and covenants herein, the parties agree as follows:

AGREEMENT

SECTION 1 - PURCHASE AND SALE OF NOTES AND WARRANTS

1.1 Purchase and Sale of Notes. The Company has authorized the issuance and sale, in accordance with the terms hereof, of Secured Convertible Promissory Notes in the amended aggregate principal amount of up to $6,000,000 (the "**Note Cap Amount**"), substantially in the form attached as Exhibit A hereto (individually, a "**Note**" and, collectively, the "**Notes**"), and warrants to purchase shares of Common Stock, substantially in the form attached as Exhibit B hereto (individually, a "**Warrant**" and, collectively, the "**Warrants**"). On the terms and subject to the conditions set forth in this Agreement, at the Closings (as defined below) the Company agrees to issue to each Investor, and each Investor agrees to purchase from the Company, (i) Notes in the principal amount set forth on Schedule A hereto and (ii) Warrants, for the aggregate consideration set forth opposite such Investor's name on Schedule A hereto; additionally, the principal amount of Notes previous purchased by certain investors named in the Amended and Restated Note Purchase Agreement, as amended by the Omnibus Amendment, shall be set forth opposite such Investor's name on Schedule A hereto. The financing pursuant to which the Company is issuing the Notes is hereinafter referred to as the "**Financing**".

1.2 Prior Closings. Prior to the date hereof, Notes were issued to certain investors in the principal amounts set forth on Schedule A hereto under the heading "Prior Closings." Each such investor shall deliver (i) the original certificate representing the Note issued to him or her prior to the date hereof to the Company for the purpose of having it replaced with an Amended and Restated Note, (ii) a countersigned Amended and Restated Security Agreement and (iii) a countersigned Amended and Restated Registration Rights Agreement. Promptly after such delivery by such Investor, the Company shall issue to such Investor (i) an Amended and Restated Note in the same aggregate principal amount and with the same issuance date as the note it is replacing and (ii) a Warrant to purchase a number of shares of Common Stock corresponding to one hundred percent (100%) of the number of shares of Common Stock issuable upon conversion of such Investor's Amended and Restated Note.

1.3 Additional Closings. The purchase and sale of Notes and Warrants on or after the date hereof shall take place at a closing to be conducted remotely via exchange of documents and signatures at such time as may be agreed to among the Company and the applicable Investors. The Company shall have the right, on one or more occasions, to hold additional closings (each, an "**Additional Closing**", and collectively, the "**Closings**", and individually, a "**Closing**"), pursuant to which it shall have the right to issue and sell additional Notes and Warrants to additional Investors or existing Investors. Such Additional Closings may occur at anytime prior to April 14, 2016, unless the Company, at it's sole discretion, elects to extend that date to August 11, 2016) and provided that the Company shall have the sole discretion to terminate the sales of Notes and Warrants at any time without notice to any existing Inventor or potential Investor. At each Additional Closing, the Company shall deliver to each Investor purchasing Notes and Warrants for cash at such closing a Note in the face amount set forth opposite such Investor's name on Schedule A (as such schedule shall be amended prior to the Additional Closing) under the column entitled "Purchase Price / Principal Amount of Note," and a Warrant to purchase a number of shares of Common Stock corresponding to one hundred percent (100%) of the number of shares of Common Stock issuable upon conversion of the such Note, against receipt of a check subject to collection or a wire transfer in immediately available funds of the purchase price, to an account designated by the Company. By receiving a Note and Warrant at an Additional Closing, each Investor receiving such Notes and Warrants represents that its representations and warranties contained in Section 3 are true and correct as of the date of such Additional Closing. The aggregate principal amount of Notes that may be issued at Closings hereunder shall in no event exceed the Note Cap Amount. The Company shall have the right to update Schedule A in order to add information regarding Additional Closings, which shall not be deemed to be an amendment to this Agreement.

The obligation of each Investor to purchase and pay for the Notes and Warrants to be delivered at a Closing is, unless waived by such Investor, subject to the condition that the Company's representations and warranties contained in Section 2 are true, complete and correct on and as of such Closing date. The obligation of the Company to sell and issue Notes and Warrants to be delivered at a Closing is, unless waived by the Company, subject to the condition that the relevant Investor's representations and warranties contained in Section 3 are true, complete and correct on and as of the applicable Closing date.

1.4 Security Agreement. At each Closing, the Company shall execute and deliver to the Investors purchasing Notes and Warrants an Amended and Restated Security Agreement substantially in the form of Exhibit C attached hereto (the "**Security Agreement**").

1.5 Registration Rights Agreement. At each Closing, the Company shall execute and deliver to the Investors purchasing Notes and Warrants an Amended and Restated Registration Rights Agreement substantially in the form of Exhibit D attached hereto (the "**Registration Rights Agreement**").

SECTION 2 - REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company represents and warrants to each Investor as follows:

2.1 Organization, Good Standing and Qualification. The Company is a corporation duly organized and validly existing under the laws of the State of Delaware. The Company has the requisite corporate power to own and operate its properties and assets and to carry on its business as now conducted and as proposed to be conducted.

2.2 Authority to Execute. The execution, delivery and performance by the Company of (i) this Agreement, (ii) the Notes and the Warrants to be issued pursuant to the terms of this Agreement, (iii) the Amended and Restated Security Agreement, (iii) the Amended and Restated Registration Rights Agreement, and (iv) any financing statements thereunder (collectively, the "**Loan Documents**") are within the Company's corporate powers, have been duly authorized by all necessary corporate action, do not and will not conflict with any provision of law or organizational document of the Company (including its Certificate of Incorporation or Bylaws) or of any agreement or contractual restrictions binding upon or affecting the Company or any of its property and need no further stockholder or creditor consent.

2.3 No Stockholder Approval Required. No approval of the Company's stockholders is required for (i) the entry by the Company into this Agreement, (ii) the issuance of the Notes and Warrants contemplated by this Agreement, or (iii) the issuance of any shares of stock upon conversion of the Notes or exercise of the Warrants.

2.4 Valid Issuance. The shares of stock to be issued upon conversion of the Notes and exercise of the Warrants contemplated by this Agreement (the "**Conversion Securities**" and together with the Notes, the "**Securities**") will be, upon conversion and exercise in accordance with the terms of the Notes or the Warrants, as applicable, and in the case of the Warrants upon payment of the exercise price therefor in accordance with the terms of such Warrants, validly issued, fully paid and nonassessable and free of restrictions on transfer other than restrictions on transfer under the Loan Documents, the documents entered into by the investors and other parties in the financing giving rise to repayment of the Notes, applicable state and federal securities laws and liens or encumbrances created by or imposed by the Investor. Assuming the accuracy of the representations of the Investor in Section 3 of this Agreement, the Securities will be issued in compliance with all applicable federal and state securities laws.

2.5 Binding Obligation. This Agreement is, and the other Loan Documents when delivered hereunder will be, legal, valid and binding obligations of the Company enforceable against the Company in accordance with their respective terms, subject, as to enforcement of remedies, to applicable bankruptcy, insolvency, moratorium, reorganization and similar laws affecting creditors' rights generally and to general equitable principles.

2.6 Litigation. Other than as disclosed in the Company's SEC Reports (as defined below), no litigation or governmental proceeding is pending or threatened against the Company which may have a materially adverse effect on the financial condition, operations or prospects of the Company, and to the knowledge of the Company, no basis therefore exists.

2.7 Intellectual Property. The Company owns or possesses sufficient legal rights to all patents, trademarks, service marks, trade names, copyrights, trade secrets, licenses, information and other proprietary rights and processes ("**Intellectual Property**") necessary for its business as now conducted and as presently proposed to be conducted, without any infringement of the rights of others. Schedule B contains an accurate and complete list of all Intellectual Property owned by the Company or any of its subsidiaries. The use by the Company or its subsidiaries of Intellectual Property owned or purported to be owned by the Company or its subsidiaries and the general conduct and operations of the business of the Company and its subsidiaries does not violate, infringe, misappropriate or misuse any Intellectual Property rights of any third party. To the knowledge of the Company, no third party is currently infringing, misappropriating or otherwise violating, or has infringed or misappropriated or otherwise violated, rights of any of the Company or its subsidiaries in any Intellectual Property owned, licensed, used, or held for us by the Company or its subsidiaries. There are no outstanding options, licenses or agreements of any kind relating to the foregoing proprietary rights, nor is the Company bound by or a party to any options, licenses or agreements of any kind with respect to the patents, trademarks, service marks, trade names, copyrights, trade secrets, licenses, information and other proprietary rights and processes of any other person or entity other than such licenses or agreements arising from the purchase of "off the shelf" or standard products.

2 . 8 SEC Reports. The Company has timely filed all forms, reports, schedules, proxy statements, registration statements and other documents (including all exhibits thereto) required to be filed by it with the Securities and Exchange Commission (the "**SEC**") pursuant to the federal securities laws and the SEC rules and regulations thereunder, together with all certifications required pursuant to the Sarbanes-Oxley Act of 2002 (the "**Sarbanes-Oxley Act**") (as they have been amended since the time of their filing, including all exhibits thereto, the "**SEC Reports**"). Each of the SEC Reports complied in all material respects with the applicable requirements of the Securities Act of 1933, as amended (the "**Securities Act**") and the Securities Exchange Act of 1934, as amended, the Sarbanes-Oxley Act and the rules and regulations of the SEC under all of the foregoing. None of the SEC Reports contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

SECTION 3 - REPRESENTATIONS AND WARRANTIES OF THE INVESTORS

Each Investor represents and warrants to the Company as follows:

3 . 1 Authorization; Binding Obligations. The Investor has full power and authority to enter into this Agreement and each of the other Loan Documents to which he, she or it is a party, and this Agreement and each other Loan Document constitutes a valid and legally binding obligation of each Investor, enforceable against each Investor in accordance with its terms, subject, as to enforcement of remedies, to applicable bankruptcy, insolvency, moratorium, reorganization and similar laws affecting creditors' rights generally and to general equitable principles.

3 . 2 Accredited Investor. The Investor is an "accredited investor" within the meaning of SEC Rule 501 of Regulation D promulgated under the Securities Act.

3 . 3 Investment for Own Account. Each Investor represents that it (i) is acquiring the Securities solely for its own account and beneficial interest for investment and not with a view to, or for resale in connection with, any distribution or public offering thereof within the meaning of the Securities Act, and (ii) has no present intention of selling (in connection with a distribution or otherwise), granting any participation in, or otherwise distributing the same, and does not presently have reason to anticipate a change in such intention.

3.4 Information and Sophistication. Without limiting the representations and warranties of the Company set forth in Section 3, each Investor hereby: (a) acknowledges that it has received all the information it has requested from the Company and it considers necessary or appropriate for deciding whether to acquire the Securities, (b) represents that it has had an opportunity to ask questions and receive answers from the Company regarding the terms and conditions of the offering of the Securities and to obtain any additional information necessary to verify the accuracy of the information given the Investor and (c) further represents that it has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risk of this investment.

3.5 Ability to Bear Economic Risk. Each Investor acknowledges that investment in the Securities involves a high degree of risk, and represents that it is able, without materially impairing its financial condition, to hold the Securities for an indefinite period of time and to suffer a complete loss of its investment.

3.6 U.S. Person. Each Investor is a U.S. Person as defined under Regulation S under the Securities Act, as amended, which definitions are attached hereto as Appendix I, or such Investor will make such representations and warranties, and agree to such covenants and restrictions as set forth in Section 3.7 below.

3.7 Representations and Warranties of Non-US Investors; Covenants of and Restrictions Thereon.

(a) Representations and Warranties. If Investor cannot represent and warrant that it is a U.S. Person (as defined in Appendix I hereto), such Investor (a "**Foreign Investor**") hereby represents and warrants to the Company as follows:

(i) The Securities being purchased are being acquired for investment for Foreign Investor's own account, not as a nominee or agent, and not for the account or benefit of, a U.S. Person (as defined in Appendix I hereto), and not with a view to the resale or distribution of any part thereof in the United States (as defined in Appendix I hereto) or to a U.S. Person, and that Foreign Investor has no present intention of selling, granting any participation in, or otherwise distributing such Securities.

(ii) Foreign Investor does not have any contract, undertaking, agreement or arrangement with any person to sell, transfer or grant participations to such person or to any third person in the United States or to a U.S. Person, or any hedging transaction with any third person in the United States or to a United States resident, with respect to any of the Securities.

(iii) Foreign Investor understands that the Securities are not registered under the Securities Act on the ground that the sale provided for in this Agreement and the issuance of securities hereunder is exempt from registration under the Securities Act pursuant to Regulation S thereof, and that the Company's reliance on such exemption is predicated on the Foreign Investors' representations set forth herein.

(iv) Foreign Investor is a person or entity that is not a U.S. Person

(b) Covenants. Each Foreign Investor hereby agrees that:

(i) Foreign Investor will not, directly or indirectly, offer, sell, pledge, transfer or otherwise dispose of (or solicit any offers to buy, purchase or otherwise acquire or take a pledge of) any of the Securities purchased hereunder except in compliance with the Securities Act, applicable blue sky laws, and the rules and regulations promulgated thereunder; provided that in a transaction exempt from registration under the Securities Act, such Foreign Investor shall, prior to effecting such disposition, provide notice to the Company of such proposed disposition and if reasonably requested by the Company submit to the Company an opinion of counsel in form and substance reasonably satisfactory to the Company to the effect that the proposed transaction is in compliance with the Securities Act.

