

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
FORM 10-K/A  
(Amendment No. 1)

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

For the fiscal year ended 4/30/16

OR

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

FOR THE TRANSITION PERIOD FROM \_\_\_\_\_ TO \_\_\_\_\_

Commission file number 0-12459

**Biosynergy, Inc.**

(Exact name of registrant as specified in its charter)

Illinois  
(State or other jurisdiction of incorporation or organization) 36-2880990  
(I.R.S. Employer Identification No.)

1940 East Devon Avenue, Elk Grove Village, Illinois  
(Address of principal executive offices) 60007  
(Zip Code)

Registrant's telephone number, including area code: (847) 956-0471

Securities registered under Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
NONE	NONE

Securities registered under section 12(g) of the Act:

Common Stock, No Par Value  
(Title of class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes[ ] No[X]

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes[ ] No[X]

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 issuer was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes[X] 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 (Sec. 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[X] No[ ]

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (Sec. 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K/A or any amendment to this Form 10-K/A. [X]

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

Non-accelerated filer

(do not check if a smaller reporting company)

Accelerated filer

Smaller reporting company [X]

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

The aggregate market value of the voting stock and non-voting stock held by non-affiliates of the issuer on April 30, 2016 cannot be ascertained with any certainty because there is no established trading market for the common stock of the Company.

The number of shares of common stock outstanding on July 15, 2016 was 14,935,511.

No documents have been incorporated by reference in this report except for certain exhibits and schedules listed in Item 15.

**Explanatory Note:** The registrant is amending the annual report on Form 10K for the fiscal year end April 30, 2016, originally filed with the Securities and Exchange Commission on July 28, 2016 (the "Form 10K"). The purpose of the amendment to the Form 10K is to include Exhibit 14(a), which was inadvertently omitted from the Form 10K, and to amend Item 9A Controls and Procedures.

## Part I

### Item 1. Business.

General Development of Business. Biosynergy, Inc. (the "Company") was incorporated as an Illinois corporation on February 9, 1976. The Company was formed primarily for the purpose of developing, manufacturing, and marketing products utilizing cholesteric liquid crystals. The Company presently manufactures and markets disposable medical, laboratory, and industrial thermometric and thermographic cholesteric liquid crystal devices, and reusable gel packs designed for transporting temperature sensitive materials. The Company also distributes an electronic heat block used as an activator for its HemoTemp<sup>R</sup> II Core Correlated Blood Monitoring Device manufactured by a third party to specifications of the Company.

The Company did not enter into any agreements materially affecting its operations during Fiscal 2016. The Company experienced a decrease in sales of \$22,816 or 1.7% in Fiscal 2016. Sales in Fiscal 2016 were \$1,337,952. The Company realized an after income tax profit of \$106,274 for Fiscal 2016 compared to an after income tax profit of \$113,589 for Fiscal 2015. See "Management's Discussion and Analysis of Financial Condition and Results of Operations."

The Company continued its development and review of the proposed products described in "Thermographic and Thermometric Devices and Accessories" below.

The Company continued to introduce its products directly to industrial customers during Fiscal 2016. Management believes there is a need for its products and technology in the industrial markets.

Except as stated above, there were no other significant contracts or developments with regard to the Company's business during the past fiscal year.

Financial Information About Industry Segments. The Company's revenues were generated from sales of medical and laboratory products in the medical and laboratory industry segment during the fiscal years ended April 30, 2016 and 2015. For a description of these products, see "Narrative Description of Business."

See "Information About Foreign and Domestic Operations and Export Sales". See also "Selected Financial Data" and "Financial Statements and Supplementary Data" for the operating profit and loss and identifiable assets related to the Company's operations in its industry segment.

Narrative Description of Business. The Company is presently engaged in the business of developing, manufacturing, and marketing disposable thermometric and thermographic temperature indicators and accessories for the medical, laboratory and industrial markets. The Company has also developed a bacteria growth retardant agent which is not currently produced or sold by the Company. Further information about the business and proposed products of the Company are described below.

Thermographic and Thermometric Devices and Other Products. During the fiscal year ending April 30, 2016 the Company manufactured and marketed various medical, laboratory, and consumer thermometric, thermographic, and temperature control devices and accessories. These products (described below) were sold to hospitals, clinical end-users, laboratories, and product dealers.

1. The HemoTemp<sup>R</sup> Core Correlated Blood Monitoring Device ("BMD") is designed to be a human blood bag temperature indicator. Human blood must be maintained, optimally, at 1-3<sup>o</sup> C., and not allowed to exceed 6-10<sup>o</sup>C. Since human blood is always in short supply, it is critical that blood be maintained within these specifications to avoid loss. HemoTemp<sup>R</sup> BMD monitors the core temperature of a blood bag from 1-12<sup>o</sup> C., and replaces the impractical mercury thermometer susceptible to breakage. HemoTemp<sup>R</sup> BMD once attached to the blood bag is usable throughout the life of the blood.

2. HemoTemp<sup>R</sup> II Core Correlated BMD is designed to warn blood bank personnel whenever the internal temperature of the blood bag has exceeded approximately 6-10° C. HemoTemp<sup>R</sup> II BMD has an irreversible indicator that is activated when the tag is applied to the blood bag at approximately 3° C. After being activated, the irreversible indicator remains blue colored for at least 48 hours if the blood is kept at 3° C, however, if the blood is warmed to a temperature of 6-10° C. or above, the indicator will lose its blue color much more rapidly or the indicator will change color; the nature and degree of the color change depend on the temperature of the sample and the time at each temperature. The irreversible indicator will not return to blue even if the blood is subsequently re-cooled, indicating that the blood has been warmed. The reversible portion of the indicator reversibly monitors temperatures from 1-9° C. HemoTemp<sup>R</sup> II BMD is non-reusable and must be replaced each time the blood bag is returned to the blood bank and reissued.
3. HemoTemp<sup>R</sup> II Activator is an electronic, portable block model heater developed to provide a reliable source of heat necessary to activate the Company's HemoTemp<sup>R</sup> II BMD. The HemoTemp<sup>R</sup> II Activator has a thermostatic control to permit precise setting and continuous control of temperatures in the range for activation of the Company's HemoTemp<sup>R</sup> II BMD. This device is intended by the Company to be used with HemoTemp<sup>R</sup> II BMD as a system for blood monitoring. This device is manufactured by another company to specifications set by the Company.
4. TempTrend<sup>R</sup> Temperature Indicator ("TI") is primarily used to monitor the temperature of urine specimens collected for drug testing to detect fraudulent urine specimens. Most common forms of drug testing require a urine specimen. However, the test is valid only if a legitimate urine specimen is collected which has not been altered by the subject to mask a drug abuse problem. In order to eliminate altered or fraudulent urine specimens in tests on federal employees, federal government guidelines require that urine temperature be measured within four minutes of sample collection, and that the temperature be 90.5-98.9° F. Temperature measurements taken with TempTrend<sup>R</sup> TI are simply a matter of observing the color illuminated number and recording the temperature. TempTrend<sup>R</sup> TI also provides a non-invasive method of monitoring the actual surface temperature trends of any body surface where temperature measurement is important, such as near joints in rheumatoid arthritis and to assess blood circulation.
5. TempTrend<sup>R</sup> II Temperature Trend Device ("TTD") is a second generation temperature trend device which is correlated to internal body temperature and provides a non-invasive, readily visible means of monitoring changes in body temperature. TempTrend<sup>R</sup> II TTD will reflect oral temperatures such as those taken by glass thermometers. TempTrend<sup>R</sup> II TTD is used intraoperatively to warn of developing hyper or hypothermic conditions. The indicator can also be used for monitoring a patient's temperature during any type of transfusion procedure.
6. LabTemp<sup>R</sup> 20 and LabTemp<sup>R</sup> 40 Surface Temperature Indicators ("STI") are designed to reversibly indicate the temperature of laboratory materials which require specific storage or use temperatures. LabTemp<sup>R</sup> 20 STI indicates temperatures between 0-21° C. and LabTemp<sup>R</sup> 40 STI monitors temperatures between 19-21 and 24-41° C. These thermometers are designed to monitor the temperature and changes in temperature of hundreds of laboratory chemicals and supplies which require specific temperature conditions; however, these thermometers are suitable for temperature measurement of any surface.
7. StaFreez<sup>R</sup> Freeze-Thaw Indicator ("FTI") is a freeze-thaw indicator which will irreversibly indicate whether frozen material is warmed to greater than -20° C. Once the frozen product exceeds -20° C., the liquid crystal indicator will turn from blue to gray to black, and refreezing the product at a lower temperature will not bring back the original frozen state color.
8. HemoCool<sup>TM</sup> Gel-Pak is a reusable gel pack designed for transporting temperature sensitive materials. The HemoCool<sup>TM</sup> Gel-Pak is unique in that it can be used to assist in maintaining the temperature of temperature sensitive materials both during the processing of the materials (labeling, testing, etc.) while outside the refrigerator as well as during transport.

9. HemoCool™ Gel-Pak for test tubes is a reusable gel pack designed for transporting up to six test tubes while outside of the refrigerator. For example, this use can be valuable for new admissions in hospitals who may have 1 – 6 test tubes of samples collected or large collections which may consist of more than one test tube. These collections can also be isolated using the gel pack.

10. HemoCool™ Rollup Gel-Pak for test tubes is a reusable rollup gel pack designed for transporting up to seven test tubes while outside of the refrigerator. This device has the same capability as the Gel-Pak described above and additionally can be rolled up and transported through a pneumatic tube system.

