

BioElectronics Corp
Form SB-2
February 13, 2006

As filed with the Securities and Exchange Commission on February 13, 2006

Registration No. 333-_____

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM SB-2
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

BioElectronics Corporation
(Name of Small Business Issuer in Its Charter)

Maryland	3845	52-2278149
(State or Other Jurisdiction of Incorporation or Organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification No.)

401 Rosemont Avenue, 3rd Floor
Rosenstock Hall
Frederick, Maryland 21701
(301) 644-3906
(Address and Telephone Number of Principal Executive Offices)

Andrew J. Whelan, President
BioElectronics Corporation
401 Rosemont Avenue, 3rd Floor
Rosenstock Hall
Frederick, Maryland 21701
(301) 644-3906
(Name, address and telephone number of agent for service)

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Approximate Date of Commencement of Proposed Sale to the Public: From time to time after this Registration Statement becomes effective.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to

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Rule 415 under the Securities Act, check the following box.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If delivery of the prospectus is expected to be made pursuant to Rule 434, check the following box. "

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities To be Registered	Amount to be Registered	Proposed Maximum Aggregate Offering Price Per Share(1)	Proposed Maximum Aggregate Offering Price(1)	Amount of Registration Fee
Common Stock, \$.001 par value(2)	13,310,001 shares	\$0.36	\$4,791,600.36	\$512.70
Common Stock, \$.001 par value (3)	7,583,001 shares	\$0.36	\$2,729,880.36	\$292.10
Common Stock, \$.001 par value(4)	10,000,000 shares	\$0.36	\$3,600,000.00	\$385.20
Total Registration Fee	30,893,002 shares	_____	11,121,480.72	\$1,190.00

(1) Estimated solely for the purpose of computing the amount of the registration fee pursuant to Rule 457(c) based on the average of the high and low prices on the Pink Sheets on February 13, 2006.

(2) The shares of common stock being registered hereunder are being registered for resale by certain selling stockholders named in the prospectus upon conversion of outstanding secured convertible notes. In accordance with Rule 416(a), the registrant is also registering hereunder an indeterminate number of shares that may be issued and resold to prevent dilution resulting from stock splits, stock dividends or similar transactions.

(3) The shares of common stock being registered hereunder are being registered for resale by certain selling stockholders named in the prospectus upon exercise of outstanding five-year warrants. In accordance with Rule 416(a), the registrant is also registering hereunder an indeterminate number of shares that may be issued and resold to prevent dilution resulting from stock splits, stock dividends or similar transactions.

(4) The shares of common stock being registered hereunder are being registered for sale of the shares of the Company's common stock in a best efforts, self-underwritten, offering directly to the public.

The registrant shall amend this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to said

Section 8(a), may determine.

The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Prospectus

Subject to Completion, Dated February __, 2006

30,893,002 Shares of Common Stock

Makers of Drug Free, Anti-Inflammatory Patches

This prospectus relates to the resale of up to 20,893,002 shares of common stock (the "Common Stock"), of which 3,000,000 shares are issuable upon the conversion of promissory notes of BioElectronics Corporation (the "Company") and the payment of the principal amount of, and interest on, these notes to, or the exercise of outstanding warrants by, certain selling stockholders and 7,583,001 shares of Common Stock are issuable upon the exercise of warrants of the Company by certain selling stockholders identified in this prospectus (the "Offering"). All of these shares, when sold, will be sold by these selling stockholders. The selling stockholders may sell their Common Stock from time to time at prevailing market prices. We will not receive any proceeds from the sale of the shares of Common Stock by the selling stockholders.

In addition to the Offering, this prospectus also relates to our direct offering (the "Direct Offering") of up to 10,000,000 shares of our Common Stock in a best efforts, self-underwritten, offering directly to the public. There is no minimum amount of shares that we must sell in our Direct Offering, and therefore no minimum amount of proceeds will be raised. While no plans are currently in place, in the future, we may sell these shares in our Direct Offering through broker/dealers and may pay a commission of up to 10% of the gross proceeds of the number of shares of our Common Stock sold by them in our Direct Offering. No arrangements have been made to place funds into escrow or any similar account. Upon receipt, offering proceeds from the Direct Offering will be deposited into our operating account and used to conduct our business and operations. Unless we use a broker/dealer, we will be offering the shares without any underwriting discounts or commissions. The purchase price is \$.36 per share. If all of the shares offered by us are purchased, the gross proceeds we receive will be \$3,600,000. The Direct Offering will terminate 12 months after this registration statement (the "Registration Statement") is declared effective by the Securities and Exchange Commission (the "SEC"), unless all shares being registered for the Direct Offering on this prospectus are sold earlier than that date. However, we may extend the offering for up to one year following the twelve-month offering period. This is our initial public offering and no public market currently exists for shares of our Common Stock.