(c) Legend Requirements. Each certificate representing the Securities issued to a Foreign Investor shall (unless otherwise permitted by the provisions of the Agreement) be stamped or otherwise imprinted with a legend substantially similar to the following (in addition to any legend required under applicable state securities laws or as provided elsewhere in this Agreement):

> "THE SECURITIES REPRESENTED HEREBY HAVE BEEN ACQUIRED PURSUANT TO REGULATION S OF THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), AND MAY NOT BE SOLD, MORTGAGED, PLEDGED, HYPOTHECATED OR OTHERWISE TRANSFERRED EXCEPT IN ACCORDANCE THEREWITH, PURSUANT TO A REGISTRATION UNDER THE ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM REGISTRATION. THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL IN FORM AND SUBSTANCE SATISFACTORY TO THE ISSUER TO THE EFFECT THAT ANY PROPOSED TRANSFER OR RESALE IS IN COMPLIANCE WITH THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS. IN ADDITION, NO HEDGING TRANSACTION MAY BE CONDUCTED WITH RESPECT TO THESE SECURITIES UNLESS SUCH TRANSACTIONS ARE IN COMPLIANCE WITH THE ACT."

(d) Stop-Transfer Restrictions. The Company hereby agrees, for the benefit of the Investors, that it will not register any transfer of the Securities not made in accordance with the provisions of Regulation S, pursuant to registration under the Securities Act, or pursuant to an available exemption from registration.

3.8 Further Assurances. Each Investor agrees and covenants that at any time and from time to time it will promptly execute and deliver to the Company such further instruments and documents and take such further action as the Company may reasonably require in order to carry out the full intent and purpose of this Agreement and to comply with state or federal securities laws or other regulatory approvals.

SECTION 4 - MISCELLANEOUS

4.1 Conditions Precedent. The obligation of each Investor to consummate the transactions contemplated hereby is subject, at the option of each Investor, to the fulfillment of the following conditions, any one or more of which may be waived by each Investor, to the extent not previously fulfilled:

(a) execution of the Notes at each Closing;

(b) approval of the Company's Board of Directors of the transactions contemplated hereby and all other actions necessary for the consummation of the transactions contemplated hereby prior to the initial Closing;

(c) the Company and each Investor shall have entered into the Amended and Restated Registration Rights Agreement and the Amended and Restated Security Agreement; and

(d) the Company shall have completed the filing of a UCC-1 financing statement with respect to the Collateral (as defined in the Amended and Restated Security Agreement) prior to the initial Closing.

4.2 No Waiver; Cumulative Remedies. No failure or delay on the part of any party to any Loan Document in exercising any right or remedy under, or pursuant to, any Loan Document shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, remedy or power preclude other or further exercise thereof, or the exercise of any other right, remedy or power. The remedies in the Loan Documents are cumulative and are not exclusive of any remedies provided by law.

4.3 Amendments and Waivers. Except as otherwise expressly set forth in this Agreement, any term of this Agreement may be amended (either retroactively or prospectively) with the written consent of (x) the Company and (y) and those Investors holding Notes whose aggregate principal amount represents a majority of the total outstanding principal amounts of all then outstanding Notes under this Agreement, which includes RSJ Private Equity investiční fond s proměnným základním kapitálem, a.s. f/k/a RSJ Private Equity uzavreny investicni fond a.s. ("**RSJ**") for so long as RSJ is the holder of an outstanding Note (collectively, the "**Majority Holders**"); provided that no such amendment may discriminate against a holder of Notes in a manner different from the other holders without such holder's written consent. Any amendment effected in accordance with this Section 4.2 shall be binding upon each Investor, each future holder of Securities and the Company.

4.4 Notices. Except as may be otherwise provided herein, all notices, requests, waivers and other communications made pursuant to this Agreement shall be in writing and shall be conclusively deemed to have been duly given (a) when hand delivered to the other party; (b) when sent by telecopier, facsimile or email transmission to the contact information set forth below if sent between 8:00 a.m. and 5:00 p.m. recipient's local time on a Business Day (as defined below), or on the next Business Day if sent by telecopier, facsimile or email transmission to the contact information set forth below if sent other than between 8:00 a.m. and 5:00 p.m. recipient's local time on a Business Day; (c) two Business Days after deposit in the U.S. mail with first class or certified mail receipt requested postage prepaid and addressed to the other party at the address set forth below its name on the signature page hereto; or (d) the next Business Day after deposit with a national overnight delivery service, postage prepaid, addressed to each of the parties as set forth below its name on the signature page hereto with next Business Day delivery guaranteed, provided that the sending party receives a confirmation of delivery from the delivery service provider:

If to the Company, to:

MYnd Analytics, Inc.
85 Enterprise, Suite 410
Attention: Paul Buck, Chief Financial Officer
Fax: (866) 294-2611
E-mail: pbuck@cnsresponse.com

If to an Investor, to the contact information provided in Schedule A.

A party may change or supplement its address for notice, or designate additional addresses, for purposes of this Section 4.3 by giving the other parties written notice of the new address in the manner set forth above. For purposes of this Section 4.3, "**Business Day**" shall mean any day which is not a Saturday or Sunday or a legal holiday on which banks are authorized or required to be closed in Los Angeles, California or Czech Republic.

4.5 Costs and Expenses. The Company and each Investor agree to be responsible for their own costs and expenses incurred in connection with the preparation of the Loan Documents. If any litigation, contest, dispute, suit, proceeding or action is instituted between or among any of the parties hereto regarding the enforcement or interpretation of this Agreement or any of the Exhibits hereto, the prevailing party shall be entitled to reimbursement from the other party or parties for all reasonable expenses, costs, charges and other fees (including legal fees) incurred in connection with or related to such dispute.

4.6 Governing Law. The Loan Documents shall be governed by and construed in accordance with the laws of the State of California, without regard to the conflicts of law provisions of the State of California or of any other state. The Company and each Investor consent to personal jurisdiction in Orange County, California.

4.7 Severability. If any term in this Agreement is held to be illegal or unenforceable, the remaining portions of this Agreement shall not be affected, and this Agreement shall be construed and enforced as if this Agreement did not contain the term held to be illegal or unenforceable.

4.8 Binding Effect; Assignment. The Loan Documents shall be binding upon and inure to the benefit of the Company and each Investor and their respective successors and assigns. The Company may not assign its rights or interest under the Loan Documents without the prior written consent of the Majority Holders.

4 . 9 Transfer of Securities. Notwithstanding the legend required to be placed on the Securities by applicable law, no registration statement or opinion of counsel shall be necessary: (a) for a transfer of Securities to the respective estate of each Investor or for a transfer of Securities by gift, will or intestate succession of each Investor to his or her spouse or to the siblings, lineal descendants or ancestors each Investor or his or her spouse, if the transferee agrees in writing to be subject to the terms hereof to the same extent as if he or she were the original Investor hereunder; or (b) for a transfer of Securities pursuant to SEC Rule 144 or any successor rule, or for a transfer of Securities pursuant to a registration statement declared effective by the SEC under the Securities Act relating to the Securities.

4 . 1 0 Survival of Representations and Warranties . The representations and warranties of the parties contained in or made pursuant to this Agreement shall survive the execution and delivery of this Agreement indefinitely, and shall in no way be affected by any investigation of the subject matter thereof made by or on behalf of the other parties.

4.11 California Commissioner of Corporations. THE SALE OF THE SECURITIES WHICH ARE THE SUBJECT OF THIS AGREEMENT HAS NOT BEEN QUALIFIED WITH THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA AND THE ISSUANCE OF THE SECURITIES OR PAYMENT OR RECEIPT OF ANY PART OF THE CONSIDERATION FOR SUCH SECURITIES PRIOR TO THE QUALIFICATION IS UNLAWFUL, UNLESS THE SALE OF SECURITIES IS EXEMPT FROM QUALIFICATIONS BY SECTION 25100, 25102 OR 25105 OF THE CALIFORNIA CORPORATIONS CODE. THE RIGHTS OF ALL PARTIES TO THIS AGREEMENT ARE EXPRESSLY CONDITIONED UPON SUCH QUALIFICATION BEING OBTAINED, UNLESS THE SALE IS SO EXEMPT.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their proper and duly authorized officers as of the date first written above.

MYND ANALYTICS, INC.

By: _____

Name: Paul Buck
Title: Chief Financial Officer

[SIGNATURE PAGE TO SECOND AMENDED AND RESTATED NOTE AND WARRANT PURCHASE AGREEMENT]

INVESTOR:

By: _____

Name:
Title:

[SIGNATURE PAGE TO SECOND AMENDED AND RESTATED NOTE AND WARRANT PURCHASE AGREEMENT]

SCHEDULE A

Investor	*Purchase Price / Principal Amount of Note*
Name: Address: Fax: Email: Tax ID:	$_____
Name: Address: Fax: Email: Tax ID:	$_____
TOTAL:	**$**_____

Prior Closings

Investor	*Purchase Price / Principal Amount of Note*
Name: Biobrit, LLC Address: Fax: Email: Tax ID:	$ 100,000
Name: Declaration of Trust of Robert J. Follman and Carole A. Follman, dated August 14,1979 Address: Fax: Email: Tax ID:	$ 250,000

Name: Frank L. Peters Address: Fax: Email: Tax ID:	$	25,000
Name: Gladys Fenner Gay LeBreton Address: Fax: Email: Tax ID:	$	25,000
Name: Laurie L Labruzzo and Patricia Fischer JTWROS Address: Fax: Email: Tax ID:	$	25,000
Name: LH Partners Address: Fax: Email: Tax ID:	$	50,000
Name: Michael L. Meyer Living Trust Address: Fax: Email: Tax ID:	$	150,000
Name: John Pappajohn Address: Fax: Email: Tax ID:	$	300,000
Name: NICALE Partners Address: Fax: Email: Tax ID:	$	50,000

[SCHEDULE A TO SECOND AMENDED AND RESTATED NOTE AND WARRANT PURCHASE AGREEMENT]

Name: NYMC Investors Address: Fax: Email: Tax ID:	$	50,000
Name: Oman Ventures, LLC Address: Fax: Email: Tax ID:	$	200,000
Name: Patricia Fischer and Laurie L Labruzzo JTWROS Address: Fax: Email: Tax ID:	$	25,000
Name: PMA, Ltd. Address: Fax: Email: Tax ID:	$	50,000
Name: Robin Smith Address: Fax: Email: Tax ID:	$	60,000
Name: RSJ Private Equity investiční fond s proměnným základním kapitálem, a.s. Address: Fax: Email: Tax ID:	$	1,100,000
Name: Thomas T. and Elizabeth C. Tierney Family Trust Address: Fax: Email: Tax ID:	$	540,000
TOTAL:	**$**	**3,000,000**

EXHIBIT A

FORM OF AMENDED AND RESTATED
SECURED CONVERTIBLE PROMISSORY NOTE

EXHIBIT B

FORM OF WARRANT

EXHIBIT C

AMENDED AND RESTATED SECURITY AGREEMENT

EXHIBIT D

REPRESENTATIVE SECURED PARTY AGREEMENT

EXHIBIT E

AMENDED AND RESTATED
REGISTRATION RIGHTS AGREEMENT

APPENDIX I

CERTAIN DEFINITIONS

As used in the Agreement, the following terms shall have the meanings indicated:

"**U.S. Person**":

(a) "**U.S. person**" means:

(i) Any natural person resident in the United States;

(ii) Any partnership or corporation organized or incorporated under the laws of the United States;

(iii) Any estate of which any executor or administrator is a U.S. person;

(iv) Any trust of which any trustee is a U.S. person;

(v) Any agency or branch of a foreign entity located in the United States;

(vi) Any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person;

(vii) Any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and

(viii) Any partnership or corporation if:

(A) Organized or incorporated under the laws of any foreign jurisdiction; and

(B) Formed by a U.S. person principally for the purpose of investing in securities not registered under the Act, unless it is organized or incorporated, and owned, by accredited investors (as defined in §230.501(a)) who are not natural persons, estates or trusts.

(b) The following are not "U.S. persons":

(i) Any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. person by a dealer or other professional fiduciary organized, incorporated, or (if an individual) resident in the United States;

(ii) Any estate of which any professional fiduciary acting as executor or administrator is a U.S. person if:

(A) An executor or administrator of the estate who is not a U.S. person has sole or shared investment discretion with respect to the assets of the estate; and

(B) The estate is governed by foreign law;

(iii) Any trust of which any professional fiduciary acting as trustee is a U.S. person, if a trustee who is not a U.S. person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settler if the trust is revocable) is a U.S. person;

(iv) An employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country;

(v) Any agency or branch of a U.S. person located outside the United States if:

(A) The agency or branch operates for valid business reasons; and

(B) The agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; and

(vi) The International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organizations, their agencies, affiliates and pension plans.

"**United States**": the United States of America, its territories and possessions, any State of the United States, and the District of Columbia.