11. The Company also has the capability of manufacturing on an as needed basis, specialty products including devices manufactured to the specification and design of the customer, such as time/ temperature shipping labels for food products under the trade name FoodGarde™ Time/Temperature Indicators and liquid crystal thermometers for general purpose thermometry. The Company is not currently selling any such specialty products.

Products Under Development. The Company is also developing these other products.

1. The Company previously developed a compound intended for use as bacteria growth retardant agents for use in various products and processes. Although these antibacterial compounds are subject to Food and Drug Administration regulation, they are historically designated as Generally Recognized As Safe (GRAS). The Company is not currently producing or selling these compounds. Since there are several unknown factors regarding efficacy, supply and regulatory requirements, the outcome of this project cannot be predicted with any certainty at this time.

2. The Company is also investigating production methods for the bacteria growth retardant compound described in Paragraph 1 above. In this regard, the Company has developed certain proprietary technology related to the processing of these compounds. On October 14, 2014, the Company was granted a patent “Method of Producing Eggshell Powder” related to the processing and manufacture of bacteria growth retardant compounds for use in food and other products. Another patent related to the use of such compounds has been abandoned (see “Patents and Trademarks”).

3. The Company is developing an improved small portable refrigerated cooler for transportation of blood and other biologicals.

4. The Company intends to market new irreversible time/temperature indicators which will be used as shipping labels, and in other forms, for the frozen food packaging industry (under the tradename FoodGarde™), the pharmaceutical industry, and for other industries requiring careful monitoring of refrigerated or frozen materials. The devices will have irreversible color changes at various temperatures determined to be critical by the end-user. Therefore, a purchaser, whether an individual consumer or a merchant, will be able to instantaneously determine the temperature history of the material. These products will generally be customized to meet the requirements of the customer. There are currently no contracts for development, manufacture or sale of any such irreversible time/temperature indicators.

5. The Company has recognized a need exists for a simple, inexpensive indicator to determine if sensitive materials have been subjected to freezing temperatures. The Company is continuing its investigation of the feasibility of such an indicator.

6. The Company is investigating the feasibility of additional products to systematize the use of its thermometric and thermographic liquid crystal devices as well as alternative technologies to supplement its current product line where the Company’s current products are not suitable. The results of such investigations are not available at this time.

Manufacturing. The Company manufactures all of its products except for the HemoTemp<sup>R</sup> II Activator. The Company anticipates that the portable refrigerated cooler under development will also be manufactured by a third party vendor. This product is manufactured for the Company by an unrelated company on an as needed basis. Raw materials for the Company's other products are purchased, but all manufacturing of these products is performed at the Company's production facility. All outside manufacturing is done to specifications set by the Company. There are no commitments or firm agreements for outside manufacturers to provide products for the Company, and the Company does not anticipate it will enter into any such agreements in the foreseeable future. Currently, the Company relies exclusively on Fred Suzuki, the Company's President and Chief Executive Officer, to manufacture the temperature sensitive liquid crystals used in the Company's temperature indicators (See "Material Risk Factors", below).

The Company has forty years of experience working with various liquid crystal formulations, thermometric and thermographic application methods and the effect of temperature and other factors on degradable materials. The Company maintains complete records of manufacturing and quality assurance testing of all of its products in compliance with Food and Drug Administration ("FDA") regulations. All products are manufactured according to "good manufacturing practices" ("GMP") for medical devices.

Marketing and Distribution. The Company has traditionally targeted the medical and laboratory markets. The Company currently uses marketing tools such as direct mailing, cold calls, public announcements, and its website for introduction of its new products. While novel products, such as the Company's products, enjoy the advantage of no initial competition, they also initially lack a demonstrated market demand and acceptance. Furthermore, cost savings programs have slowed down the introduction of new products, particularly in the medical market. As a result, the time required to achieve acceptance of the Company's medical products has significantly increased, in Management's opinion.

Although the Company relies on its own sales and distribution efforts for a portion of its sales, the Company's distributors accounted for a majority of the Company's net sales in Fiscal 2016. During Fiscal 2016, Fisher Scientific Company ("Fisher") accounted for 28.3% of the Company's sales. Cardinal Health, Inc. ("Cardinal") accounted for 37.5% of Company sales during Fiscal 2016 (See "Material Risk Factors", below). Management believes distributors will continue to be an important part of the Company's sales and distribution system in the future.

The Company continues to negotiate with various medical and laboratory product companies for the distribution of its products under private labels and to introduce its products in the industrial, pharmaceutical and laboratory markets, the success of which cannot be assured. The Company is attempting to introduce new products to supplement its current product line. The Company is also researching products outside the traditional medical and laboratory markets, the results of which cannot be predicted at this time.

During Fiscal 2017, the Company anticipates employees will work part-time in marketing and one employee will devote substantially all of her time to marketing and selling the Company's products. The Company does not have an outside sales force. Since the Company markets its products to approximately 7,000 hospitals in the United States, hundreds of laboratories and industrial end-users in the United States, and thousands of hospitals and laboratories in foreign countries, it will continue to rely upon the marketing efforts of independent dealers and sales representatives for the medical and laboratory markets. The Company also directly markets and sells to its industrial customers.

The Company is unaware of its current market share for its medical and laboratory products.

Sources and Availability of Raw Materials. In general, the Company believes its sources and availability of raw materials and finished products to be satisfactory. Presently, there are a limited number of domestic manufacturers of liquid crystal chemicals. Although it is expected that these domestic manufacturers will continue to supply the raw liquid crystals needed for the production of the Company's products, continued supply from such domestic manufacturers cannot be assured. If industrial quantities of raw liquid crystals are

unavailable from domestic sources, the Company will need to import these materials from foreign suppliers, or, as an alternative, manufacture such materials itself. There can be no assurance that foreign suppliers will have adequate surplus or availability in the event the Company needs to utilize foreign sources. Other materials and products are currently available from a variety of suppliers (See however “Risk Factors”, below).

Patents and Trademarks. The Company was previously granted or assigned five United States and four foreign patents relating to liquid crystal technology. All of these patents have expired. Although these patents are no longer in effect, management does not believe this will have an adverse material impact on the Company's operations, revenues or properties.

The Company currently holds several other patents, including “Method of Producing Eggshell Powder”, Patent Number US 8,859,010, granted October 14, 2014. This patent will expire on May 28, 2024.

The Company was also granted a design patent, “Fold-Over Cooling Pack”, Patent Number US D670816, relating to the Company's HemoCool™ Gel-Pak, on November 13, 2012. This patent will expire on November 13, 2026. In addition, the Company holds several Foreign Design Patents for the “Fold-Over Cooling Pack”, including Europe, Patent Number 002038745-0001, issued August 7, 2012, expiring on May 8, 2037; Canada, Patent Number 145628, issued March 21, 2013, expiring March 21, 2023; Turkey, Patent Number 201203234, issued May 7, 2012, expiring May 7, 2037; and India, Patent Number 245076, issued February 2, 2016, expiring November 8, 2026.

The Company was granted a design patent, “Roll-Up-Gel-Pack for Test Tubes,” Patent Number US D712,559 relating to the Company's HemoCool™ Rollup Gel Pak for test tubes, on September 2, 2014. This patent will expire on September 2, 2028. The Company was also granted another design patent, “Roll-Up-Gel-Pack for Test Tubes,” Patent Number US D726,928 relating to the Company's HemoCool™ Rollup Gel Pak for test tubes on April 14, 2015. This patent will expire on April 14, 2029. The Company holds several foreign design patents for the “Roll-Up-Gel-Pack for Test Tubes,” including Europe, Patent Number 002295105-0001, issued November 18, 2013, expiring August 22, 2038; Europe, Patent Number 002295105-0002, issued November 18, 2013, expiring August 22, 2038; India, Patent Number 252643, issued February 5, 2014, expiring March 5, 2028; Turkey, Patent Number 2013/02413, issued March 26, 2013, expiring March 26, 2038; Canada, Patent Number 150496, issued February 8, 2016, expiring February 8, 2026; and Canada, Patent Number 156195, issued February 8, 2016, expiring February 8, 2026.

The Company also has a Design Patent Pending, “Gel Pack for Test Tubes,” related to a design for a gel-pack which holds test tubes, HemoCool™ Gel-Pak for test tubes. The Design Patent Application Number 29/447,625 was filed on March 5, 2013 and was initially rejected. Notice of Appeal was filed on September 18, 2015. An appeal brief was filed on December 18, 2015. Design Patents for the “Gel Pak for Test Tubes,” have been issued in Europe, Patent Number 002295212-0001 on November 28, 2013, expiring on August 22, 2038, and Patent Number 002295212-0002 on November 28, 2013, expiring on August 22, 2038; India, Patent Number 252644 issued on January 23, 2014, expiring on March 5, 2028; Turkey, Patent Number 2013/02394 issued on March 25, 2013, expiring on March 25, 2038; Canada, Patent Number 150495, issued on February 8, 2016, expiring on February 8, 2026; and Canada, Patent Number 156173, issued on February 8, 2016, expiring on February 8, 2026.

During Fiscal 2015, the Company abandoned one patent, “Liquid Conductive Cooling/Heating Device and Method of Use,” Patent Number US 7,276,046, relating to the Company's Thermolyzer that was granted on October 2, 2007. A total of \$9,862 in capitalized patent expenses were written off as a result.

The Company may also seek to obtain patents on other products, as appropriate.

The Company has received registered trademark protection on all product names to date excepting Temp-D-Tek™, Tempa-Slide™, FoodGarde™, LaproVue™ and Hemo-Cool™. The Company has retained, however,

all the common law rights to the Thermolyzer™, Temp-D-Tek™, Tempa-Slide™, FoodGarde™, LaproVue™, and Hemo-Cool™ trademarks. Additional trademark registrations will be applied for as needed.