Our Common Stock is traded and prices are reported on the Pink Sheets under the symbol "BIEL. OTC:PK."

See "Risk Factors" beginning on page 8 for risks of an investment in the securities offered by this prospectus, which you should consider before you purchase any shares.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is _____, 2006

This prospectus is not an offer to sell any securities other than the shares of Common Stock offered hereby. This prospectus is not an offer to sell securities in any circumstances in which such an offer is unlawful.

We have not authorized anyone, including any salesperson or broker, to give oral or written information about this offering, the Company, or the shares of Common Stock offered hereby that is different from the information included in this prospectus. You should not assume that the information in this prospectus, or any supplement to this prospectus, is accurate at any date other than the date indicated on the cover page of this prospectus or any supplement to it.

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PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in this Prospectus and may not contain all of the information that you should consider before investing in the shares. You are urged to read this Prospectus in its entirety, including the information under “Risk Factors” and our consolidated financial statements and related notes included elsewhere in this Prospectus.

OUR COMPANY

The Company designs, develops, manufactures and markets a variety of proprietary, drug-free, anti-inflammatory patches for a broad range of medical indications. The Company’s patch products, which are marketed under the trade name ActiPatch Therapy™ (“ActiPatch Therapy”), deliver pulsed electromagnetic field therapy, a clinically-proven and widely-accepted anti-inflammatory and pain relief therapy. Prior to the introduction of the Company’s products, this therapy had only been offered through large office or hospital-based equipment. The Company believes pulsed electromagnetic energy therapy will increasingly be used as an alternative or adjunct to many wound care procedures or therapies because it relieves pain and swelling, shortens or halts the inflammatory phase, accelerates tissue healing, minimizes the appearance of scars and increases the strength of regenerated tissue. To date, the Company has focused its product development efforts on the plastic surgery and podiatry markets, and has established a new-product pipeline that includes products for the treatment of the following medical indications:

Repetitive Stress Injuries

- Heel Pain
- Carpal Tunnel
- Tennis Elbow
- Frozen Shoulder

Plastic and Cosmetic Surgery

- Breast Augmentation
 - Blepharoplasty
 - Rhinoplasty
 - Facial Surgery
 - Tummy Tucks
 - Liposuction

Chronic Wounds

- Ischemic Ulcers
- Diabetic Ulcers
 - Bed sores

Low Back Pain

- Sprains
- Strains
- Muscle spasms

Surgery

- General Surgical Procedures
- Oral Surgery

Other Sprains and Strains

- Ankle

- Knee
- Wrist
- Neck

Pulsed electromagnetic energy therapy is a proven and robust technology platform. Physicians and therapists around the world have used pulsed electromagnetic therapy successfully for approximately 70 years to effectively treat soft tissue injuries from surgical incisions and accidental wounds, sprains, strains and other inflammatory responses. The prohibitive costs of the cabinet-sized pulsed electromagnetic machines that are currently available and used in the marketplace, coupled with the need for daily treatment administered by medical professionals, has restricted the widespread adoption of pulsed electromagnetic energy therapy. The Company believes its ActiPatch Therapy products, which deliver a dosage of pulsed electromagnetic energy in dermal patches as small as a standard band-aid, is superior to the therapy delivered by the much larger machines in use today.

The Company's products are designed to address the need for an effective, inexpensive therapeutic agent for the estimated \$10 billion, 400 million-case-per annum worldwide soft tissue injury market. The Company believes its products offer the following competitive advantages:

- Easy to use
- Non-invasive relief of pain and swelling
 - Drug-free and clinically proven
 - Inexpensive, only a few dollars a day
- Therapeutically beneficial, unlike Transcutaneous Electrical Nerve Stimulators (TENS) units or painpatches, each of which only mask the pain.