Exhibit 10.28

THIS SECURED CONVERTIBLE PROMISSORY NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. NO SALE OR DISPOSITION MAY BE EFFECTED EXCEPT IN COMPLIANCE WITH RULE 144 UNDER SAID ACT OR AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL FOR THE HOLDER SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE ACT OR RECEIPT OF A NO-ACTION LETTER FROM THE SECURITIES AND EXCHANGE COMMISSION.

FORM OF AMENDED AND RESTATED
SECURED CONVERTIBLE PROMISSORY NOTE

$[_____] **December ___, 2015**
Aliso Viejo, CA

For value received **MYnd Analytics, Inc.**, f/k/a CNS Response, Inc., a Delaware corporation ("**Company**"), promises to pay to **[_____]**, a [_____] ("**Holder**") on or before **December 31, 2017** (the "**Maturity Date**") the principal sum of **$[_____]** with interest on the outstanding principal amount at the rate of five percent (5%) per annum, compounded annually based on a 365-day year. Interest shall commence with the [date hereof / original date] and shall continue on the outstanding principal until paid in full. The Holder shall have the right in its sole discretion to postpone the Maturity Date repeatedly by providing written notice to the Company.

This Amended and Restated Secured Convertible Promissory Note (this "**Note**") is one of a series of similar Amended and Restated Secured Convertible Promissory Notes (collectively with this Note, the "**Notes**") issued by the Company pursuant to the terms of that certain Note Purchase Agreement as amended and restated on June 2, 2015, as further amended on September 14, 2015 by the Omnibus Amendment, and as further amended and restated on December 23, 2015 (the "**Second Amended and Restated Note and Warrant Purchase Agreement**"), dated as of **September 22, 2014** (the "**Agreement Date**"), to the persons and entities listed on Schedule A thereto (collectively, the "**Holders**"). Unless otherwise stated, the Notes shall be pari passu in right of payment with respect to each other. All payments to each Holder of a Note shall be made pro rata among the Holders based upon the aggregate unpaid principal amount of the Notes outstanding immediately prior to any such payment. The Company shall not make, and no Holder shall accept, any payment except as shall be shared ratably between the Holders so as to maintain as near as possible the amount of the debt owing under the Notes pro rata according to the Holders' respective proportionate interests in the amount of debt owed as of the date immediately prior to such payment or payments. If any Holder obtains any payment (whether voluntary, involuntary, by application of offset or otherwise) of principal, interest or other amount with respect to the Notes in excess of such Holder's pro rata share of such payments obtained by all Holders, then the Holder receiving such payment in excess of its pro rata share shall distribute to each of the other Holders an amount sufficient to cause all Holders to receive their respective pro rata shares of any payment of principal, interest or other amount with respect to the Notes.

1 . Payment. All payments of interest and principal shall be in lawful money of the United States of America. All payments shall be applied first to accrued interest, and thereafter to principal. Company may not prepay this Note prior to the Maturity Date without the consent of the Majority Holders (as defined in the Second Amended and Restated Note and Warrant Purchase Agreement). No Notes owned by the Holder can be prepaid without the Holder's consent.

2 . Qualified Financing Conversion. In the event that Company issues and sells shares of its Equity Securities (as defined below) to investors (the "**Investors**") on or before the Maturity Date in an equity financing with total proceeds to the Company of not less than $5,000,000 (excluding the conversion of the Notes, other convertible indebtedness or other debt) (a "**Qualified Financing**"), then the outstanding principal balance and accrued interest of this Note (together, the "Conversion Amount") shall automatically convert in whole without any further action by the Holders into a number of shares of Equity Securities equal to the quotient of the Conversion Amount divided by a conversion price of $0.05 per share (as adjusted for stock splits, stock dividends, combinations or the like affecting the Company's common stock ("**Common Stock**")). Any resulting fraction of a share shall be rounded to the nearest whole share (with 0.5 being rounded up). By receipt of this Note, the Holder acknowledges and agrees that it shall execute and deliver all documents that are reasonably required by the Company to be executed by all of the Investors in the Qualified Financing. For purposes of this Note, the term "**Equity Securities**" shall mean the Company's Common Stock, preferred stock or any securities conferring the right to purchase the Company's Common Stock or preferred stock or securities convertible into, or exchangeable for (with or without additional consideration), the Company's Common Stock or preferred stock, except that such defined term shall not include (i) any security granted, issued and/or sold by the Company to any employee, director or consultant in such capacity, or (ii) Notes issued pursuant to the Second Amended and Restated Note and Warrant Purchase Agreement.

3. Voluntary Conversion. Within the period of fifteen (15) days prior to the Maturity Date the Holder shall have an option to convert this Note into shares of Common Stock at a price equal to $0.05 per share (as adjusted for stock splits, stock dividends, combinations or the like affecting the Common Stock).

4 . Change of Control. If, prior to the earliest to occur of: (a) a Qualified Financing; (b) the conversion of this Note in accordance with Section 3; or (c) the Maturity Date, the Company shall liquidate, dissolve, or enter into a transaction or series of related transactions providing for a merger or consolidation of Company into or with an entity not previously affiliated with Company, or a sale, lease, transfer or other disposition of all or substantially all of the assets of Company (unless, upon consummation of such merger, consolidation or sale, the holders of voting securities of Company immediately prior to such transaction(s) own directly or indirectly more than fifty percent (50%) of the voting power of the consolidated, surviving or acquiring corporation) (a "**Change of Control**"), then the Holder shall have the right to have (i) one hundred and fifty percent (150%) of the outstanding principal amount of this Note, plus (ii) accrued but unpaid interest on this Note, repaid in full upon the closing of such Change of Control. Notwithstanding the foregoing, neither (x) a bona fide equity financing as a result of which this Note converts into Equity Securities in accordance with Section 2 above; nor (y) a merger done in order to change the domicile of the Company shall be deemed a Change of Control.

5 . Security Interest. The full amount of this Note is secured by the Collateral (as defined in the Security Agreement) identified and described as security therefore in the Security Agreement dated as of the date hereof executed by Company in favor of the Holders (the "**Security Agreement**"). The Company hereby authorizes the Holder to file, or cause to be filed, any and all documents or instruments that, in the Majority Holders' (as defined in the Second Amended and Restated Note and Warrant Purchase Agreement) discretion, are required in order to perfect the security interest granted hereby, including, without limitation, a UCC-1 financing statement, and, to the extent requested by the Holder, the Company agrees to execute and deliver to the Holder any and all such documents or instruments.

6 . Maturity Date; Extension. Unless this Note has been converted in accordance with the terms of Section 2, Section 3 or Section 4 above, the entire outstanding principal balance and all unpaid accrued interest shall become fully due and payable on the Maturity Date; provided, however, the Holder shall have the right to unilaterally postpone the Maturity Date to any date of the Holder's choice upon written notice to the Company.

7 . Event of Default. If there shall be any Event of Default (as defined below) hereunder, at the option and upon the declaration of the Majority Holders (as defined in the Second Amended and Restated Note and Warrant Purchase Agreement) and upon written notice to the Company (which election and notice shall not be required in the case of an Event of Default under Section 7(b) or 7(c)), this Note shall accelerate and all principal and unpaid accrued interest shall become due and payable, and the Majority Holders (as defined in the Second Amended and Restated Note and Warrant Purchase Agreement) shall be free to exercise any or all other rights and remedies available to the Holders under the Second Amended and Restated Note and Warrant Purchase Agreement, the Notes, the Security Agreement and applicable law. The occurrence of any one or more of the following shall constitute an "**Event of Default**":

(a) The Company shall default in the payment of any part of the principal or unpaid accrued interest on the Note for more than five (5) days after the Maturity Date or at a date fixed by acceleration or otherwise;

(b) The Company shall make an assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts as they become due, or shall file a voluntary petition for bankruptcy, or shall file any petition or answer seeking for itself any reorganization, arrangement, composition, readjustment, dissolution or similar relief under any present or future statute, law or regulation, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of the Company, or of all or any substantial part of the properties of the Company, or the Company or its respective directors or majority stockholders shall take any action looking to the dissolution, liquidation or winding-up of the Company; or

(c) Within forty-five (45) days after the commencement of any proceeding against the Company seeking any bankruptcy, reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future statute, law or regulation, such proceeding shall not have been dismissed, or within forty-five (45) days after the appointment without the consent or acquiescence of the Company of any trustee, receiver or liquidator of the Company or of all or any substantial part of the properties of the Company, such appointment shall not have been vacated.

In the event of any Event of Default hereunder, Company shall pay all reasonable attorneys' fees and court costs incurred by Holder in enforcing and collecting this Note.

8. Miscellaneous.

(a) The rights, powers and remedies of the Holders under the Notes shall be in addition to all rights, powers and remedies given to the Holders by virtue of any statute, rule of law, or other agreement, and shall be cumulative, and may be exercised successively or concurrently.

(b) Company hereby waives demand, notice, presentment, protest and notice of dishonor.

(c) This Note shall be governed by and construed under the laws of the State of California, as applied to agreements among California residents, made and to be performed entirely within the State of California, without giving effect to conflicts of laws principles of the State of California, or any other state.

(d) Any term of this Note may be amended (either retroactively or prospectively) with the written consent of the Company and the Majority Holders (as defined in the Second Amended and Restated Note and Warrant Purchase Agreement).

(e) All notices required or permitted hereunder shall be in writing and shall be delivered in accordance with Section 4.3 of the Second Amended and Restated Note and Warrant Purchase Agreement.

[*Signature Page Follows*]

In Witness Whereof, Company has duly executed and delivered this Note as of the date first set forth above.

MYND ANALYTICS, INC.

By: _____

Name: Paul Buck
Title: Chief Financial Officer

[*Signature Page to Form of Amended and Restated Secured Convertible Promissory Note*]

Exhibit 10.29

THIS WARRANT AND THE SECURITIES ISSUABLE UPON THE EXERCISE HEREOF HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED, HYPOTHECATED, OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933, AS AMENDED OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT REGISTRATION IS NOT REQUIRED.

FORM OF WARRANT TO PURCHASE SHARES

This Warrant is issued to _____ ("**Holder**") by MYnd Analytics, Inc., f/k/a CNS Response, Inc., a Delaware corporation (the "**Company**"), in connection with the issuance to the Holder of a Note in the aggregate principal amount of **$**_____ (the "**Note**"). All capitalized terms not defined in this Warrant shall have the meaning ascribed to them in the Note.

1. Purchase of Shares. Subject to the terms and conditions hereinafter set forth, the holder of this Warrant is entitled, upon surrender of this Warrant at the principal office of the Company (or at such other place as the Company shall notify the holder hereof in writing), to purchase from the Company up to _____fully paid and nonassessable Shares (as defined below) at the Exercise Price (as defined below).

2. Definitions.

(a) Exercise Price. The exercise price for the Shares initially shall be **$0.05 per share**, as adjusted from time to time (such price, as adjusted from time to time, is herein referred to as the "**Exercise Price**").

(b) Exercise Period. This Warrant shall be exercisable, in whole or in part, during the term commencing on the date hereof and ending on the earlier of (i) the fifth anniversary of December 31, 2015 and (ii) the date that is forty-five (45) days following the date on which the daily closing price of the Company's shares of common stock listed on the OTCQB Venture Marketplace (or other bulletin board or exchange on which the Company's Common Stock is traded or listed) has been above $0.25 for ten (10) consecutive trading days. The Company shall promptly notify the holder in the event that the daily closing price of the Company's shares of common stock listed on the OTCQB Venture Marketplace (or other bulletin board or exchange on which the Company's Common Stock is traded or listed) has been above $0.25 for ten (10) consecutive trading days.

(c) The Shares. The term "**Shares**" shall mean shares of the Company's common stock, par value $0.001 per share.

3. Method of Exercise. While this Warrant remains outstanding and exercisable in accordance with the terms hereof, the holder may exercise, in whole or in part, the purchase rights evidenced hereby. Such exercise shall be effected by:

(i) the surrender of the Warrant, together with a notice of exercise in substantially the form attached hereto as Exhibit A to the Secretary of the Company at its principal offices; and

(ii) the payment to the Company of an amount equal to the aggregate Exercise Price for the number of Shares being purchased, in cash (through a check payable to the Company or by wire transfer to an account designated by the Company).

4. Certificates for Shares. Upon the exercise of the purchase rights evidenced by this Warrant, one or more certificates for the number of Shares so purchased shall be issued as soon as practicable thereafter, and in any event within thirty (30) days of the delivery of the subscription notice.

5. Issuance of Shares. The Company covenants that the Shares, when issued pursuant to the exercise of this Warrant, will be duly and validly issued, fully paid and nonassessable and free from all taxes, liens, and charges with respect to the issuance thereof. The Company shall at all times reserve and keep available solely for the issuance and delivery upon the exercise of this Warrant, such number of Shares sufficient to permit the exercise in full of this Warrant.