Patent and trademark protection is important to the Company, both with respect to its current products, as well as products under development. In circumstances where the Company is unable to obtain patent trademark protection on its products, as well as any improvements, developments and modifications related to such products if the Company is able to sell such products without initial significant competition, then the Company believes no material adverse effects to the Company's operations will result in the event additional patents and/or trademarks are not obtained, or, if obtained, such patents and/or trademarks are held to be invalid. However, certain processes and chemical formulas will be maintained only as trade secrets. Management feels that it will be difficult for potential competitors to analyze or reproduce certain secret processes and formulas without substantial expenditure of capital and resources.

Seasonable Aspect of Business. The business of the Company is not seasonal.

Working Capital Items. The Company has attempted to conserve working capital whenever possible. To this end, the Company attempts to keep inventory at minimum levels. The Company believes that it will be able to maintain adequate inventory to supply its customers on a timely basis by careful planning and forecasting demand for its products. However, the Company is nevertheless required, as is customary in the medical and laboratory industries, to carry inventory to meet the delivery requirements of customers and thus, inventory represents a substantial portion of the Company's current assets.

The Company presently grants payment terms to customers and dealers of 30 days. The Company will not accept returns of products from its dealers except for change or credit but does guarantee the quality of its products to the end user for a period of one year. In addition, the Company maintains product liability insurance at a level which the Company's management believes is adequate protection for the Company's product liability exposure.

As of April 30, 2016, the Company had \$1,418,618 of current assets available. Of this amount, \$25,958 represented prepaid expenses, \$108,960 was inventory, \$192,051 was net trade receivables, and \$1,091,649 represented cash.

Management of the Company believes that it has sufficient working capital to continue operations for the fiscal year ending April 30, 2017 provided the Company's sales and ability to collect accounts receivable are not adversely affected. In the event the Company's sales materially decrease, the receivables of the Company are materially impaired for any reason, or the Company needs additional capital for its development projects, it may be necessary to obtain additional financing to cover working capital items and keep current trade accounts payable, of which there can be no assurance. See "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Major Customers. The Company's two largest customers are its primary product distributors, Fisher and Cardinal. Fisher was directly responsible for 28.3% of the Company's net sales during the fiscal year ending April 30, 2016. Cardinal accounted for 37.5% of the Company's net sales during the fiscal year ending April 30, 2016. At April 30, 2016, Fisher owed the Company \$73,031 and Cardinal owed \$60,497. No other customers accounted for 10% or more of the Company's net sales during Fiscal 2016. Management believes the loss of either of these distributors would materially reduce the revenues of the Company until the Company could retain, if available, the services of other major product distributors or the end users serviced by Fisher and Cardinal began ordering directly from the Company. Management has no reason to believe that the Company will lose either of these distributors in the foreseeable future.

Backlogs. The Company had no backorders at April 30, 2016 or 2015.



Government Contracts. The Company does not have a material portion of its business that may be subject to renegotiation of profits or termination of contracts or subcontracts at the election of any government entity.

Competition. The Company has no known commercial competitors of its blood monitoring devices using liquid crystal technology. The Company's HEMOTEMP<sup>R</sup> II BMD (blood bag temperature monitor) competes in the medical market against several functionally similar products. Management of the Company has become aware of one such product sold by a competitor with sales substantially equal to the Company's sales of HEMOTEMP<sup>R</sup> II BMD. Management of the Company believes that HEMOTEMP<sup>R</sup> II BMD is superior because it provides an irreversible monitor with a reversible monitor to warn the user that blood is approaching an unsafe temperature. There are no known commercial competitors of the Company's HemoTemp<sup>R</sup> II Activator.

In the area of laboratory temperature monitoring, a known competitor supplies reversible and irreversible temperature indicators. In the area of a food or drink safety indicator, there is no competition known to the Company that utilizes liquid crystal technology. The Company believes that the frozen food industry presently uses primarily physical and organoleptic evaluation (e.g. evaluation of softness, texture, aroma, taste, and the like), as well as mercury thermometers and temperature sensitive inks to monitor freshness. Labels containing wax encapsulated dyes with specific low melting points and capillary action products are produced by several other companies.

The Company's TempTrend<sup>R</sup> II competes in the medical market against products produced by several other companies. The Company's TempTrend<sup>R</sup> competes in the drug testing market, specifically for monitoring the temperature of urine samples, with several other companies utilizing liquid crystal and non-liquid crystal technology.

A number of other companies are only involved in the manufacture of liquid crystal raw materials and do not directly compete with the Company for sale of medical, industrial or consumer products. Mercury and electronic thermometers are used in several competitive applications. They are generally more costly, non-disposable or not usable in most applications where liquid crystal thermometry and temperature indicators are utilized.

Many of the Company's competitors may have greater financial and other resources than the Company. The Company's ability to compete depends on its ability to design, manufacture and sell high quality products as well as its ability to develop new products and functionality that meet evolving customer requirements.

Research and Development. During Fiscal 2016 and 2015, the Company spent \$157,444 and \$149,218, respectively, on Company-sponsored research and development activities. All expenditures for research and development are expensed currently with the exception of significant equipment and set-up charges which are capitalized and depreciated or amortized over their estimated useful life.

The Company is conducting research and development of products discussed under "Products Under Development." Although not anticipated, the Company may require financing to complete the development of these products. The success of the Company in obtaining financing for research and development may largely determine whether the Company will be able to continue the research and development for such products. Management believes the Company has sufficient working capital for anticipated research and development for the ensuing year.

Government Regulations. Company products, such as the bacteria growth retarding compound, may require pre-clearance by the FDA or other government agencies. Present medical products of the Company are classified by the FDA as Class I or Class II. These are subject only to general regulations requiring that manufacturers adhere to certain guidelines to provide reasonable assurance of utility, safety, and effectiveness. These guidelines include labeling requirements, registration with the FDA as a manufacturer, listing of devices in commercial distribution with the FDA, notification to FDA of devices proposed to be

marketed, conformance to specified current good manufacturing practices in the manufacture of the devices, conformance to certain record-keeping requirements, and, in the case of Class II devices, conformance to certain performance standards. At the present time, the Company believes that it is in compliance with regulations set forth by the FDA.

Information About Foreign and Domestic Operations and Export Sales. The Company made export sales to customers located outside of the United States totaling \$49,240 during the last fiscal year and \$140,300 during the fiscal year ending in 2015. Export sales were made to customers located in Canada, Puerto Rico, Philippines, Turkey, Italy, Germany, Saudi Arabia, and Kingdom of Bahrain. The most significant portion of the overall increase in export sales made during the 2015 fiscal year resulted from an increase in sales made to a distributor located in Saudi Arabia. The Company also believes that some of its medical devices were sold to distributors within the United States who resold the devices in foreign markets. However, the Company does not have any information regarding such sales, and such sales are not considered to be material.

The Company does not rely on any foreign operations other than its dealers and marketing representatives in their respective marketing areas. See "Marketing and Distribution." Foreign sales are contingent upon, among other factors, foreign trade regulations, value of the United States Dollar and, where required, government approval of the Company's products including CE Marketing requirements.

Management of the Company believes that export sales may continue to increase in future years. However, the Company is exposed to risks generally attendant to foreign operations, including but not limited to, trade restrictions, tariffs, embargos, foreign war and unrest and competition from foreign and domestic producers, and therefore there is a risk export sales will not continue to increase in the future. Management believes the partial or total loss of foreign operations would not have a material impact on the Company's financial condition or results of operations.

Environmental Protection Expenditures. The Company's operations are not subject to any federal, state or local laws regulating the discharge of materials into the environment which materially affect earnings or the competitive position of the Company, although the Company is subject to such laws. There were no material capital expenditures made during the last fiscal year to comply with such laws.

Employees. The Company presently has five full-time employees comprised of the President and three Vice Presidents. The Company also has a part-time employee in the production department when needed.

Website. The Company maintains a Website at [www.biosynergyinc.com](http://www.biosynergyinc.com). The Company makes available on its Website free of charge its annual report on form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act (15 U.S.C. 78m(a) or 78o(d)). The Company will provide electronic or paper copies of its filings free of charge upon request.

Reports to Shareholders. The Company is not required to deliver annual reports to its shareholders. Historically, the Company has not delivered annual reports to its shareholders and does not intend to do so this year. However, all written material filed with the Securities and Exchange Commission may be read and copied at the Securities and Exchange Commission's Public Reference Room at 450 5<sup>th</sup> Street, N.W., Washington, D.C. 20549. Such information may also be obtained from the Public Reference Room by calling 1-800-SEC-0330 or by visiting the Securities and Exchange Commission's internet site at [www.sec.gov](http://www.sec.gov). You may obtain copies of this Annual Report and other reports filed with the Securities and Exchange Commission by contacting the Company at 1940 East Devon Avenue, Elk Grove Village, Illinois 60007, telephone number 847-956-0471. See also "Website" above.

Item 1A. Material Risk Factors.