The Company was incorporated under the laws of the State of Maryland on April 1, 2000. Since that date, the Company has, with only limited external funding, reached a number of key milestones, including the following:

- Received U.S. Food and Drug Administration (the "FDA") market clearance to sell its ActiPatch Therapy device for the treatment of edema (swelling) following blepharoplasty (eye surgery);
- Received ISO Certification and CE Mark (European Common Market) Certification for the ActiPatch Therapy device;
- Received Canadian approval to sell ActiPatch Therapy for the relief of pain and muscle skeletal complaints, without prescription. Initial Canadian reimbursement approvals are starting to come in;
 - Executed key international and domestic sales and distribution agreements;
 - Established an internal direct response sales and marketing operation;
- Executed an agreement with a major over-the-counter foot care manufacturer and distributor to sell and market our retail foot care products;
 - Initiated the adoption of its ActiPatch Therapy products by a number of professional sports teams;
- Established and maintained an intellectual property portfolio covering both the product design, medical use and the energy signal; and
 - Established a 3-5 year pipeline of new products for the treatment of sports injuries, bone fractures, pain, chronic wounds, skin conditions and arthritis.

The Company's principal executive offices are located at 401 Rosemont Avenue, 3rd Floor, Rosenstock Hall, Frederick, Maryland 21701, and the Company's telephone number at that address is (301) 644-3906. The Company has a corporate internet website at <http://www.bioelectronicscorp.com>. The reference to this website address does not constitute incorporation by reference of the information contained therein.

About This Offering

This prospectus relates to the resale of up to 20,893,002 shares of Common Stock, of which 3,000,000 shares are issuable upon the conversion of promissory notes and the payment of the principal amount of, and interest on, these notes to, or the exercise of outstanding warrants by, certain selling stockholders identified in this prospectus and 7,583,001 shares are issuable upon the exercise of outstanding warrants of our Company by certain selling stockholders identified in this prospectus. All of the 20,893,002 shares, when sold, will be sold by these selling stockholders. The selling stockholders may sell their Common Stock from time to time at prevailing market prices. We will not receive any proceeds from the sale of the shares of Common Stock by the selling stockholders.

In addition to the Offering, this prospectus also relates to our Direct Offering of up to 10,000,000 shares of our Common Stock in a best efforts, self-underwritten, offering directly to the public. There is no minimum amount of shares that we must sell in our Direct Offering, and therefore no minimum amount of proceeds will be raised.

Common Stock Offered	30,893,002 shares
Common Stock Offered by the Selling Stockholders	20,893,002 shares. The 7,583,001 warrant shares included in such shares will be issued by the Company. Although the Company will not receive any of the proceeds from the sale of the shares, it will receive the proceeds from the exercise, if any, of the warrants included therein.
Common Stock Outstanding at December 31, 2005 ⁽¹⁾	62,484,892 shares
Use of Proceeds of the Offering	We will not receive any of the proceeds from the sale of the shares by the Offering, except upon exercise of certain Common Stock purchase warrants.
Use of Proceeds of the Direct Offering	We will receive proceeds from the sale of the shares offered in the Direct Offering.
Pink Sheet Ticker Symbol	BIEL

(1) Does not include (i) 3,000,000 shares that are issuable upon the conversion of outstanding convertible notes with a conversion price of \$0.25 per share, (ii) 835,000 restricted compensatory shares that have not been earned or issued and 165,000 shares which have been earned and not issued to certain of our corporate officers (iii) 8,683,001 shares issuable upon the exercise of outstanding warrants with exercise prices ranging from \$.33 to \$.50 per share, subject to adjustment, or (iv) 5,685,000 shares issuable upon the exercise of outstanding options with exercise prices ranging from \$.30 to \$.50 per share, subject to adjustment granted under our 2005 Equity Incentive Plan.

Selected Financial Information

The selected financial information presented below is derived from and should be read in conjunction with our consolidated financial statements, including notes thereto, appearing elsewhere in this prospectus. See “Financial Statements.”

Summary Operating Information

	Fiscal Year Ended December 31,		Nine Months Ended September 30,	
	2003	2004	2004	2005
Net revenues	\$ 30,497	\$ 302,002	\$ 300,112	\$ 551,611
Loss from operations	\$ 549,209	\$ 771,127	\$	\$