6. Adjustment of Exercise Price and Number of Shares. The number of and kind of securities purchasable upon exercise of this Warrant and the Exercise Price shall be subject to adjustment from time to time as follows:

(a) Subdivisions, Combinations and Other Issuances. If the Company shall at any time prior to the expiration of this Warrant subdivide the Shares, by split-up or otherwise, or combine its Shares, or issue additional shares as a dividend, the number of Shares issuable on the exercise of this Warrant shall forthwith be proportionately increased in the case of a subdivision or stock dividend, or proportionately decreased in the case of a combination. Appropriate adjustments shall also be made to the purchase price payable per share, but the aggregate purchase price payable for the total number of Shares purchasable under this Warrant (as adjusted) shall remain the same. Any adjustment under this Section 6(a) shall become effective at the close of business on the date the subdivision or combination becomes effective, or as of the record date of such dividend, or in the event that no record date is fixed, upon the making of such dividend.

(b) Reclassification, Reorganization and Consolidation. In case of any reclassification, capital reorganization, or change in the capital stock of the Company (other than as a result of a subdivision, combination, or stock dividend provided for in Section 6(a) above), then the Company shall make appropriate provision so that the holder of this Warrant shall have the right at any time prior to the expiration of this Warrant to purchase, at a total price equal to that payable upon the exercise of this Warrant, the kind and amount of shares of stock and other securities and property receivable in connection with such reclassification, reorganization, or change by a holder of the same number of Shares as were purchasable by the holder of this Warrant immediately prior to such reclassification, reorganization, or change. In any such case appropriate provisions shall be made with respect to the rights and interest of the holder of this Warrant so that the provisions hereof, including Sections 6(a), shall thereafter be applicable with respect to any shares of stock or other securities and property deliverable upon exercise hereof, and appropriate adjustments shall be made to the purchase price per share payable hereunder, provided the aggregate purchase price shall remain the same.

(c) Notice of Adjustment. When any adjustment is required to be made in the number or kind of shares purchasable upon exercise of the Warrant, or in the Exercise Price, the Company shall promptly notify the holder of such event and of the number of Shares or other securities or property thereafter purchasable upon exercise of this Warrant, and furnish the holder with a certificate of its Chief Financial Officer, including computations of such adjustment in the number or kind of shares purchasable upon exercise of the Warrant, or in the Exercise Price.

7. No Fractional Shares or Scrip. No fractional shares or scrip representing fractional shares shall be issued upon the exercise of this Warrant, but in lieu of such fractional shares the Company shall make a cash payment therefor on the basis of the Exercise Price then in effect.

8. Restrictive Legend.

The Shares (unless registered under the Securities Act of 1933, as amended (the "**Act**")) shall be stamped or imprinted with a legend in substantially the following form:

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF, AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. SUCH SHARES MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN EXEMPTION THEREFROM UNDER THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS. COPIES OF THE AGREEMENT COVERING THE PURCHASE OF THESE SHARES AND RESTRICTING THEIR TRANSFER MAY BE OBTAINED AT NO COST BY WRITTEN REQUEST MADE BY THE HOLDER OF RECORD OF THIS CERTIFICATE TO THE SECRETARY OF THE COMPANY AT THE PRINCIPAL EXECUTIVE OFFICES OF THE COMPANY.

THE SALE OF SECURITIES WHICH ARE THE SUBJECT OF THIS AGREEMENT HAS NOT BEEN QUALIFIED WITH THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA AND THE ISSUANCE OF THE SECURITIES OR THE PAYMENT OR RECEIPT OF ANY PART OF THE CONSIDERATION THEREFOR PRIOR TO THE QUALIFICATION IS UNLAWFUL, UNLESS THE SALE OF SECURITIES IS EXEMPT FROM THE QUALIFICATION BY SECTION 25100, 25102 OR 25105 OF THE CALIFORNIA CORPORATIONS CODE. THE RIGHTS OF ALL PARTIES TO THIS AGREEMENT ARE EXPRESSLY CONDITIONED UPON THE QUALIFICATION BEING OBTAINED UNLESS THE SALE IS SO EXEMPT.

9. Warrants Transferable. Subject to compliance with the terms and conditions of this Section 9, this Warrant and all rights hereunder are transferable, in whole or in part, without charge to the holder hereof (except for transfer taxes), upon surrender of this Warrant properly endorsed or accompanied by written instructions of transfer. With respect to any offer, sale or other disposition of this Warrant or any Shares acquired pursuant to the exercise of this Warrant prior to registration of such Warrant or Shares, the holder hereof agrees to give written notice to the Company prior thereto, describing briefly the manner thereof, together with a written opinion of such holder's counsel, or other evidence, if requested by the Company, to the effect that such offer, sale or other disposition may be effected without registration or qualification (under the Act as then in effect or any federal or state securities law then in effect) of this Warrant or the Shares and indicating whether or not under the Act certificates for this Warrant or the Shares to be sold or otherwise disposed of require any restrictive legend as to applicable restrictions on transferability in order to ensure compliance with such law; provided, however, the Company shall not require an opinion of counsel in any transaction in compliance with Rule 144 promulgated by the SEC under the Act. Upon receiving such written notice and reasonably satisfactory opinion or other evidence, if so requested, the Company, as promptly as practicable, shall notify such holder that such holder may sell or otherwise dispose of this Warrant or such Shares, all in accordance with the terms of the notice delivered to the Company. If a determination has been made pursuant to this Section 9 that the opinion of counsel for the holder or other evidence is not reasonably satisfactory to the Company, the Company shall so notify the holder promptly with details thereof after such determination has been made. Each certificate representing this Warrant or the Shares transferred in accordance with this Section 9 shall bear a legend as to the applicable restrictions on transferability in order to ensure compliance with such laws, unless in the aforesaid opinion of counsel for the holder, such legend is not required in order to ensure compliance with such laws. The Company may issue stop transfer instructions to its transfer agent in connection with such restrictions. Notwithstanding the foregoing, Holder may assign this Warrant or the Shares into which such Warrant may be converted to an affiliated entity without the prior written consent of the Company so long as such assignment complies with applicable law.

10. Rights of Stockholders. No holder of this Warrant shall be entitled, as a Warrant holder, to vote or receive dividends or be deemed the holder of the Shares or any other securities of the Company which may at any time be issuable on the exercise hereof for any purpose, nor shall anything contained herein be construed to confer upon the holder of this Warrant, as such, any of the rights of a stockholder of the Company or any right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or to give or withhold consent to any corporate action (whether upon any recapitalization, issuance of stock, reclassification of stock, change of par value, consolidation, merger, conveyance, or otherwise) or to receive notice of meetings, or to receive dividends or subscription rights or otherwise until the Warrant shall have been exercised and the Shares purchasable upon the exercise hereof shall have become deliverable, as provided herein.

11. Amendments and Waivers. Any provision of this Warrant may be amended, waived or modified upon the written consent of the Company and the Majority Holders. Any such amendment, waiver or modification effected in accordance with this paragraph shall be binding upon the Company and Holder, it being understood and agreed that such written consent will affect all Warrants and be binding on all holders thereof regardless of whether any particular holder executed such consent.

12. Notices of Certain Transactions. In case (a) the Company shall take a record of the holders of its outstanding stock of the same class as the Shares purchasable under this Warrant (or other stock or securities at the time deliverable upon the exercise of this Warrant) for the purpose of entitling or enabling them to receive any dividend or other distribution, or to receive any right to subscribe for or purchase any shares of stock of any class or any other securities, or to receive any other right, to subscribe for or purchase any shares of stock of any class or any other securities, or to receive any other right, (b) of any capital reorganization of the Company, any reclassification of the capital stock of the Company, any consolidation or merger of the Company with or into another corporation (other than a consolidation or merger in which the shares of capital stock of the Company outstanding immediately prior to such merger or consolidation continue to represent, or are converted into or exchanged for shares of capital stock that represent, immediately following such merger or consolidation, at least a majority, by voting power, of the capital stock of the surviving corporation), or any transfer of all or substantially all of the assets of the Company, or (c) of the voluntary or involuntary dissolution, liquidation or winding-up of the Company, then, and in each such case, the Company will mail or cause to be mailed to the holder of this Warrant a notice specifying, as the case may be, (i) the date on which a record is to be taken for the purpose of such dividend, distribution or right, and stating the amount and character of such dividend, distribution or right, or (ii) the effective date on which such reorganization, reclassification, consolidation, merger, transfer, dissolution, liquidation, redemption or conversion is to take place, and the time, if any is to be fixed, as of which the holders of record of the Company's outstanding stock of the same class as the Shares purchasable under this Warrant (or such other stock or securities at the time deliverable upon such reorganization, reclassification, consolidation, merger, transfer, dissolution, liquidation, redemption or conversion) are to be determined. Such notice shall be mailed at least ten (10) days prior to the record date or effective date for the event specified in such notice.

13. Notices. All notices and other communications given or made hereunder shall be in writing and shall be deemed effectively given: (a) upon personal delivery to the party to be notified, (b) when sent by confirmed electronic mail or facsimile if sent during normal business hours of the recipient, and if not so confirmed, then on the next business day, with a copy to be sent by United States first class mail, postage prepaid, (c) five (5) days after being sent by registered or certified mail, return receipt required, postage prepaid, or (d) one (1) day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent to the respective parties at their address or fax number as set forth on the signature page to the Note or to such electronic mail address, facsimile number or address as subsequently modified by written notice given in according with this Section 13.

14. No Impairment. The Company shall not, by amendment of its certificate of incorporation or through reorganization, consolidation, merger, dissolution, sale of assets or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, but shall at all times in good faith assist in the carrying out of all such terms and in the taking of all such action as may be necessary or appropriate in order to protect the rights of the holder of this Warrant against impairment.

15. Governing Law. This Warrant and all actions arising out of or in connection with this Warrant shall be governed by and construed in accordance with the laws of the State of California, without regard to the conflicts of law provisions of the State of California or of any other state.

16. Rights and Obligations Survive Exercise of Warrant. Unless otherwise provided herein, the rights and obligations of the Company, of the holder of this Warrant and of the holder of the Shares issued upon exercise of this Warrant, shall survive the exercise of this Warrant.

[Signature Page Follows]

Issued this ___ day of _____, 20__.

MYND ANALYTICS, INC.

By: _____
Name:
Title:

Address: 85 Enterprise, Suite 410
Aliso Viejo, CA 92656

Accepted and agreed:

_____

_____
Name and Position

Address:

[*Signature Page to Form of Warrant*]

EXHIBIT A

NOTICE OF EXERCISE

TO: MYnd Analytics, Inc.

Attention: Chief Executive Officer

1. The undersigned hereby elects to purchase _____ Shares of _____ pursuant to the terms of the attached Warrant.

2. Please issue a certificate or certificates representing said Shares in the name of the undersigned or in such other name as is specified below:

(Name)

(Address)

3. The undersigned hereby represents and warrants that the aforesaid Shares are being acquired for the account of the undersigned for investment and not with a view to, or for resale, in connection with the distribution thereof, and that the undersigned has no present intention of distributing or reselling such shares and all representations and warranties of the undersigned set forth in Section 10 of the attached Warrant are true and correct as of the date hereof.

(Signature)

(Name)

(Date)

(Title)

FORM OF TRANSFER

(To be signed only upon transfer of Warrant)

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto _____ the right represented by the attached Warrant to purchase _____ shares of _____ of MYnd Analytics, Inc. to which the attached Warrant relates, and appoints _____ Attorney to transfer such right on the books of _____, with full power of substitution in the premises.

Dated: _____

_____

(Signature must conform in all respects to name of Holder as specified on the face of the Warrant)

Address: _____

_____

_____

Signed in the presence of:

_____

_____

Exhibit 10.30

AMENDED AND RESTATED
SECURITY AGREEMENT

This AMENDED AND RESTATED SECURITY AGREEMENT (this " Agreement"), dated as of December 23, 2015, is made by and among MYnd Analytics, Inc., f/k/a CNS Response, Inc., a Delaware corporation ("**Grantor**"), the parties listed under the caption "**Secured Parties**" on the signature pages hereto (each a "**Secured Party**" and, collectively, the "**Secured Parties**").

Recitals

WHEREAS, the parties hereto entered into that certain Security Agreement dated September 22, 2014; and

WHEREAS, the parties hereto entered into that certain Note Purchase Agreement, dated as of September 22, 2014, as amended by Amendment No. 1 to the Note Purchase Agreement, dated as of April 14, 2015, as further amended and restated by the Amended and Restated Note Purchase Agreement, dated as of June 2, 2015, as further amended by the Omnibus Amendment to the Amended and Restated Note Purchase Agreement, dated September 14, 2015, pursuant to which the Secured Parties have purchased from Grantor Secured Convertible Promissory Notes of the Company (the "**Notes**"); and

WHEREAS, the Grantor and the Secured Parties are parties to a Second Amended and Restated Note and Warrant Purchase Agreement, dated as of December 23, 2015 (the "**Second Amended and Restated Purchase Agreement** "), pursuant to which the Grantor shall issue Notes and warrants to purchase shares of common stock of the Grantor; and

WHEREAS, pursuant to Section 5 of the Notes, the Notes will be secured by the Collateral (as defined below); and

WHEREAS, the parties hereto wish to amend and replace the Security Agreement dated September 22, 2014 with this Agreement.

NOW, THEREFORE, in consideration of the foregoing premises, the respective representations, warranties and covenants contained herein, and certain other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Grant of Security Interest.