***The Company depends on key members of its management and scientific staff and, if the Company fails to retain and recruit qualified individuals, its ability to execute its business strategy would be harmed.***

The Company is highly dependent on the principal members of its management and scientific staff, in particular Fred K. Suzuki, Jr., the Company's President, Chief Executive Officer, Chairman of the Board of Directors, Director of Research and Product Development, and Director of Marketing. Mr. Suzuki is primarily responsible for developing products and manufacturing the liquid crystals for use in the Company's primary line of products. Mr. Suzuki is 86 years old. The loss of Mr. Suzuki may impede the achievement of the Company's business objectives or have an adverse effect on the Company's financial condition or results of operations. The Company may not be able to attract and retain skilled and experienced personnel on acceptable terms in the future to replace Mr. Suzuki. Further the Company may not be able to attract and retain skilled and experienced marketing, scientific and sales personnel on acceptable terms in the future because numerous other high technology companies compete for the services of these qualified individuals. The Company currently does not maintain key man life insurance on any of its employees, nor has the Company implemented a formal succession plan.

***Certain familial groups, in the aggregate, beneficially own a large percentage of the Company's common stock and as a result can exert significant influence over the Company.***

As of April 30, 2016, Mr. Suzuki owned 30% of the outstanding stock of F.K. Suzuki International, Inc. ("FKSI"), and also served on FKSI's board of directors, together with Laurence Mead, the Chief Operating Officer of the Company, Lauane Addis, Mr. Suzuki's son-in-law and counsel and Secretary for the Company, and Ira Goldstein, an unrelated unaffiliated third party. FKSI in turn owns approximately 30.02% of the outstanding stock of the Company. As a result of (i) Mr. Suzuki's ownership and position as director of FKSI, (ii) shared directorial control over FKSI with Messrs. Mead and Addis with respect to the shares of stock in the Company owned by FKSI, (iii) other shares of stock in the Company owned by Mr. Suzuki directly, and (iv) stock owned by Mr. Suzuki and his spouse as joint tenants, Mr. Suzuki is deemed to "beneficially" own an aggregate of 5,513,470 shares, or approximately 36.9%, of the Company's outstanding common stock. In addition, Mr. Suzuki's daughter, Jeanne S. Addis, is the Trustee of the Addis Family Trust dated September 1, 2009, which owns approximately 28.1% of the outstanding FKSI stock. Accordingly, Mr. Suzuki, together with other members of his immediate family as a group, may be able to substantially influence all matters requiring approval by the Company's shareholders, including the election of directors and the approval of mergers or other business combination transactions. Circumstances may arise in which the interests of this group could conflict with the interests of the Company's other shareholders. Mr. Suzuki, acting in concert with other members of his immediate family, may also delay or prevent a change in control of the Company even if such a transaction would be beneficial to the Company's other shareholders.

***The Company's failure to engage an economically viable manufacturer for the Company's portable refrigerated cooler for transportation of blood and other biologicals may cause the Company to lose opportunities to increase the Company's cash flows and profits.***

There can be no assurance that the Company can engage a manufacturer of the Company's prototype portable refrigerated cooler for transportation of blood and other biologicals on economically reasonable terms. The Company's failure to engage a manufacturer on economically reasonable terms may cause the Company to lose opportunities to increase the Company's cash flows and profits.

***The Company depends on key distributors for the marketing and sale of its products and the failure to retain such distributors may materially affect the Company and its results of operations.***

The Company's key distributors, Fisher and Cardinal, accounted for 28.3% and 37.5% of the Company's sales, respectively, during Fiscal 2016. The Company's failure to retain one or both of such distributors may

have an adverse effect on the sales of the Company, which may in turn have an adverse effect on the Company's results of operations, financial condition and cash flows if such sales cannot be replaced by another distributor of the Company.

***The unavailability of the Company's current domestically sourced raw materials may materially affect the Company and its results of operations.***

There can be no assurance that the Company will continue to be able to acquire raw materials, including raw materials for the liquid crystals, which are essential for the manufacture of the Company's temperature indicators and other products, from domestic sources, or that the domestic sources currently used by the Company will continue to supply such raw materials on cost-effective terms. Further, there is no assurance such raw materials will continue to be available from foreign sources. Although the liquid crystal raw materials are currently available from foreign sources, acquiring raw materials from such foreign sources may result in an increase in the Company's cost for such raw materials, which may in turn have an adverse effect on the Company's results of operations, financial condition and cash flows.

***The Company receives a substantial percentage of sales from two products and the failure to increase or maintain sales levels with respect to one or more of such products may materially affect the Company and its results of operations.***

During Fiscal 2016, and for several prior fiscal periods, two products, HemoTemp<sup>R</sup> Core Correlated BMD and HemoTemp<sup>R</sup> II Core Correlated BMD accounted for a substantial percentage of the Company's sales. In the aggregate, these two products accounted for \$1,236,260 in sales (or approximately 92.4% of all Company sales). The Company's failure to maintain sales levels with respect to one or both of these products will have an adverse effect on the Company's results of operations, financial condition and cash flows.

***Changes in environmental regulations may adversely affect the Company and its results of operations.***

The Company is not aware of any violations of environmental regulations by the Company. However, changes in environmental regulations may cause the Company to incur additional expense for compliance. For instance, the Company may be forced to develop alternative manufacturing methods and processes, or procure alternative suppliers or raw materials for its products. Increased expense occasioned by changes in environmental regulations may have an adverse effect on the Company's results of operations, financial condition and cash flows.

***Company's distributors' violation of the Foreign Corrupt Practices Act may adversely affect the Company and its results of operations.***

The Company maintains a policy requiring all of its employees to comply with the Foreign Corrupt Practices Act. However, because the Company engages independent distributors to distribute and market the Company's products, there can be no assurance that such distributors will likewise comply. A violation of the Foreign Corrupt Practice Act by a distributor engaged by the Company may implicate the Company which may in turn have an adverse effect on the Company's results of operations, financial condition and cash flows.

## Item 2. Properties.

The Company's production facilities, research facilities, and administrative offices are located at 1940 East Devon, Elk Grove Village, Illinois 60007, in a 10,400 square foot facility leased from an unaffiliated third party. The lease for these facilities was extended during Fiscal 2015 and will expire on April 30, 2018.

A majority of the Company's Elk Grove Village facility is currently in use; however, Management believes this facility is adequate for its needs in the foreseeable future. Located at the Company's facility is equipment utilized for research, development, and manufacturing of the Company's products.

The Company does not, as a matter of policy, invest in any derivative financial instruments or any other instruments as securities which are subject to market fluctuations which could adversely affect the financial condition or operations of the Company. The Company does not invest in real estate, mortgages or in entities owing or investing in real estate.

Item 3. Legal Proceedings.

There is no material litigation threatened or pending against the Company or any of its properties.

Item 4. Mine Safety Disclosures.

The disclosure required in this Item is not applicable to the Company.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Market Information. Although the common stock of the Company is traded in the over-the-counter market, there is no established public trading market due to limited and sporadic trades. Information regarding these trades is compiled by the Stock Section of the National Daily Quotation Service ("Pink Sheets") and selected broker-dealers trading such common stock.

Holdings. As of April 30, 2016, there were approximately 410 shareholders of record of the Company's common stock.

Dividends. The Company does not have a dividend policy and does not expect to pay dividends in fiscal 2017.

Common Stock for Issuance Under Equity Compensation Plans. As of April 30, 2016, the Company has no outstanding equity compensation plans and otherwise has no obligation to issue or sell stock pursuant to an option or similar agreement.

Item 6. Selected Financial Data.

The registrant is not required to furnish any information in this Item.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Net Sales. Net sales for the fiscal year ending April 30, 2016 decreased by \$22,816, or 1.7%, in comparison to the previous fiscal year. The decrease in sales during Fiscal 2016 was primarily due to a decrease of \$14,145, or 1.16%, in sales of its HemoTemp<sup>R</sup> II Indicators and a decrease of \$17,930 or 150.0% in sales of its HemoTemp<sup>R</sup> II Activators. The Company had increased sales in TempTrend<sup>R</sup>, HemoCool<sup>TM</sup> Gel-Pak, LabTemp<sup>R</sup>20 and LabTemp<sup>R</sup>40, and had decreased sales in HemoTemp<sup>R</sup>, TempTrend<sup>R</sup> II and Stafreez<sup>R</sup> indicators. Also, the decrease in net sales for fiscal year ending April 30, 2016 was due to a decrease of \$91,060, or 284.95%, in export sales mainly of HemoTemp<sup>R</sup> II and HemoTemp<sup>R</sup> II Activators.

Below is a schedule which represents the sales for each product for the fiscal years ending April 30, 2016 and 2015.

	Fiscal Year Ending April 30	
<u>Medical and Laboratory Products</u>	<u>2016 Sales of Products</u>	<u>2015 Sales of Products</u>
HemoTemp <sup>R</sup> II BMD	\$1,201,795	\$1,215,940
TempTrend <sup>R</sup> TI	44,920	39,425
HemoTemp <sup>R</sup> II Activator	35,820	53,750
HemoTemp <sup>R</sup> BMD	34,465	40,965
HemoCool <sup>TM</sup> Gel-Pak	9,792	4,008
LabTemp <sup>R</sup> 40 ST	5,600	2,370
LabTemp <sup>R</sup> 20 ST	3,630	2,370
StaFreez <sup>R</sup> FTI	895	1,050
TempTrend <sup>R</sup> II TTD	885	890
Miscellaneous	150	0
	\$1,337,952	\$1,360,768

Export Sales. The Company made export sales to customers located outside of the United States totaling \$49,240 during the last fiscal year and \$140,300 during the fiscal year ending in 2015. The most significant portion of the export sales made during the 2015 fiscal year resulted from sales made to a distributor located in Saudi Arabia, which accounted for approximately 55% of the last fiscal year's total export sales.

Other Revenues. Interest income for Fiscal 2016 was \$411 and \$457 for Fiscal 2015. During Fiscal 2016, the Company maintained a money market account which received an interest rate between .05% and .25% APY. The Company also realized \$1,920 in miscellaneous income from subleasing a portion of the Company's storage space in Fiscal 2016 and 2015.