(a) To secure Grantor's obligations under the Second Amended and Restated Purchase Agreement and the Notes, Grantor hereby grants and pledges to the Secured Parties a security interest in all of Grantor's right, title and interest in, to and under all Intellectual Property Rights (as defined below) of the Grantor related to its PEER (Psychiatric EEG Evaluation Registry) technology and method, including without limitation all proceeds thereof (such as by way of example but not by way of limitation, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements, all rights corresponding thereto throughout the world and all re-issues, divisions, continuations, renewals, extensions and continuations-in-part thereof. The property referenced in this Section 1(a) is listed in Schedule B of the Second Amended and Restated Purchase Agreement and is attached hereto as Schedule I and is hereinafter referred to as the "**Collateral**".

(b) For the purpose of this Agreement, "**Intellectual Property Rights**" means any and all patents, patent applications, trademarks, trademark applications, service marks, service mark applications, trade names, copyrights, trade secrets, domain names, mask works, know-how, information and proprietary rights and processes, similar or other intellectual property rights, subject matter of any of the foregoing, tangible embodiments of any of the foregoing, and licenses in, to and under any of the foregoing.

2. Remedies.

(a) Upon the occurrence of any Event of Default (as defined in the Notes) (but only after Grantor receives the written notice required pursuant to Section 7(a) of the Notes), each Secured Party shall have, in addition to all other rights and remedies granted to it in this Agreement, the Notes or any other document, all rights and remedies of a secured party under the Uniform Commercial Code of the State of California (the "UCC") and other applicable laws. Without limiting the generality of the foregoing, (i) the Majority Holders (as defined in the Second Amended and Restated Purchase Agreement) or any collateral agent appointed by the Majority Holders (as defined in the Second Amended and Restated Purchase Agreement) (a "**Collateral Agent**") may peaceably enter any premises of Grantor, take possession of any of the Collateral, remove or dispose of all or part of the Collateral on any premises of such Grantor or elsewhere, and otherwise collect, receive, appropriate and realize upon all or any part of the Collateral, and demand, give receipt for, settle, renew, extend, exchange, compromise, adjust, or sue for all or any part of the Collateral, as the Majority Holders (as defined in the Second Amended and Restated Purchase Agreement) may determine; (ii) the Majority Holders (as defined in the Second Amended and Restated Purchase Agreement) or any Collateral Agent may require Grantor to assemble all or any part of the Collateral and make it available to the Secured Parties at any place and time designated by the Majority Holders (as defined in the Second Amended and Restated Purchase Agreement); (iii) the Majority Holders (as defined in the Second Amended and Restated Purchase Agreement) or any Collateral Agent may secure the appointment of a receiver of the Collateral or any part thereof (to the extent and in the manner provided by applicable law); and (iv) to the extent permitted by applicable law and by agreements of the Grantor with third parties, the Majority Holders (as defined in the Second Amended and Restated Purchase Agreement) or any Collateral Agent may sell, resell, lease, use, assign, license, sublicense, transfer or otherwise dispose of any or all of the Collateral in its then condition or following any commercially reasonable preparation or processing (utilizing in connection therewith any of Grantor's assets, without charge or liability to the Secured Parties therefor) at public or private sale, by one or more contracts, in one or more parcels, at the same or different times, for cash or credit, or for future delivery without assumption of any credit risk, all as the Majority Holders (as defined in the Second Amended and Restated Purchase Agreement) deem advisable; provided, however, that Grantor shall be credited with the net proceeds of sale only when such proceeds are finally collected by the Secured Parties. The Majority Holders (as defined in the Second Amended and Restated Purchase Agreement) or any Collateral Agent shall have the right upon any such public sale, and, to the extent permitted by law, upon any such private sale, to purchase the whole or any part of the Collateral so sold. The Majority Holders (as defined in the Second Amended and Restated Purchase Agreement) or any Collateral Agent shall give Grantor such notice of any private or public sales as may be required by the UCC or other applicable law.

(b) Grantor hereby grants to the Majority Holders (as defined in the Second Amended and Restated Purchase Agreement), on behalf of all of the holders of Notes, and any Collateral Agent an absolute power of attorney to sign, upon the occurrence and during the continuance of an Event of Default (but only after Grantor receives the written notice required pursuant to Section 7(a) of the Notes), any document which may be required by the United States Copyright Office, United States Patent and Trademark Office or similar registrar in order to effect an absolute assignment of all right, title and interest in each item of Collateral and each application for such registration, and record the same. If an Event of Default shall occur and be continuing, the Majority Holders (as defined in the Second Amended and Restated Purchase Agreement) or any Collateral Agent may direct Grantor to refrain, in which event Grantor shall refrain, from using the Collateral in any manner whatsoever, directly or indirectly, and Grantor shall execute such further documents that the Majority Holders (as defined in the Second Amended and Restated Purchase Agreement) or any Collateral Agent may reasonably request to further confirm this and to transfer ownership of the Collateral and registrations and any pending applications in the United States Copyright Office, United States Patent and Trademark Office, equivalent office in a state of the United States or a foreign jurisdiction or applicable domain name registrar to the Majority Holders (as defined in the Second Amended and Restated Purchase Agreement), on behalf of all of the holders of Notes, or Collateral Agent, as applicable.

(c) For the purpose of enabling the Secured Parties to exercise their rights and remedies under this Section 2 or otherwise in connection with this Agreement, the Second Amended and Restated Purchase Agreement and/or the Notes, effective upon the occurrence of an Event of Default (but only after Grantor receives the written notice required pursuant to Section 7(a) of the Notes), Grantor hereby grants to each Majority Holder (as defined in the Second Amended and Restated Purchase Agreement) and any Collateral Agent an irrevocable, non-exclusive and assignable license (exercisable without payment or royalty or other compensation to Grantor) to use, license or sublicense any Collateral, to the extent permitted by applicable law and by agreements of the Grantor with third parties. Any such license or sublicense terminates upon sale of the Collateral.

(d) The cash proceeds actually received from the sale or other disposition or collection of Collateral, and any other amounts received in respect of the Collateral the application of which is not otherwise provided for herein, shall be applied first, to the payment of the reasonable costs and expenses of the Secured Parties and any Collateral Agent in exercising or enforcing the rights of the Secured Parties hereunder and in collecting or attempting to collect any of the Collateral; and second, to the payment of the obligations under the Notes (the "**Obligations**"). Any surplus thereof which exists after payment and performance in full of the Obligations shall be promptly paid over to Grantor or otherwise disposed of in accordance with the UCC or other applicable law. Grantor shall remain liable to the Secured Parties for any deficiency which exists after any sale or other disposition or collection of Collateral.

(e) The security interest granted hereunder is granted in conjunction with the security interest granted to Secured Parties under the Second Amended and Restated Purchase Agreement and the Notes. The rights and remedies of Grantor with respect to the security interest granted hereby are in addition to those set forth in the Second Amended and Restated Purchase Agreement and the Notes, and those which are now or hereafter available to Secured Parties as a matter of law or equity. Each right, power and remedy of Secured Parties provided for herein or in the Second Amended and Restated Purchase Agreement or the Notes, or now or hereafter existing at law or in equity shall be cumulative and concurrent and shall be in addition to every right, power or remedy provided for herein. The exercise by Secured Parties of any one or more of the rights, powers or remedies provided for in this Agreement, the Second Amended and Restated Purchase Agreement or the Notes, or now or hereafter existing at law or in equity, shall not preclude the simultaneous or later exercise by any person of any rights, powers or remedies.

3. Amendments; Waiver. Any term of this Agreement may be amended or waived with the written consent of Grantor and the Majority Holders (as defined in the Second Amended and Restated Purchase Agreement) at the time of such amendment or waiver.

4. Repayment or Conversion of the Notes. This Agreement and the rights granted hereunder shall automatically expire and have no further effect upon full repayment of the Notes, or upon the conversion in full of the Notes into stock in accordance with Section 2 or Section 3 of the Notes.

5. Governing Law. This Agreement shall be governed by and construed under the laws of the State of California, as applied to agreements among California residents, made and to be performed entirely within the State of California, without giving effect to conflicts of laws principles of the State of California, or any other state.

6. Miscellaneous. Grantor and Secured Parties shall execute and deliver, or cause to be executed and delivered, from time to time hereafter, upon request, all such further documents and instruments and shall do and perform all such acts as may be reasonably necessary to give full effect to the intent of this Agreement.

7. Counterparts. This Agreement may be executed in one or more counterparts (including facsimile or other electronic means), none of which need contain the signatures of all parties, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. It shall not be necessary in making proof of this Agreement to produce or account for more than the number of counterparts containing the respective signatures of, or on behalf of, all of the parties hereto.

[*Remaining Page Left Intentionally Blank; Signature Page Follows*]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the date first above written.

GRANTOR:

MYND ANALYTICS, INC.

By: _____
Name:
Title:

SECURED PARTIES:

By: _____
Name:
Title:

[*Signature Page to Amended and Restated Security Agreement*]

Exhibit 10.31

AMENDED AND RESTATED
REGISTRATION RIGHTS AGREEMENT

This AMENDED AND RESTATED REGISTRATION RIGHTS AGREEMENT (this " **Agreement**"), dated as of December 23, 2015, is entered into by and among MYnd Analytics, Inc., f/k/a CNS Response, Inc., a Delaware corporation (the "**Company**"), RSJ Private Equity Uzavreny Investicni Fond A.S. ("**RSJ**") and other holders of Registrable Securities on the date hereof who execute a joinder to this Agreement agreeing to be bound by the terms hereof. The Company, RSJ and the Holders are referred to herein as "**parties**" collectively and a "**party**" individually.

WITNESSETH

WHEREAS, the Company and the Holders entered into a Note Purchase Agreement, dated as of September 22, 2014, as amended by Amendment No. 1 to the Note Purchase Agreement, dated as of April 14, 2015, as further amended and restated by the Amended and Restated Note Purchase Agreement, dated as of June 2, 2015, as further amended by the Omnibus Amendment to the Amended and Restated Note Purchase Agreement, dated September 14, 2015, pursuant to which the Holders have purchased Secured Convertible Promissory Notes of the Company (the "**Notes**"); and

WHEREAS, the Company and the Holders are parties to a Second Amended and Restated Note and Warrant Purchase Agreement, dated as of December 23, 2015 (the "**Second Amended and Restated Purchase Agreement**"), pursuant to which the Company shall issue Notes and warrants to purchase shares of Common Stock (the "**Warrants**"); and

WHEREAS, in connection with the consummation of the transactions contemplated by the Second Amended and Restated Purchase Agreement, and pursuant to the terms of the Second Amended and Restated Purchase Agreement, the parties desire to enter into this Agreement in order to grant certain registration rights to the Holders as set forth below.

NOW, THEREFORE, in consideration of the premises set forth above, the mutual promises and covenants set forth herein and other good and valuable consideration, and subject to and on the terms and conditions set forth herein, the parties agree as follows:

1. INTERPRETATION

1.1 Definitions. The following terms shall have the meanings set forth or referenced below:

"**Affiliate**" means, with respect to any specified Person, any other Person that directly, or indirectly through one or more intermediaries, Controls, is Controlled by, or is under common Control with, such specified Person.

"**Applicable Exchange**" means The New York Stock Exchange, Inc. or the NASDAQ Stock Exchange, including the NASDAQ Global Market.

"**Business Day**" means any day that is not a Saturday, a Sunday or other day on which banks are required or authorized by Law to be closed in New York.

"**Commission**" means the SEC or any other federal agency at the time administering the Securities Act.

"**Common Stock**" means the common stock, par value $0.001 per share, of the Company and any other common equity securities issued by the Company, and any other shares of stock issued or issuable with respect thereto (whether by way of a stock dividend or stock split or in exchange for or upon conversion of such shares or otherwise in connection with a combination of shares, distribution, recapitalization, merger, consolidation or other corporate reorganization).

"**Control**" (including the terms "**Controlled by**" and "**under common Control with**") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, as trustee or executor, by contract or otherwise, including the ownership, directly or indirectly, of securities having the power to elect a majority of the board of directors or similar body governing the affairs of such Person.

"**Exchange Act**" means the United States Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"**Exempt Registration**" means a Registration by the Company relating solely to the sale of Securities to participants in any employee equity incentive plan adopted by the Company.

"**FINRA**" means the Financial Industry Regulatory Authority, Inc.

"**Holders**" means the holders of the Registrable Securities, together with any transferees and assigns of any such record holder.

"**Law**" means any federal, national, foreign, supranational, state, provincial or local statute, law, ordinance, regulation, rule, code, order, requirement or rule of law (including common law), official policy or interpretation of any federal, national, foreign, supranational, state, provincial, local, municipal or other political subdivision or other government, governmental, regulatory or administrative authority, agency, board, bureau, department, instrumentality or commission or any court, tribunal, judicial or arbitral body of competent jurisdiction or stock exchange with jurisdiction over the parties hereto, as the case may be.

"**Person**" means any individual, partnership, firm, corporation, association, trust, unincorporated organization or other entity, as well as any syndicate or group that would be deemed to be a person under Section 13(d)(3) of the Exchange Act.

"**Registration**" means a registration effected by preparing and filing a Registration Statement and the declaration or ordering of the effectiveness of that Registration Statement, which shall be modified or supplemented, as applicable. The terms "**Register**" and "**Registered**" have meanings correlative to the foregoing.