Costs and Expenses. Overall operating costs and expenses for the fiscal year ending April 30, 2016 increased by \$1,576 compared to the fiscal year ending in 2015. The operating costs and expenses for Fiscal 2016 were substantially constant. In order for the Company to continue without materially altering its present operations, the overall operating costs and expenses for the ensuing fiscal year are expected to be similar to or slightly higher than those of the last fiscal year.

Cost of Sales. As a percentage of net sales, the cost of sales was 31% for the fiscal year ending April 30, 2016 and 31.48% for the fiscal year ending April 30, 2015. This overall decrease in cost of sales as a percentage of net sales in Fiscal 2016 is primarily due to a decrease in part-time labor and the two year moratorium on Medical Device Excise Tax beginning January, 2016. The Company expects that the cost of sales as a percentage of net sales will remain relatively stable over the next fiscal year in the absence of a material change in unit sales volume or an increase in cost of raw materials.

Research and Development Expenses. Research and development expenses increased during the fiscal year ending in 2016 by \$8,226 or 5.5%, as compared to the fiscal year ending in 2015. The overall increase compared to Fiscal 2015 is due to increases in employee expenses and prototype expenses. The Company is investigating the feasibility of several products intended to expand and improve the Company's current product line as described in "Products Under Development". These development expenses have remained substantially constant for the past two years. There is insufficient information available to determine the extent to which the Company will be required to allocate its resources to the continued development of these products. See "Narrative Description of Business – Products Under Development."

Marketing Expenses. The Company's marketing expenses were \$199,183 in Fiscal 2016 as compared to \$198,884 for the fiscal year ending in 2015. The increase for Fiscal 2016 was primarily due to an increase in

insurance expenses. The Company will increase its marketing activities which management believes is necessary to continue the Company's growth.

General and Administrative Expenses. The Company's general and administrative costs decreased by \$6,949 as compared to the 2015 fiscal year. In Fiscal 2015, one patent was abandoned, "Liquid Conductive Cooling/Heating Device and Method of Use", Patent Number US 7,276,046, relating to the Company's Thermolyzer that was granted on October 2, 2007. A total of \$9,862 in net capitalized patent expenses were written off as a result. The Company also had lower costs on many of its daily operations offset by higher employee expenses. Except for unforeseen extraordinary items, such as the write-off of patents experienced in Fiscal 2015, increases to employee compensation associated with the Company's 401(k) plan and formal bonus plan, and normal increases in employee compensation, it is unlikely general and administrative expenses will materially change during Fiscal 2017.

Income Tax Expense (Benefit). Income tax expense was \$41,215 or 27.94% of income before taxes for Fiscal 2016 and \$44,772, or 28.27% of income before taxes, for Fiscal 2015.

Net Income/Loss. The Company experienced a net after-tax profit of \$106,274 for Fiscal 2016 as compared to a net after-tax profit of \$113,589 for Fiscal 2015. In addition to the Company's net sales decreasing in Fiscal 2016, the Company experienced a decrease in profitability of the Company due to a decrease in sales. See discussion of various expenses above.

Assets. Since April 30, 2015, the Company's current assets have increased by \$97,935. This increase is primarily due to increased cash resulting from the Company's profit position. Other changes in specific items do not reflect transactions outside the ordinary course of business. See also "Related Party Transactions" below.

Liabilities. The Company's current liabilities have decreased by \$7,061 since April 30, 2015. This decrease is primarily due to ordinary fluctuations in operations. The decrease does not represent any material change in the financial status or operations of the Company. See also "Assets" and "Liquidity and Capital Resources."

Current Assets/Liabilities Ratio. The ratio of current assets to current liabilities, 20.51 to 1, has increased from 17.32 to 1 at April 30, 2015. The increase in ratio of current assets to current liabilities is a result of the profit realized by the Company in Fiscal 2016. In order to maintain the Company's asset/liability ratio, the Company's operations must remain profitable.

Liquidity and Capital Resources. During the fiscal year ending April 30, 2016, the Company had an increase in net working capital of \$104,996. The increase in net working capital is primarily due to the Company's realizing and retaining a profit in Fiscal 2016.

The Company has attempted to conserve working capital whenever possible. To this end, the Company attempts to keep inventory at a minimum level. The Company believes that it will be able to maintain adequate inventory to supply its customers on a timely basis by careful planning and forecasting demand for its products. However, the Company is nevertheless required to carry sufficient inventory to meet the delivery requirements of customers and thus, inventory represents a substantial portion of the Company's current assets.

The Company presently grants payment terms to customers and dealers of 30 days. Although the Company experiences varying collection periods of its accounts receivable, the Company believes that uncollectible accounts receivable will not have a significant effect on future liquidity.

Cash provided by operating activities was \$133,833 during Fiscal 2016. Cash provided by operating activities was \$147,004 during Fiscal 2015. During Fiscal 2016, \$1,123 was used for equipment purchases,

\$16,838 was allocated to new patents and patents pending. Except for operating capital, limited equipment purchases, and patent expenses, Management is not aware of any other material capital requirements or material contingencies for which it must provide.

As of April 30, 2016, the Company had \$1,418,618 of current assets available. Of this amount, \$25,958 was prepaid expenses, \$108,960 was inventory, \$192,051 was net trade receivables, and \$1,091,649 was cash. The Company's cash flow from operations is considered adequate to fund the short-term operating capital needs of the Company. However, the Company does not have a working line of credit, and does not anticipate obtaining a working line of credit in the near future. Thus there is a risk additional financing may be necessary to fund long-term operating capital needs of the Company if the Company does not remain profitable.

Related Party Transactions. The Company was owed \$19,699 by F.K. Suzuki International, Inc. ("FKSI"), an affiliate, at April 30, 2016 and 2015 in connection with past shared common expenses. These expenses include certain office expenses, general operating expenses and legal fees incurred in the ordinary course of business. See "Financial Statements." No interest is received or accrued by the Company. Collectability of the amounts due from FKSI cannot be assured without the liquidation of all or a portion of its assets, including a portion of its common stock of the Company. As a result, \$19,699 of the amount owed by FKSI to the Company was reclassified as a reduction of FKSI's capital in the Company.

Lauane C. Addis, Secretary and Director of the Company, is a member of the law firm of Stahl Cowen Crowley Addis LLC. Mr. Addis has represented the Company with respect to the preparation and filing of this Report. Mr. Addis, and other members and associates of Stahl Cowen Crowley Addis LLC, perform other legal services for the Company from time to time, and it is anticipated such services will be performed by Mr. Addis and other members and associates of Stahl Cowen Crowley Addis LLC, in the future. During Fiscal 2016 the Company paid \$17,984, and \$29,165 in Fiscal 2015 in legal fees to Stahl Cowen Crowley Addis LLC, some of which inured to the benefit of Mr. Addis in the form of distributions from the law firm.

Off-Balance Sheet Arrangements. As of April 30, 2016, the Company was not involved in any off-balance sheet arrangements, as defined in Item 303(1)(4)(ii) of Regulation S-K promulgated by the SEC.

Effects of Inflation. With the exception of inventory, labor costs and product sales prices increasing with inflation, inflation has not had a material effect on the Company's revenues and income from continuing operations in the past three years. Inflation is not expected to have a material effect on the Company's revenues or income in the foreseeable future.

Critical Accounting Policies and Estimates. On December 12, 2001, the SEC issued FR-60 "Cautionary Advice Regarding Disclosure About Critical Accounting Policies." FR-60 is an intermediate step to alert companies to the need for greater investor awareness of the sensitivity of financial statements to the methods, assumptions, and estimates underlying their preparation, including the judgments and uncertainties affecting the application of those policies and the likelihood that materially different amounts would be reported under different conditions or using different assumptions.

The Company's significant accounting policies are disclosed in Note 2 to the Financial Statements for the year ending April 30, 2016. See "Financial Statements." Except as noted below, the impact on the Company's financial position or results of operation would not have been materially different had the Company reported under different conditions or using different assumptions. The policies which may have materially affected the financial position and results of operations of the Company if such information had been reported under different circumstances or assumptions are:

On February 25, 2016, the FASB issued Topic 842, its highly-anticipated leasing standard for both lessees and lessors. Under its core principle, a lessee will recognize lease assets and liabilities on the balance sheet for all arrangements with terms longer than 12 months. Lessor accounting remains largely consistent with



existing U.S. GAAP. The amendments are effective for public companies for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. At inception, a lessee must classify all leases as either finance or operating. The Company intends to adopt Topic 842 upon extension of the current lease for its facilities in Elk Grove Village or upon entering into a new lease agreement for alternative facilities on or about May 1, 2018. The Company is investigating the effect of adoption of Topic 842 on its results of operations and financial condition. However, it is not anticipated that adoption of Topic 842 will have a material impact on the results of operations or financial condition of the Company.

Revenue Recognition - In May 2014, the Financial Accounting Standard Board (FASB) issued ASU 2014-09, Revenue from Contracts with Customers (Topic 606) ("ASU 2014-09"). ASU 2014-09 supersedes the revenue recognition requirements in ASC Topic 605, Revenue Recognition, and most industry-specific guidance. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This guidance is effective for annual reporting periods beginning after December 15, 2017, including interim periods within that reporting period, under either full or modified retrospective adoption. Early application is not permitted. The Company plans to adopt ASU 2014-09 beginning May 1, 2018, and management is currently assessing the potential effects of these changes to the Company's consolidated financial statements.

Use of Estimates - Preparation of financial statements and conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. The financial condition of the Company and results of operations may differ from the estimates and assumptions made by management in preparation of the Financial Statements accompanying this report.

Allowance for Bad Debts - The Company periodically performs credit evaluations of its customers and generally does not require collateral to support amounts due from the sale of its products. The Company maintains an allowance for doubtful accounts based on its best estimate of accounts receivable.

Forward Looking Statements. This report may contain statements which, to the extent they are not recitations of historical fact, constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 (the "Reform Act"). Such forward-looking statements involve risks and uncertainties. Actual results may differ materially from such forward-looking statements for reasons including, but not limited to, changes to and developments in the legislative and regulatory environments effecting the Company's business, the impact of competitive products and services, changes in the medical and laboratory industries caused by various factors including level of reimbursement by insurance companies and Medicare and Medicaid agencies, and other factors as set forth in this report. Thus, such forward-looking statements should not be relied upon to indicate the actual results which might be obtained by the Company. No representation or warranty of any kind is given with respect to the accuracy of such forward-looking information. The forward-looking information has been prepared by the management of the Company and has not been reviewed or compiled by the Company's independent public accountants.

#### Item 7A. Quantitative and Qualitative Disclosures About Market Risk

The Company has not entered into any transactions using derivative financial instruments, nor has the Company invested in any instruments or securities which are subject to market fluctuations which could adversely affect the financial condition or operations of the Company.

#### Item 8. Financial Statements and Supplementary Data.

The financial statements required by this item are filed as a part of this report as described in Item 15.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

The Company retained the services of Sasseti, LLC to audit the Company's annual financial statements as of April 30, 2016 and 2015, and to review the Company's quarterly statements. No accountants of the Company were dismissed or resigned during the past two years. There have been no disagreements with the Company's accountants regarding accounting matters or financial disclosure.

Item 9A. Controls and Procedures.

The Company has established and maintains disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act) which are controls and other procedures of the Company that are designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Commission's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the Company's management, including its Chief Executive Officer and Chief Accounting Officer, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. The Company's Chief Executive Officer and Chief Accounting Officer have evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act) as of the end of the period covered by this report. Based upon that evaluation, the Company's Chief Executive Officer and its Chief Accounting Officer have concluded that the Company's disclosure controls and procedures were not effective due to the failure to include exhibit 14(a) with the Form 10K as originally filed. Exhibit 14(a) is attached to this amended annual report on Form 10K. The Company has adopted a checklist to be used by the Company's officers and corporate counsel to track compliance with the requirements related to the filing of reports with the Securities and Exchange Commission. This checklist will be reviewed immediately before filing any report with the Securities and Exchange Commission to make sure all requirements have been met, including attachment of exhibits.

(a) Management's Annual Report on Internal Control Over Financial Reporting.

(1) Management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) for the Company. The Company maintains processes designed by, or under the supervision of the Company's management, including but not limited to the Company's Chief Executive Officer and its Chief Accounting Officer, or persons performing similar functions, and effected by the Company's Board of Directors, management and other personnel, 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 including policies and procedures that: (i) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and disposition of the assets of the Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the issuer are being made only in accordance with authorization of management and directors of the Company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

(2) The Company has an Audit Committee that meets periodically with management to review the manner in which they are performing their responsibilities and to discuss auditing, internal accounting controls and financial reporting matters. It is the opinion of the Audit Committee that the Company's internal control over financial reporting is effective. The internal control over financial reporting is augmented by qualified personnel and is evaluated on a periodic basis. The evaluation is essentially an internal audit of the controls and procedures (and risk factors related to them) which was developed by the Company utilizing the

framework proscribed by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control – Integrated Framework.

(3) Prior to the date of filing this Form 10-K/A, the Company carried out an evaluation, under the supervision and with the participation of the Company’s management, including the Company’s Chief Executive Officer and the Company’s Chief Accounting Officer, of the effectiveness as of the end of the Company’s fiscal year ending April 30, 2016 of the Company’s internal control over financial reporting pursuant to Exchange Act Rule 13a-15(c). Based upon that evaluation, the Company’s Chief Executive Officer and the Company’s Chief Accounting Officer conclude that the Company’s internal control over financial reporting is effective.

(4) This Annual Report does not include an attestation report of the Company’s registered public accounting firm regarding internal control over financial reporting. Management’s report was not subject to attestation by the Company’s registered public accounting firm pursuant to rules of the Securities and Exchange Commission that permit the Company to provide only management’s report in this Annual Report.

(b) There have been no changes in the Company’s internal control over financial reporting during the period covered by this report that have materially affected or are likely to materially affect the Company’s internal control over financial reporting

Item 9B. Other Information.

No information was required to be disclosed by the Company on Form 8-K during the fourth quarter of the year covered by this Annual Report.

Part III

The information contained in items 10, 11, 12, and 13 is the same information to be included in the Registrant's definitive proxy statement, if any, to be filed with the Commission, and is included herein for convenience only.

Item 10. Directors, Executive Officers and Corporate Governance.

The executive officers and directors of the Company are:

<u>Name</u>	<u>Age</u>	<u>Positions with Company</u>	<u>Served in Office Since</u>
Fred K. Suzuki	86	President, Chief Executive Officer, Director of Research and Product Development, Chairman of the Board of Directors, and Director of Marketing	February, 1976 <sup>(1)</sup>
Laurence Mead	54	Vice President - Manufacturing and Development, Chief Operating Officer, Chief Financial Officer, Chief Accounting Officer, Vice President-Regulatory Affairs, Treasurer, and Director	April, 1994
Mary K. Friske	56	Vice President - Administration	September, 1993 <sup>(2)</sup>
Jennifer A. Rieck	33	Vice President - Customer Service	June, 2016 <sup>(3)</sup>
Lauane C. Addis	60	Corporate Counsel Secretary and Director	February, 1984 December, 1985 February, 1984
James F. Schembri	81	Director	November, 1990

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(1) Mr. Suzuki did not serve as President from August 1982 through February 1983. Prior to October, 1984, Mr. Suzuki served as Treasurer of the Company, and was once again appointed Treasurer on June 30, 1991 until April, 2009.

(2) Mr. Mead was appointed Vice President of Regulatory Affairs in June, 2016.

(3) Mrs. Rieck served as Vice President – Regulatory Affairs and New Business Development from June, 2012 through June, 2016, and as Director of Marketing from June, 2014 through June, 2016.

As an incentive for his investment in the Company, the Board of Directors agreed to nominate James F. Schembri as a candidate for election to the Board of Directors of the Company. Other than the foregoing, there are no arrangements or understandings between any of the directors or officers of the Company and any other person pursuant to which any director or officer was or is to be selected as a director or officer.

The term of office for the members of the Board of Directors extends to the next regular meeting of shareholders or until they resign and until their successors are duly elected. The term of office for the officers of the Company extends until they resign, are not re-elected by the Board of Directors, or are otherwise replaced by the Board of Directors of the Company.

Family Relationships. Lauane C. Addis is the son-in-law of Fred K. Suzuki. Jennifer A. Rieck is the granddaughter of Fred K. Suzuki and the daughter of Lauane C. Addis. Otherwise, there is no family relationship between any director, executive officer, or person nominated or chosen by the Company to become a director or executive officer.

Involvement in Certain Legal Proceedings. None of the officers or directors are or have been involved in any legal proceedings which are material to an evaluation of the ability or integrity of same.

Business Experience. Certain information regarding the business experience of the directors, officers, significant employees and consultants of the Company are set forth below:

FRED K. SUZUKI, Jr., Chairman of the Board, President, Chief Executive Officer, Director of Research and Development and Director of Marketing. Mr. Suzuki is founder of the Company and has served as President of the Company since its inception in 1976 to August 1982 and from February 1983 to the present. He has served as Chairman of the Board of Directors of the Company since its inception to the present, and as Treasurer from its inception to October, 1984 and from July, 1991 until June, 2009. Mr. Suzuki has also served as Director of Marketing and Sales and Director of Research and Development. Mr. Suzuki is also President and Chairman of the Board of Directors of F.K. Suzuki International, Inc. ("FKSI"), and President and Chairman of the Board of Directors of Medlab Products, Inc. ("Medlab"), affiliates of the Company. Mr. Suzuki is the sole owner, President and Director of Suzuki International, Inc. ("SI"). Mr. Suzuki also served as President and Chairman of the Board of Directors of Stevia Company, Inc. ("Stevia") until its dissolution on April 16, 1999. FKSI is a holding company of Medlab and the Company, and was a holder of a majority of the common stock of Stevia until its dissolution. As such, it has no other business operations. See "Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters." Medlab is a dormant company, organized to develop, manufacture, and market scientific products. Stevia was a development company in the business of developing, manufacturing, and marketing natural sweeteners and other products derived from Stevia rebaudiana plant. SI is in the business of marketing various products. Mr. Suzuki has developed several patents or patents pending for clinical instruments and has licensed them to unaffiliated corporations. These patents do not inure to the benefit of the Company. Mr. Suzuki has developed several patents in the area of Diterpene glycosides chemistry derived from the Stevia rebaudiana plant. Mr. Suzuki also holds patents in the area of liquid crystal chemistry. Mr. Suzuki attended Roosevelt University from 1951 to 1954, where he studied Chemistry and Biology.

MARY K. FRISKE, Vice President - Administration. Ms. Friske joined the office staff in July, 1983. Ms. Friske served as an Executive Secretary for several years and was promoted to Office Manager in 1989. In September, 1993, Ms. Friske was appointed Vice President - Administration. Ms. Friske also served as Manager of Sales from September, 1993 through June, 2014. Ms. Friske received her Bachelor of Science degree in May, 1981 from Eastern Illinois University where she majored in Personnel Management.