"**Registrable Securities**" shall mean (a) any shares of Common Stock held by the Holders issued upon conversion, exercise or exchange of the Notes or exercise of the Warrants, and (b) any shares of Common Stock issued or issuable with respect to any shares described in subsection (a) above by way of a stock dividend or stock split or in connection with a combination of shares, recapitalization, merger, consolidation or other reorganization (it being understood that for purposes of this Agreement, a Person shall be deemed to be a holder of Registrable Securities whenever such Person has the right to then acquire or obtain from the Company any Registrable Securities, whether or not such acquisition has actually been effected). As to any particular Registrable Security, such securities shall cease to be Registrable Securities when: (i) a Registration Statement with respect to the sale of such securities shall have become effective under the Securities Act and such securities shall have been sold, transferred, disposed of or exchanged in accordance with such Registration Statement; (ii) such securities shall have been otherwise transferred, new certificates for such securities not bearing a legend restricting further transfer shall have been delivered by the Company and subsequent public distribution of such securities shall not require registration under the Securities Act; (iii) such securities shall have ceased to be outstanding; (iv) such securities have been sold to, or through, a broker, dealer or underwriter in a public distribution or other public securities transaction; or (v) such securities may be sold without registration pursuant to Rule 144 promulgated under the Securities Act with no volume or other restrictions or limitations.

"**Registration Statement**" means a registration statement prepared on Form S-1 under the Securities Act (or a successor form or substantially similar form then in effect) or a Shelf Registration Statement.

"**Rule 144**" means Rule 144 promulgated under the Securities Act, as amended from time to time (or any successor provision).

"**SEC**" means the United States Securities and Exchange Commission.

"**Securities"** means any equity interest of, or shares of any class in the share capital (common, preferred or otherwise) of, the Company and any convertible securities, options, warrants and any other type of equity or equity-linked securities convertible, exercisable or exchangeable for any such equity interest or shares of any class in the share capital of the Company.

"**Securities Act**" means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"**Shelf Registration Statement**" means a registration statement prepared on Form S-3 (or a successor form or substantially similar form then in effect) or another appropriate form for an offering to be made on a delayed or continuous basis pursuant to Rule 415 under the Securities Act (or any successor provision).

"**U.S. Securities Laws**" means the federal securities Laws of the United States, including the Exchange Act and the Securities Act, and any applicable securities Laws of any State of the United States.

1.2 Interpretation. In this Agreement, except to the extent otherwise provided or that the context otherwise requires:

(a) when a reference is made in this Agreement to a Section, such reference is to a Section of this Agreement;

(b) the headings for this Agreement are for reference purposes only and do not affect in any way the meaning or interpretation of this Agreement;

(c) the words "hereof," "herein" and "hereunder" and words of similar import, when used in this Agreement, refer to this Agreement as a whole and not to any particular provision of this Agreement;

(d) all terms defined in this Agreement have the defined meanings when used in any certificate or other document made or delivered pursuant hereto, unless otherwise defined therein;

(e) the definitions contained in this Agreement are applicable to the singular as well as the plural forms of such terms;

(f) references to a Person are also to its successors and permitted assigns; and

(g) the use of the term "or" is not intended to be exclusive.

2. DEMAND AND SHELF REGISTRATION.

2.1 Demand Registration.

(a) One year following the date of this Agreement and subject to the terms herein, RSJ or holders of a majority of the Registrable Securities then outstanding (the "**Majority Holders**") (the Majority Holders and RSJ may sometimes hereinafter be referred to as the "**Requester**") may by written notice to the Company (a "**Demand Notice**") request the Company to effect the Registration of all or part of the Registrable Securities owned by such Requester and their respective Affiliates. Upon receipt of such a request, (i) the Company shall promptly (but in no event later than twenty (20) days following receipt thereof) deliver notice of such request to all other holders of Registrable Securities who shall then have twenty (20) days from the date such notice is given to notify the Company in writing of their desire to be included in such registration, and (ii) the Company shall as soon as practicable, cause the Registrable Securities specified in such Demand Notice and the Registrable Securities held by the other holders of Registrable Securities who gave such notice to the Company, to be Registered and/or qualified for sale and distribution in such jurisdictions as the Requester may reasonably request. The Company shall use its reasonable best efforts to cause such Registration and/or qualification to be complete as soon as practicable, but in no event later than sixty (60) days, after receipt of the Demand Notice. The Company shall be obligated to effect no more than two (2) Registrations requested by RSJ and shall be obligated to effect no more than two (2) Registrations requested by the Majority Holders under this Section 2.1; provided that a Registration shall not be deemed to have been effected under this Section 2.1 unless (i) all Registrable Securities set forth in such Demand Notice are Registered in such Registration, (ii) the offering of Registrable Securities pursuant to such Registration is not subject to any stop order, injunction or other order or requirement of the Commission (other than any such stop order, injunction, or other requirement of the Commission prompted by act or omission of the Holders of a majority of the Registrable Securities requested to be included therein) and (iii) such Registration is closed, or withdrawn at the request of the Requester (other than as a result of a material adverse change to the Company). The Company shall not include in any Demand Registration any securities which are not Registrable Securities without the prior written consent of the Holders of a majority of the Registrable Securities requested to be included therein. If the underwriters for such Demand Registration advise the Company in writing that in their opinion the number of Registrable Securities and, if permitted hereunder, other securities requested to be included in such Registration exceeds the number of Registrable Securities and other securities, if any, which can be sold in an orderly manner in such offering within a price range acceptable to the Holders of a majority of the Registrable Securities requested to be included therein, the Company shall include the number of Registrable Securities which can be so sold in the following order of priority: (a) first, the Registrable Securities requested to be included by the Requester, which in the opinion of such underwriter can be sold in an orderly manner within the price range of such offering, pro rata among them on the basis of the number of Registrable Securities requested to be included therein by each such Holder, and (b) second, other securities requested to be included therein to the extent permitted hereunder.

2.2 Limitation; Right of Deferral

(a) The Company shall not be obligated to Register or qualify Registrable Securities pursuant to Section 2.1, if the aggregate offering price an aggregate price to the public of the Registrable Securities to be Registered under the Demand Notice is less than US $1,000,000.

(b) If, after receiving a Demand Notice, the Company furnishes to the Requester a certificate signed by a director of the Company stating that, in the good faith judgment of the board of directors of the Company, it would be materially interfere with a bona fide business, acquisition or divestiture or financing transaction of the Company or is reasonably likely to require premature disclosure of information, the premature disclosure of which would reasonably be expected to materially and adversely affect the Company, then the Company shall have the right to defer such filing for a period not to exceed sixty (60) days from the receipt of a Demand Notice (which may be extended by up to 30 days by written notice of the Company); provided, that the Company shall not utilize this right more than once in any 12-month period; and provided further that the Company shall not Register any other Securities during such sixty (60) day period (other than Exempt Registrations). In the event that the Company exercises such right, the Requester shall be entitled to withdraw the Demand Notice by written notice to the Company and such withdrawn Demand Notice shall not constitute a request by the Requester to effect a Registration under Section 2.1.

2.3 Shelf Registration. The Company shall take all action necessary to facilitate its eligibility under U.S. Securities Laws to use a Shelf Registration Statement. Upon the written request of any Holder, and provided that the Company is so eligible, the Company shall file a Shelf Registration Statement covering all of the Registrable Securities of such Holder as soon as practicable, but in no event later than thirty (30) days, after receipt of such request. Unless such Shelf Registration Statement shall become automatically effective, the Company shall use its reasonable best efforts to cause the Shelf Registration Statement to become or be declared effective by the Commission for all of the Registrable Securities of such Holder as promptly as practicable after the filing thereof. The Company shall use its reasonable best efforts to keep such Shelf Registration Statement (or a successor Registration Statement filed with respect to the Registrable Securities) continuously effective (including by filing a new Shelf Registration Statement if the initial Shelf Registration Statement expires) in order to permit the prospectus or any prospectus supplement related thereto to be lawfully delivered and the Shelf Registration Statement useable for resale of such Registrable Securities until such Registration Securities may be sold without restriction or limitation under Rule 144. If the Underwriters for such Registration advise the Company in writing that in their opinion the number of Registrable Securities and, if permitted hereunder, other securities requested to be included in such shelf takedown exceeds the number of Registrable Securities and other securities, if any, which can be sold in an orderly manner in such offering within a price range acceptable to the Holders of a majority of the Registrable Securities requested to be included therein, the Company shall include in such Registration the number of Registrable Securities which can be so sold in the following order of priority: (a) first, the Registrable Securities owned by the Holders requested to be included in the Registration, which in the opinion of such Underwriter can be sold in an orderly manner within the price range of such offering, pro rata among the respective Holders of such Registrable Securities on the basis of the number of Registrable Securities requested to be included therein by each such Holder, and (b) second, other securities requested to be included therein to the extent permitted hereunder.

2.4 Underwriting Election . Any of the Requesters (in respect of a Registration under Section 2.1) or any Holder (in respect of a Registration under Section 2.3) may request to distribute its or its Affiliates' Registrable Securities in an underwritten offering by notifying the Company in writing (the "**Underwriting Election**"). Upon receipt of an Underwriting Election, the Company shall use its reasonable best efforts to cause such Registration or "takedown" of such Shelf Registration Statement to be in the form of a firm commitment underwritten offering and the managing underwriters for such offering shall be internationally reputable investment banking firms selected by the Holder who has delivered the Underwriting Election and reasonably acceptable to the Company.

2.5 Rule 415. Notwithstanding anything to the contrary contained herein, if the SEC specifically prohibits the Registration Statement from including all Registrable Securities ("**SEC Guidance**") (provided that the Company shall advocate with the SEC for the registration of all or the maximum number of the Registrable Securities permitted by SEC Guidance to be included in such Registration Statement, such maximum number, the "**Rule 415 Amount**"), then the Company will not be in breach of this Agreement by following such SEC Guidance, and the Company will file such additional Registration Statements at the earliest practicable date on which the Company is permitted by SEC Guidance to file such additional Registration Statements related to the Registrable Securities, each registering the Rule 415 Amount, seriatim, until all of the Registrable Securities have been registered. Notwithstanding anything to the contrary contained herein, the amount of Registrable Securities required to be included in the initial Registration Statement as described in this Section 2 shall equal the lesser of (a) the amount of Registrable Securities that Holders request to have so registered pursuant to this Section 2 and (b) the maximum amount of Registrable Securities which may be included in a Registration Statement without exceeding the Rule 415 Amount.

2.6 Extension of Filing Requirements. As a reporting company under the rules of the SEC, the Company is subject to specific filing requirements which provide for the filing of reports containing financial information. The 60 day deadline provided for in Section 2.1 above and the 30 day deadline provided for in Section 2.3 above may be extended automatically and unilaterally by the Company for up to 90 days if the Company would be required to complete the preparation of any financial statements on a basis that is more accelerated than that which is otherwise required by such filing requirements.

3. PIGGYBACK REGISTRATIONS.

3.1 Registration of the Company's Securities. Subject to Section 3.3 hereof, if the Company proposes to Register for its own account any of its Securities, or for the account of any holder of Securities any of such holder's Securities, in connection with the public offering of such Securities (including in respect of a Registration under Section 2.1 or a "takedown" of a Shelf Registration Statement under Section 2.3), the Company shall promptly give each Holder written notice of such Registration and, upon the written request of any Holder given within fifteen (15) days after delivery of such notice, the Company shall use its reasonable best efforts to include in such Registration any Registrable Securities thereby requested by such Holder. If a Holder decides not to include all or any of its or its Affiliates' Registrable Securities in such Registration by the Company, such Holder shall nevertheless continue to have the right to include any Registrable Securities in any subsequent Registration Statement or Registration Statements as may be filed by the Company with respect to offerings of its Securities upon the terms and conditions set forth herein.

3.2 Right to Terminate Registration. The Company shall have the right to terminate or withdraw any Registration that was initiated by it under Section 3.1 prior to the effectiveness of such Registration, whether or not any Holder has elected to participate therein. The expenses of such withdrawn Registration shall be borne by the Company in accordance with Section 4.3.

3.3 Underwriting Requirements.

(a) In connection with any offering involving an underwriting or placement by a placement agent of the Company's Securities, the Company shall not be required to Register the Registrable Securities of a Holder under this Section 3 unless such Holder's Registrable Securities are included in the underwriting and such Holder enters into an underwriting agreement and related agreements in customary form with the underwriters or placement agents and setting forth such terms for the offer and sale of securities. In the event the underwriters advise the Holders seeking Registration of Registrable Securities pursuant to this Section 3 in writing that market factors (including the aggregate number of Registrable Securities requested to be Registered, the general condition of the market, and the status of the Persons proposing to sell securities pursuant to the Registration) require a limitation of the number of Securities to be underwritten or otherwise sold, the underwriters or placement agents may exclude some or all Registrable Securities from the Registration and underwriting or placement, and the number of Securities and Registrable Securities that may be included in the Registration and the underwriting or placement shall be allocated in the following order of priority: first, to the Company if such Registration has been initiated by the Company or to the Holder and its Affiliates who delivered the Underwriting Election if such underwriting is being undertaken pursuant to Section 2.4, and second, to RSJ if RSJ requests inclusion of its Registrable Securities in such Registration Statement, and third to each Holder requesting inclusion of its Registrable Securities in such Registration Statement on a *pro rata* basis based on the respective amounts of Securities which such Holders would otherwise be entitled to include in the Registration; provided that the right of the underwriters to exclude Securities and Registrable Securities from the Registration and underwriting or placement as described above shall be restricted so that all other Securities that are not Registrable Securities shall first be excluded from such Registration and underwriting or placement before any Registrable Securities of the Holders are so excluded; and provided further that in no event shall the number of Registrable Securities included in the offering be reduced below 25% of the total number of Securities included in such offering.