LAURENCE MEAD, Chief Operating Officer, Chief Financial Officer, Vice President – Manufacturing and Development, Chief Accounting Officer, Vice President – Regulatory Affairs, Treasurer and Director. Mr. Mead joined the production department of the Company in 1980, and served as the Company's Production Manager from 1984 until April, 1994. In April, 1994, Mr. Mead was appointed Vice President - Manufacturing. In September, 2002, Mr. Mead was appointed Chief Accounting Officer. In June, 2004, Mr. Mead was appointed Chief Operating Officer and Vice President of Product Development and served as Vice President of Product Development until June, 2014. Mr. Mead was appointed to the Company's Board of Directors in June, 2006. In June, 2009, Mr. Mead was appointed Chief Financial Officer and Treasurer. Mr. Mead has also served as the Manager of Financial and Product Development for the Company and currently serves as its Vice President – Regulatory Affairs. Mr. Mead has developed several patents which include a liquid-conductive cooling/heating device and a fold-over cooling gel pack. Mr. Mead received his Bachelor of Science degree in August, 1992 from Roosevelt University where he majored in Accounting.

JENNIFER A. RIECK, Vice President – Customer Service. Mrs. Rieck joined the company in March, 2011. She initially served the Company as Assistant to the President relating to new business development. Her course work in biology, chemistry, physics and math allows her to comprehend and contribute in the development of new products. In November, 2012, Mrs. Rieck was appointed Vice President – Regulatory Affairs and New Business Development. In June, 2014, Mrs. Rieck was appointed Director of Marketing. In June, 2016, Mrs. Rieck was reassigned to the position of Vice President – Customer Service. She works closely with customers who need technical support and with patent attorneys. She has also taken on the role of liaison between the Company and agencies such as the FDA, AABB and CAP. Prior to joining the Company, Mrs. Rieck taught English in South Korea from 2004 to 2005. From 2005 to 2009 she worked as a law clerk, facilities manager and office manager of Stahl Cowen Crowley Addis LLC. From 2010 to 2011 she worked as a recruiting specialist at Career Education Corporation. Mrs. Rieck received her Bachelor of Arts degree in May, 2004 from the University of Colorado, Boulder where she majored in International Affairs. She received her Master of Business Administration degree in November, 2012 from DePaul University where she focused her studies on Human Resources.

LAUANE C. ADDIS, Secretary and Director. Mr. Addis is currently a member of the law firm Stahl Cowen Crowley Addis LLC, Chicago, Illinois. Mr. Addis served the Company from February, 1984 to December, 1985 as its Vice President - Finance and Chief Financial Officer. From December, 1985 thru June, 1991, Mr. Addis also served as Executive Vice President, Chief Operating Officer, Chief Financial Officer, and Treasurer of the Company. Mr. Addis is the Secretary FKSI, an affiliate of the Company. Mr. Addis is also a member of the Board of Directors and Vice President of Northwest Suburban Day Care Center, a non-profit organization which provides child day care services for low-income and indigent persons. Mr. Addis graduated from Andrews University with a B.A. in History and Business Administration in June, 1978. He received his Doctor of Jurisprudence from Baylor University in 1981 and his Master of Laws in Taxation from the University of Denver in 1982. Mr. Addis is a member of the Colorado, Illinois and Texas Bar Associations.

JAMES F. SCHEMBRI, Director. Mr. Schembri was elected to the Board of Directors on November 15, 1990. Mr. Schembri is the founder and President of Schembri & Associates (formerly Automatic Controls Company). This company was a manufacturer's representative with offices in Michigan, Ohio and Kentucky. Mr. Schembri is one of the founders and President of Fenton Systems, Inc., Goodrich, Michigan. In addition to these activities, Mr. Schembri is founder and President of Wickfield Leasing Company. Both Schembri & Associates and Wickfield Leasing Company are involved in public and private investments. Mr. Schembri

also served as a director of Stevia until its dissolution on April 16, 1999. Mr. Schembri received his Bachelor of Science Degree in Mechanical Engineering from the University of Detroit in June, 1957.

Section 16(a) Beneficial Ownership Reporting Compliance. The Company did not receive any reports during Fiscal 2015 required to be filed by a director, officer or beneficial owner of more than 10% of the Company's common stock pursuant to Section 16(a) of the Securities and Exchange Act. Management is not aware of any director, officer or beneficial owner of more than 10% of the Company's common stock who has failed to file on a timely basis any reports required by Section 16(a) of the Securities Exchange Act during the fiscal year ending April 30, 2016.

Audit Committee. The Audit Committee reviews and, when it deems appropriate, approves internal accounting and financial controls for the Company and accounting principles and auditing practices and procedures to be employed in the preparation and review of the financial statements of the Company. The Audit Committee also meets periodically with management to review the manner in which they are performing their responsibilities and to discuss auditing, internal accounting controls and financial reporting matters. The Audit Committee also makes recommendations to the Board of Directors concerning the engagement of independent public auditors to audit the annual consolidated financial statements, review the unaudited quarterly financial statements of the Company, and perform other services for the Company. The Audit Committee arranges with such auditors the scope of the audit to be undertaken by them and any other services to be provided. The Audit Committee currently has one member, James F. Schembri, a director of the Company. The Board of Directors has determined that Mr. Schembri is a financial expert as a result of Mr. Schembri's experience described under "Business Experience" above. Mr. Schembri is an independent director as defined in Rule 407 of Regulation SK.

Audit Committee Charter. The Board of Directors has adopted a written charter for the Audit Committee. A copy of the Audit Committee Charter is available without charge upon request delivered to the Company at its principal executive offices.

Code of Ethics. The Company has adopted a Code of Ethics which applies to all officers of the Company. The Company's Code of Ethics was amended effective June 28, 2016 to require all officers and employees to comply with the Company's Unauthorized Disclosure Policy and Electronic Communications and Computer Policy. A copy of the Company's Amended and Restated Code of Ethics is filed with this Report and is also available on the Company's website [www.biosynergyinc.com](http://www.biosynergyinc.com).

Director Independence. Jim Schembri is the sole independent director under the independence standards applicable to the Company's Board of Directors and the sole independent member of the Board's compensation and audit committees under the independence standards applicable to such committees.

In determining whether a director is an independent director of the Company's Board of Directors, or an independent member of the board's audit and compensation committees, the Company uses the determination of "independence" promulgated by the New York Stock Exchange. While the Company applies the New York Stock Exchange's standards for purposes of determination of "independence", the Company does not apply the New York Stock Exchange's or any other exchange's requirements with respect to the number or proportion of independent directors required to be a part of the Company's Board of Directors.

#### Item 11. Executive Compensation.

The following summary compensation table sets forth a summary of compensation for services in all capacities to the Company during the fiscal years ended April 30, 2016 and 2015 paid to the Chief Executive Officer and Chief Operating Officer. None of the Company's other executive officers received annual salaries and bonuses for such fiscal years exceeding \$100,000.

Summary Compensation Table:

Name and Principal Position	Year	Salary	Bonus	Stock Awards	Option Awards	Non-Equity Incentive Plan Compensation (1)	Nonqualified deferred compensation earnings	All Other Compensation (2)	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Fred K. Suzuki, President, Chairman of the Board, Chief Executive Officer, Director of Research and Development, and Director of Marketing	2016	\$155,698	\$8,688	--	--	\$7,785	--	\$17,500	\$189,671
	2015	\$150,858	\$6,600	--	--	\$7,774	--	\$22,730	\$187,962
Laurence C. Mead, Chief Operating Officer, Chief Financial Officer, Vice President/Manufacturing and Development Chief Accounting Officer, Treasurer and Vice President – Regulatory Affairs, Director	2016	\$142,279	\$8,688	--	--	\$7,114	--	\$16,250	\$174,331
	2015	\$135,459	\$6,600	--	--	\$6,981	--	\$18,070	\$167,110

(1) Amounts represent Company's match portion of 401(k) contribution.

(2) No executive officer received perquisites in excess of the lesser of \$50,000 or 10% of the aggregate of such officer's salary and bonus. Mr. Suzuki received \$15,000 and \$20,230 in lieu of accrued vacation for Fiscal 2016 and 2015, respectively. Mr. Suzuki and Mr. Mead each received \$2,500 for their services as directors in Fiscal 2016 and 2015. Mr. Mead also received \$13,750 and \$15,570 in lieu of accrued vacation for Fiscal 2016 and 2015, respectively.

Stock Options.

The Company did not grant stock options to any of the named executive officers during the predecessor period of the fiscal year ended April 30, 2016, and no such stock options were outstanding as of April 30, 2016.

Directors Compensation

The directors' compensation is determined by the Company's Compensation Committee and approved by the Board of Directors. The following Director Compensation Table sets forth a summary of compensation for services by the directors of the Company in their capacities as directors for the fiscal year ending April 30, 2016.

## Directors Compensation Table

Director Name	Fees Earned or Paid in Cash (\$)	Total (\$)
Fred K. Suzuki, President, Chairman of the Board, and Chief Executive Officer, Director of Research and Development and Director of Marketing <sup>(1)</sup>	\$2,500	\$2,500
James F. Schembri, Director	\$2,500	\$2,500
Lauane C. Addis, Director and Secretary	\$2,500	\$2,500
Laurence C. Mead, Director, Chief Operating Officer, Chief Financial Officer, Vice-President-Manufacturing and Development, Chief Accounting Officer, Treasurer, and Vice President – Regulatory Affairs <sup>(1)</sup>	\$2,500	\$2,500

(1) Does not include compensation received as an officer of the Company. See also "Summary Compensation Table" above for more information.