(b) Notwithstanding anything to the contrary contained herein, the amount of Registrable Securities required to be included in any Registration Statement described in this Section 3 shall be equal to the lesser of (a) the amount of Registrable Securities that Holders request to have so registered pursuant to this Section 3 and (b) the maximum amount of Registrable Securities which may be included in a Registration Statement without exceeding the Rule 415 Amount.

(c) If any Holder disapproves of the terms of any underwriting, such Holder may elect to withdraw therefrom by written notice to the Company and the underwriters delivered at least ten (10) days prior to the effective date of the Registration Statement. Any Registrable Securities excluded or withdrawn from the underwriting shall be withdrawn from the Registration.

3.4 Exempt Registration. The Company shall have no obligation to Register any Registrable Securities under this Section 3 in connection with an Exempt Registration.

3.5 Not a Demand Registration. Registration pursuant to this Section 3 shall not be deemed to be a Registration as described in Section 2.1 hereof. There shall be no limit on the number of times the Holders may participate in Registration of Registrable Securities under this Section 3.

4. PROCEDURES.

4.1 Registration Procedures and Obligations. Whenever required under this Agreement to effect the Registration of any Registrable Securities held by the Holders, the Company shall, as expeditiously as possible:

(a) prepare and file with the Commission a Registration Statement with respect to those Registrable Securities and use its reasonable best efforts to cause that Registration Statement to become effective, and, keep the Registration Statement effective and current for such period of time as is necessary to permit the sale of the Registrable Securities thereunder; *provided, however*, that before filing such Registration Statement or any amendments thereto, the Company will furnish to the counsel selected by the Holders copies of all such documents proposed to be filed;

(b) prepare and file with the Commission amendments and supplements to that Registration Statement and the prospectus or prospectus supplement used in connection with the Registration Statement as may be necessary to comply with the provisions of U.S. Securities Law with respect to the disposition of all securities covered by the Registration Statement;

(c) furnish to the Holders and underwriters the number of copies of a prospectus, including a preliminary prospectus, required by U.S. Securities Laws, and any other documents as they may reasonably request in order to facilitate the disposition of Registrable Securities owned by such Holders;

(d) use its reasonable best efforts to Register and qualify the Securities covered by the Registration Statement under U.S. Securities Laws, such other securities or blue-sky laws of such jurisdictions as reasonably requested by the Holders or underwriters; provided that the Company shall not be required to qualify to do business or file a general consent to service of process in any such jurisdictions, unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act; and provided, further, that in the event any jurisdiction in which the securities shall be qualified imposes a non-waivable requirement that expenses incurred in connection with the qualification of the securities be borne by the selling shareholders, those expenses shall be payable by such selling shareholders on a *pro rata* basis;

(e) in the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement in customary form (including indemnification provisions and procedures customary in underwritten offerings) and take all such other actions reasonably requested by the underwriters to expedite or facilitate the underwritten disposition of such Registrable Securities (including making its officers and management team available for investor road shows, sales events, marketing activities and other meetings) and in connection therewith in any underwritten offering, (i) make such representations and warranties to the underwriters and the Holders with respect to the business of the Company and its subsidiaries, and the Registration Statement, prospectus and documents incorporated or deemed to be incorporated by reference therein, in each case, in customary form and confirm the same if and when requested, (ii) furnish opinions of counsel to the Company, addressed to the underwriters covering the matters customarily covered in such opinions requested in underwritten offerings, (iii) obtain "comfort" letters from the independent certified public accountants as may be reasonably requested including of the Company and any other independent certified public accountants of any business acquired by the Company for which financial statements or financial data are included in the Registration Statement who have certified the financial statements included in the Registration Statement, addressed to the underwriters, such letters to be in customary form and covering matters of the type customarily covered in "comfort" letters and (iv) deliver such documents and certificates as may be reasonably requested by the Holders of the Registrable Securities being sold in connection therewith, their counsel and the underwriters to evidence the continued validity of the representations and warranties made pursuant to clause (i) above and to evidence compliance with any customary conditions contained in the underwriting agreement or other agreement entered into by the Company;

(f) promptly notify each Holder: (i) when the Registration Statement, the prospectus or any prospectus supplement related thereto or post-effective amendment to the Registration Statement has been filed, and, with respect to the Registration Statement or any post-effective amendment thereto, when the same has become effective; (ii) of any request by the Commission for amendments or supplements to the Registration Statement or the prospectus used in connection with the Registration Statement or any additional information; (iii) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or the initiation of any proceedings by any Person for that purpose; and (iv) of the receipt by the Company of any written notification with respect to the suspension of the qualification of any Registrable Securities for sale in any jurisdiction or the initiation or overt threat of any proceeding for such purpose;

(g) notify each Holder, at any time when a prospectus relating thereto is required to be delivered under U.S. Securities Laws, of the happening of any event as a result of which the prospectus included in such Registration Statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing and promptly prepare a post-effective amendment to such Registration Statement or a supplement to the related prospectus and file any other required document, and prepare and furnish to the Holders and underwriters a reasonable number of copies of a supplement to or an amendment of such prospectus as may be necessary, so that, as thereafter delivered to the Holders and any underwriters, the prospectus will not contain an untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing;

(h) use its reasonable best efforts to prevent the issuance or obtain the withdrawal of any order suspending the effectiveness of any Registration Statement at the earliest practicable time;

(i) if any such Registration Statement refers to any Holder by name or otherwise as the holder of any securities of the Company, and if such Holder is advised by counsel that it is or may be deemed to be a control person in relation to, or an Affiliate of, the Company, then such Holder shall have the right to require (i) the insertion therein of language, in form and substance reasonably satisfactory to such Holder, to the effect that the holding by such Holder is not to be construed as a recommendation by such Holder of the investment quality of the Company's securities covered thereby and that such holding does not imply that such Holder will assist in meeting any future financial requirements of the Company, or (ii) in the event that such reference to such Holder by name or otherwise is not, based on the advice of counsel to the Company, such Holder and if applicable, the underwriters, required by the Securities Act or any similar federal statute then in force, the deletion of the reference to such Holder;

(j) if requested by the Requester, the underwriters or the placement agent, include in a prospectus supplement or amendment to the Registration Statement such information as may be reasonably requested or required in order to market the securities being sold and permit the intended method of distribution of the Registrable Securities and make all required filings of such prospectus supplement or such amendment as soon as practicable after the Company's receipt of such request;

(k) provide a transfer agent and registrar for all Registrable Securities Registered pursuant to the Registration Statement and, where applicable, a number assigned by the Committee on Uniform Securities Identification Procedures for all those Registrable Securities, in each case not later than the effective date of the Registration;

(l) make available for inspection by the Holders, any underwriters participating in any disposition pursuant to a Registration Statement and any attorneys or accountants or other agents retained by any such underwriters or selected by the Holders, all financial and other records, pertinent corporate documents, and properties of the Company, and cause the Company's officers, directors, employees, and independent accountants to supply all information reasonably requested by any such Holder, underwriters, attorneys, accountants, or agents, in each case, as necessary or advisable to verify the accuracy of the information in such Registration Statement and to conduct appropriate due diligence in connection therewith;

(m) use its reasonable best efforts to cause the transfer agent to remove restrictive legends on certificates representing the securities covered by such Registration Statement, as appropriate and settle any offering or sale of Registrable Securities, including with respect to the transfer of physical stock certificates into book-entry form in accordance with any procedures reasonably requested by the Holders or underwriters;

(n) cooperate with the Holders and the underwriters to facilitate the timely delivery of Registrable Securities to be sold and to enable such Registrable Securities to be issued in such denominations and registered in such names as such Holders may reasonably request at least two (2) Business Days prior to the closing of any sale of Registrable Securities;

(o) cause the Registrable Securities to be listed on the Applicable Exchange; and

(p) ensure that, at all times after any Registration Statement covering a public offering of Securities of the Company under the Securities Act shall become effective, its insider trading policy shall provide that the Company's directors may implement a trading program under Rule 10b5-1 of the Exchange Act.

4.2 Expenses of Registration. All expenses incurred in connection with Registrations, filings or qualifications pursuant to a Registration, including (i) all registration and filing fees (including fees and expenses with respect to (A) all Commission, stock exchange or trading system and FINRA registration, listing, filing and qualification and any other fees associated with such filings, including with respect to counsel for the underwriters and any qualified independent underwriter in connection with FINRA qualifications, (B) rating agencies and (C) compliance with securities or "blue sky" Laws, including any fees and disbursements of counsel for the underwriters in connection with "blue sky" qualifications of the Registrable Securities), (ii) fees and expenses of the financial printer, (iii) messenger, telephone and delivery expenses of the Company, (iv) fees and disbursements of counsel for the Company, (v) fees and disbursements of all independent certified public accountants, including the expenses of any special audits and/or "comfort letters" required by or incident to such performance and compliance) and (vi) all reasonable fees and expenses of one counsel retained by the Holders of Registrable Securities included in such Registration shall be borne by the Company, not to exceed $50,000 in the aggregate, whether or not any Registration Statement is filed or becomes effective, provided that any underwriters' discounts and selling commissions, in each case related to Registrable Securities Registered in accordance with this Agreement, shall be borne by the Holders of Registrable Securities included in such Registration on a *pro rata* basis based on such Holders' relative percentage of Registrable Securities included in such Registration. In addition, the Company shall be responsible for all of its internal expenses incurred in connection with the consummation of the transactions contemplated by this Agreement (including, without limitation, all salaries and expenses of its officers and employees performing legal or accounting duties), the expense of any annual audit and the fees and expenses incurred in connection with the listing of the Registrable Securities on the Applicable Exchange or any other securities exchange as required hereunder.

5. INDEMNIFICATION.

5.1 Company Indemnity.

(a) To the extent permitted by applicable Law, the Company will indemnify and hold harmless each Holder, the officers, directors, partners, members, managers, shareholders, accountants, attorneys, agents and employees of each of them, each Person who controls each such Holder (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) and the officers, directors, partners, members, managers, shareholders, accountants, attorneys, agents and employees of each such controlling person, each underwriter, if any, and each Person who controls (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) such underwriter, from and against all losses, claims, costs, damages or liabilities (whether joint or several) to which they may become subject under applicable Laws or otherwise, insofar as such losses, claims, damages, or liabilities (or actions in respect thereof) arise out of or are based upon any of the following statements, omissions or violations (each a "**Violation**"): (i) any untrue statement (or alleged untrue statement) of a material fact contained in such Registration Statement, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto, (ii) the omission (or alleged omission) to state in the Registration Statement, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto, a material fact required to be stated therein or necessary to make the statements therein not misleading, or (iii) any violation or alleged violation by the Company of U.S. Securities Laws, or any rule or regulation promulgated under U.S. Securities Laws. The Company will reimburse any Person intended to be indemnified pursuant to this Section 5.1 for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability or action.

(b) The indemnity agreement contained in this Section 5.1 shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of the Company (which consent shall not be unreasonably withheld or delayed), nor shall the Company be liable for any such loss, claim, damage, liability or action to the extent that it arises out of or is based upon a Violation that occurs in reliance upon and in conformity with written information furnished expressly for use in connection with such Registration by any such Holder, underwriter or controlling Person.

(c) The foregoing indemnity of the Company is subject to the condition that, insofar as they relate to any defect in a preliminary prospectus but such defect has been eliminated or remedied in the amended prospectus on file with the Commission at the time the applicable Registration becomes effective (the "**Final Prospectus**"), such indemnity shall not inure to the benefit of any Person if a copy of the Final Prospectus was timely furnished to the Holder or underwriter and was not furnished to the Person asserting the loss, liability, claims or damages at or prior to the time such action is required by the Securities Act.

5.2 Holder Indemnity.

(a) To the extent permitted by applicable Law, each Holder that has included Registrable Securities in a Registration will, severally and not jointly, indemnify and hold harmless the Company, each Person who controls the Company (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act) and each their respective officers, directors, partners, members, managers, shareholders, accountants, attorneys, agents and employees from and against all losses, claims, costs, damages or liabilities (whether joint or several) to which any of the foregoing Persons may become subject, under U.S. Securities Laws or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereto) arise out of or are based on any untrue statement (or alleged untrue statement) of a material fact contained in any such Registration Statement, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto, or any omission (or alleged omission) to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse any Person intended to be indemnified pursuant to this Section 5.2 for any legal or any other expenses reasonably incurred by them in connection with investigating or defending any such claim, loss, damage, liability or action, in each case to the extent, but only to the extent, that such untrue statement (or alleged untrue statement) or omission (or alleged omission) is made in such Registration Statement, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto, in reliance upon and in conformity with written information furnished to the Company and signed by such Holder and intended to be specifically for use therein.

(b) The indemnity contained in this Section 5.2 shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of such Holder (which consent shall not be unreasonably withheld), and in no event shall the aggregate indemnity under this Section 5.2 (including any reimbursement of any expenses) exceed the net proceeds (less underwriting discounts and selling commissions) from the offering received by such Holder. A Holder will not be required to enter into any agreement or undertaking in connection with any Registration providing for any indemnification or contribution on the part of such Holder greater than the Holder's obligations under this Section 5.2.

5 . 3 Notice of Indemnification Claim. Promptly after receipt by an indemnified party under Section 5.1 or Section 5.2 of notice of the commencement of any action (including any governmental action), such indemnified party will, if a claim in respect thereof is to be made against any indemnifying party under Section 5.1 or Section 5.2, deliver to the indemnifying party a written notice of the commencement thereof and the indemnifying party shall have the right to participate in, and, to the extent the indemnifying party so desires, jointly with any other indemnifying party similarly notified, to assume the defense thereof with counsel reasonably satisfactory to the indemnifying party. An indemnified party (together with all other indemnified parties that may be represented without conflict by one counsel) shall have the right to retain one separate counsel, with the reasonably incurred fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such proceeding. The failure to deliver written notice to the indemnifying party within a reasonable time of the commencement of any such action, if prejudicial to its ability to defend such action, shall relieve such indemnifying party of any liability to the indemnified party under this Section 5, but the omission to deliver written notice to the indemnifying party will not relieve it of any liability that it may have to any indemnified party otherwise than under this Section 5.

5 . 4 Contribution. If any indemnification provided for in Section 5.1 or Section 5.2 is held by a court of competent jurisdiction to be unavailable to an indemnified party with respect to any loss, liability, claim, damage or expense referred to herein, the indemnifying party, in lieu of indemnifying such indemnified party hereunder, shall contribute to the amount paid or payable by such indemnified party as a result of such loss, liability, claim, damage or expense in such proportion as is appropriate to reflect the relative fault of the indemnifying party, on the one hand, and of the indemnified party, on the other hand, in connection with the statements or omissions that resulted in such loss, liability, claim, damage or expense, as well as any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent such statement or omission. The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 5.4 were determined by *pro rata* allocation or by any other method of allocation that does not take account of the equitable considerations referred to in the immediately preceding paragraph. Notwithstanding the provisions of this Section 5.4, an indemnifying party that is a Holder shall not be required to contribute any amount in excess of the amount that such indemnifying party has otherwise been, or would otherwise be, required to pay pursuant to Section 5.2 by reason of such untrue or alleged untrue statement or omission or alleged omission.

6. ADDITIONAL UNDERTAKINGS.

6.1 Reports under the Exchange Act. With a view to making available to the Holders the benefits of Rule 144 or pursuant to a Registration on a Shelf Registration Statement, the Company agrees to:

(a) file with the Commission in a timely manner all reports and other documents required of the Company under all U.S. Securities Laws;

(b) promptly furnish to any Holder, upon any Holder's request (i) a written statement by the Company that it has complied with the reporting requirements of all U.S. Securities Laws at any time after it has become subject to such reporting requirements or, at any time after so qualified, that it qualifies as a registrant whose securities may be resold pursuant to a Shelf Registration Statement, (ii) a copy of the most recent annual or quarterly report of the Company and such other reports and documents as may be filed by the Company with the Commission, and (iii) such other information as may be reasonably requested in availing any Holder of any rule or regulation of the Commission, that permits the selling of any such securities without Registration or pursuant to a Shelf Registration Statement; and

(c) take such further action as any Holder may reasonably request, all to the extent required from time to time to enable such Holder to sell Common Stock held by such Holder without registration under the Securities Act within the limitation of the exemptions provided by Rule 144 promulgated under the Securities Act, including providing any legal opinions.

6 . 2 Business Combinations. The Company agrees that in connection with any restructuring, business combination, reorganization, merger or other similar transaction in which the Common Stock are replaced by other equity securities, the Company shall ensure that this agreement shall be assumed by the issuer of such replacement security.

7. MISCELLANEOUS.

7.1 Termination.

(a) This Agreement may be terminated by written agreement among the parties.

(b) The right of any Holder to request Registration or inclusion of Registrable Securities in any Registration under this Agreement shall terminate when all Registrable Securities of such Holder may be sold without restriction or limitation under Rule 144; and

(c) In the event of the termination of this Agreement in accordance with this Section 7.1, this Agreement shall thereafter terminate and cease to have effect, and no party hereto shall have any liability to the other parties hereto or their respective Affiliates, directors, officers or employees, except for the obligations in this Section 7 and provided that termination of this Agreement shall be without prejudice to the accrued rights and liabilities of the parties prior to such termination, unless otherwise agreed in writing by the parties.

7 . 2 Notices. All notices, requests and other communications to any party hereunder shall be in writing (including facsimile transmission and electronic mail ("**e-mail**") transmission, so long as a receipt of such e-mail is requested and received) and shall be given,

if to _____, to:

_____
_____
_____
_____

if to the Company:
MYnd Analytics, Inc.
85 Enterprise, Suite 410
Aliso Viejo, CA 92656
Attention: Paul Buck
Fax: (866) 294-2611

with a copy to:

Dentons US LLP
1221 Avenue of the Americas
New York, New York 10020
Attention: Jeffrey A. Baumel
Fax: (973) 912-7199

or such other address or facsimile number as such party may hereafter specify for the purpose by notice to the other parties hereto.

7 . 3 Assignment. The rights and obligations of a Holder under this Agreement may be assigned by any Holder to any transferee or assignee of such Holder's Registrable Securities; provided that: (i) the Company is, within a reasonable time after such transfer, furnished with written notice of the name and address of such transferee or assignee and the Securities with respect to which such registration rights are being assigned and (ii) such transferee or assignee agrees in writing to be bound by and subject to the terms and conditions of this Agreement.

7.4 Submission to Jurisdiction.

(a) The Company irrevocably submits to the non-exclusive jurisdiction of any **California** or United States Federal court sitting in **Orange County, California** over any suit, action or proceeding arising out of or relating to this Agreement. The Company irrevocably waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of venue of any such suit, action or proceeding brought in such a court and any claim that any such suit, action or proceeding brought in such a court has been brought in an inconvenient forum. To the extent that the Company has or hereafter may acquire any immunity (on the grounds of sovereignty or otherwise) from the jurisdiction of any court or from any legal process with respect to itself or its property, the Company irrevocably waives, to the fullest extent permitted by law, such immunity in respect of any such suit, action or proceeding.

(b) The Company hereby appoints Paul Buck, Chief Financial Officer of the Company, as its agent for service of process in any suit, action or proceeding described the preceding paragraph and agrees that service of process in any such suit, action or proceeding may be made upon it at the office of such agent. The Company waives, to the fullest extent permitted by law, any other requirements of or objections to personal jurisdiction with respect thereto. The Company represents and warrants that such agent has agreed to act as its agent for service of process. To the extent that the Company determines to appoint a new agent for service of process, the Company agrees to promptly notify the Representatives of the name and address of such new agent for service of process.

(c) If for the purposes of obtaining judgment in any court it is necessary to convert a sum due hereunder into any currency other than U.S. dollars, the parties hereto agree, to the fullest extent permitted by law, that the rate of exchange used shall be the rate at which in accordance with normal banking procedures the parties could purchase U.S. dollars with such other currency in The City of New York on the business day preceding that on which final judgment is given. The obligation of the Company with respect to any sum due from it to any person under this Agreement shall, notwithstanding any judgment in a currency other than U.S. dollars, not be discharged until the first business day following receipt by such person of any sum in such other currency, and only to the extent that such Underwriter or controlling person may in accordance with normal banking procedures purchase U.S. dollars with such other currency. If the U.S. dollars so purchased are less than the sum originally due to such person hereunder, the Company agrees as a separate obligation and notwithstanding any such judgment, to indemnify such person against such loss. If the U.S. dollars so purchased are greater than the sum originally due to such person hereunder, such person agrees to pay to the Company, as applicable, an amount equal to the excess of the U.S. dollars so purchased over the sum originally due to such person hereunder.

7.5 Cumulative Remedies. The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive its right to use any or all other remedies. The said rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.

7 . 6 Binding Effect. This Agreement shall be binding upon and inure to the benefit of all of the parties and, to the extent permitted by this Agreement, their successors, executors, administrators, heirs, legal representatives and assigns.

7 . 7 Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any Law or public policy, all other terms and provisions of this Agreement shall nevertheless remain in full force and effect for so long as the economic or legal substance of the transactions contemplated by this Agreement is not affected in any manner materially adverse to any party hereto. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties hereto as closely as possible in a mutually acceptable manner in order that the transactions contemplated by this Agreement are consummated as originally contemplated to the greatest extent possible.

7.8 Entire Agreement. This Agreement, together with the Second Amended and Restated Purchase Agreement, the Notes, the Warrants and that certain Amended and Restated Security Agreement, dated on or about the date hereof, by and among the parties, constitutes the entire agreement of the parties hereto with respect to the subject matter hereof as of the date hereof and supersedes all prior agreements and undertakings, both written and oral, among the parties hereto with respect to the subject matter hereof.

7 . 9 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California, without regard to the conflicts of laws rules stated therein.

7.10 Specific Performance. The parties hereto acknowledge and agree that the parties hereto would be irreparably damaged if any of the provisions of this Agreement are not performed in accordance with their specific terms or are otherwise breached and that any non-performance or breach of this Agreement by any party hereto could not be adequately compensated by monetary damages alone and that the parties hereto would not have any adequate remedy at law. Accordingly, in addition to any other right or remedy to which any party hereto may be entitled, at law or in equity (including monetary damages), such party shall be entitled to enforce any provision of this Agreement by a decree of specific performance and to temporary, preliminary and permanent injunctive relief to prevent breaches or threatened breaches of any of the provisions of this Agreement without posting any bond or other undertaking.

7.11 Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such a determination, the parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

7.12 Expenses. Except to the extent provided otherwise herein, all costs and expenses, including fees and disbursements of counsel, financial advisors and accountants, incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses.

7.13 Amendments and Waivers. The provisions of this Agreement may only be amended, modified, supplemented or waived with the prior written consent of the Company and the Majority Holders (as defined in the Second Amended and Restated Purchase Agreement). No waiver by any party or parties shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. Except as otherwise set forth in this Agreement, no failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

7.14 No Third Party Beneficiaries. This Agreement shall be binding upon and inure solely to the benefit of, and be enforceable by, only the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other Person (other than an indemnified party solely with respect to Section 5) any right, benefit or remedy of any nature whatsoever, including any rights of employment for any specified period, under or by reason of this Agreement.

7.15 Construction. Each party hereto acknowledges and agrees it has had the opportunity to draft, review and edit the language of this Agreement and that no presumption for or against any party arising out of drafting all or any part of this Agreement will be applied in any controversy, claim or dispute relating to, in connection with or involving this Agreement. Accordingly, the parties hereto hereby waive the benefit of any rule of Law or any legal decision that would require, in cases of uncertainty, that the language of a contract should be interpreted most strongly against the party who drafted such language.

7.16 Counterparts. This Agreement may be executed and delivered (including by facsimile or other means of electronic transmission, such as by electronic mail in "pdf" form) in one or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have executed this Registration Rights Agreement on the date first written above.

MYND ANALYTICS, INC.

By: _____
Name:
Title:

RSJ PRIVATE EQUITY INVESTIČNÍ FOND S PROMĚNNÝM ZÁKLADNÍM KAPITÁLEM, A.S.

By: _____
Name:
Title:

HOLDER

By: _____
Name:
Title:

EXHIBIT 31.1

Certification of CEO Pursuant to
Securities Exchange Act Rules 13a-14 and 15d-14
as Adopted Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002

I, George Carpenter, certify that:

1. I have reviewed this quarterly report on Form 10-Q of MYnd Analytics, 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 reasonably 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 control over financial reporting.

Date: February 16, 2016

/s/ George Carpenter

Name: George Carpenter
Title: Chief Executive Officer (Principal Executive Officer)

EXHIBIT 31.2

Certification of CFO Pursuant to
Securities Exchange Act Rules 13a-14 and 15d-14
as Adopted Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002

I, Paul Buck, certify that:

1. I have reviewed this quarterly report on Form 10-Q of MYnd Analytics, 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 reasonably 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 control over financial reporting.

Date: February 16, 2016

/s/ Paul Buck
Name: **Paul Buck**
Title: **Chief Financial Officer (Principal Financial Officer)**

EXHIBIT 32.1

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

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, in connection with the filing of the Quarterly Report on Form 10-Q for the quarter ended December 31, 2015 (the "Report") by MYnd Analytics, Inc.. (the "Registrant"), the undersigned hereby certifies that to the best of his knowledge:

1. the Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

Date: February 16, 2016

/s/ George Carpenter
George Carpenter
Chief Executive Officer (Principal Executive Officer)

Date: February 16, 2016

/s/ Paul Buck
Paul Buck
Chief Financial Officer (Principal Financial Officer)