All officers and directors are reimbursed for out-of-pocket expenses incurred in connection with the Company's business. See "Certain Relationships and Related Party Transactions."

The Company's 401(k) retirement plan provides for the Company to match participant contributions up to 5% of the participant's compensation. Management of the Company believes it is important to provide a retirement plan for the benefit of its employees to retain key employees and provide its employees with retirement benefits.

Compensation Committee. The Company has a Compensation Committee of its Board of Directors. The Compensation Committee makes all decisions concerning the compensation of the officers and directors of the Company, including, but not limited to, the granting of options to acquire common stock of the Company. The current members of the Compensation Committee are James F. Schembri, director of the Company, and Lauane C. Addis, director and Secretary of the Company.

Compensation Committee Interlocks and Insider Participation. The members of the Company's Board of Directors serving as the Compensation Committee are set forth in the preceding paragraph. During the most recent fiscal year, none of the Company's executive officers served on the Compensation Committee (or equivalent), or the board of directors, of another entity whose executive officer(s) served either on the Company's Compensation Committee or on its Board of Directors.

Compensation Committee Charter. The Board of Directors has adopted a written charter for the Compensation Committee. A copy of the Compensation Committee Charter is available without charge upon request delivered to the Company at its principal executive offices.

Competitiveness of Company's Compensation System. The Compensation Committee of the Company's Board of Directors has reviewed and discussed the competitiveness of the Company's compensation system and has concluded that such system is competitive with the compensation systems of similar sized organizations operating in identical or similar industries.

Performance of the Compensation Committee. The Compensation Committee of the Company's Board of Directors has reviewed its performance during the fiscal year ending April 30, 2016 and has concluded that the Compensation Committee has performed all necessary duties and complied with all of its obligations as set forth in the Compensation Committee charter.

Executive Officer Bonus Program. The Compensation Committee adopted a bonus program for executive officers of the Company based on Company profitability. During the fiscal year ended April 30, 2016, \$17,784 was accrued for this program. The distribution of the bonus payouts under the bonus program is



determined with consultation from the Company's CEO. Effective for the fiscal year ending April 30, 2017, this bonus program has been terminated by the Compensation Committee.

Compensation Committee Report. The Compensation Committee of the Company's Board of Directors has reviewed and discussed the compensation discussion and analysis presented above with management and, based on that review and discussion, has recommended to the Company's Board of Directors that the compensation discussion and analysis be included in this Annual Report on Form 10-K/A.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The following table sets forth information as of April 30, 2016, as to the voting securities of the Company owned by the officers and directors of the Company and by each person who owns of record, or is known by the Company to own beneficially, more than 5% of any class of voting securities.

<u>Title of Class</u>	<u>Name and Address of Beneficial Owner</u>	<u>Amount and Nature of Beneficial Ownership</u>	<u>Percent of Class</u>
Common Stock	Fred K. Suzuki 710 S. Kennicott Arlington Heights, IL 60005	5,513,470 shares of record and beneficial <sup>(1)</sup>	36.92%
Common Stock	F.K. Suzuki International, Inc. 1940 E. Devon Ave. Elk Grove Village, IL 60007	4,484,470 shares of record and beneficial	30.02%
Common Stock	Jeanne S. Addis, Trustee of the Addis Family Equity Trust dated September 1, 2009 1819 Orleans Circle Elk Grove Village, IL 60007	4,484,470 shares of record and beneficial <sup>(2)</sup>	30.02%
Common Stock	James F. Schembri 3565 Port Cove Dr., #73 Waterford, MI 48328	1,291,500 shares of record and beneficial <sup>(3)</sup>	8.65%
Common Stock	Mary K. Friske 940 Bradley Court Palatine, IL 60074	41,000 shares of record and beneficial <sup>(4)</sup>	.27%
Common Stock	Laurence C. Mead 1151 Warwick Cir. North Hoffman Estates, IL 60169	60,250 shares of record and beneficial <sup>(5)</sup>	.40%
Common Stock	Beverly Suzuki 710 S. Kennicott Arlington Heights, IL 60005	820,000 shares of record and beneficial <sup>(6)</sup>	5.49%
Common Stock	Jennifer A. Rieck 27 Regency Circle, Unit B-1 Schaumburg, IL 60193	697,559 beneficial <sup>(7)</sup>	4.67%
Common Stock	Lauane C. Addis 1819 Orleans Circle Elk Grove Village, IL 60007	- <sup>(8)</sup>	-
Common Stock	All directors and officers as a group (6 members)	6,906,220	46.24%

(1) Fred K. Suzuki is President of F.K. Suzuki International, Inc. ("FKSI") and owns 30% of the outstanding common stock of FKSI. Mr. Suzuki personally holds of record 209,000 shares of the Company's common stock; however he is deemed to be beneficial

owner by reason of voting and disposition control of 4,484,470 shares which are owned by FKSI and 820,000 shares which are owned by him and Beverly R. Suzuki as joint tenants.

- (2) Jeanne S. Addis, as Trustee of the Addis Family Equity Trust dated September 1, 2009, owns 28.1% of the outstanding Common Stock of FKSI, which owns 30.02% of the Common Stock of the Company. Jeanne S. Addis as Trustee of the Addis Family Equity Trust dated September 1, 2009 is therefore deemed to be beneficial owner by reason of voting and disposition control of 4,484,470 shares owned by FKSI.
- (3) Included in the shares owned by James F. Schembri are 66,000 shares in Mr. Schembri's individual retirement account for the benefit of Mr. Schembri.
- (4) In addition to the Shares of outstanding common stock of the Company owned by Mary K. Friske, she also owns 700 shares, or approximately .7%, of the outstanding common stock of FKSI, which owns 30.02% of the common stock of the Company.
- (5) In addition to the common stock of the Company owned by Laurence C. Mead, he also owns 10,102 shares, or approximately 10%, of the outstanding common stock of FKSI, which owns 30.02% of the common stock of the Company.
- (6) Beverly R. Suzuki is deemed to be a beneficial owner by reason of voting and disposition control of 820,000 shares owned by her and Fred K. Suzuki as joint tenants.
- (7) Jennifer Rieck is the 50% beneficiary of the Addis Family Equity Trust dated September 1, 2009, which owns 28.1% of the outstanding stock of FKSI, which owns 30.02% of the common stock of the Company. Jennifer Rieck as a 50% beneficiary of the Addis Family Equity Trust dated September 1, 2009 is therefore deemed to be beneficial owner by reason of pecuniary benefit of 697,559 shares owned by FKSI.
- (8) Lauane Addis is neither a trustee nor a beneficiary under the Addis Family Equity Trust dated September 1, 2009. Thus, for purposes of this annual report on Form 10-K/A, Lauane Addis is not deemed to be beneficial owner by reason of either voting and disposition control or pecuniary benefit of any shares of stock in the Company.

Changes in Control. The Company does not know of any arrangements, the operation of which may at a subsequent date result in a change in control in the Company. There has not been a change in the control of the Company during the last fiscal year.

### Item 13. Certain Relationships and Related Transactions, and Director Independence.

At April 30, 2016, F.K. Suzuki International, Inc. ("FKSI") owed \$19,699 to the Company in connection with past shared common expenses. Since a portion of this receivable had been outstanding for a significant period of time, and FKSI was not in a position to reimburse the Company without the liquidation of all or a portion of its assets, including common stock of the Company, \$19,669 of the receivable balance was reclassified as a contra-equity account thus reducing FKSI's capital in the Company. See "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Lauane C. Addis, Secretary and Director, as a member of the law firm of Stahl Cowen Crowley Addis LLC, has represented the Company with respect to the preparation and filing of this Report. Mr. Addis, and other Members and associates of Stahl Cowen Crowley Addis LLC, perform other legal services for the Company from time to time, and it is anticipated such services will be performed by Mr. Addis and other members and associates of Stahl Cowen Crowley Addis LLC, in the future. During Fiscal 2016, the Company paid \$17,984 in legal fees to Stahl Cowen Crowley Addis LLC, some of which inured to the benefit of Mr. Addis in the form of distributions from the law firm. Mr. Addis is an officer, director and shareholder of the Company, and is also the son-in-law of Fred K. Suzuki, President and Chairman of the Board of Directors. See "Directors and Executive Officers of the Registrant" and "Security Ownership of Certain Beneficial Owners and Management."

Except with regard to the above, there were no other material transactions involving management of the Company or any third party during the last fiscal year which accrued to the benefit of officers or directors of the Company.

The discussion in Item 10 of this report regarding director independence is hereby incorporated by reference.

Item 14. Principal Accounting Fees and Services.

Sassetti LLC served as independent auditors for the fiscal years ended April 30, 2016 and 2015, and it has acted as auditors for the Company since August 29, 2009.

Audit Fees. Fees billed by Sassetti LLC totaled \$37,700 for year ended April 30, 2016. This amount includes fees for the annual audit for the fiscal year ending April 30, 2015 and reviews of all the Company's quarterly reports filed by the Company with the SEC during the fiscal year ended April 30, 2016. Fees billed by Sassetti, LLC totaled \$37,210 for year ended April 30, 2015. This amount includes fees for annual audit for fiscal year ending April 30, 2014 and reviews of all the Company's quarterly reports filed by the Company with the SEC during the fiscal year ended April 30, 2015.

Audit-Related Fees. Sassetti LLC did not bill any fees for professional services described in paragraph 9(e)(2) of Schedule 14A during the past two fiscal years.

Tax Fees. During the fiscal year ending April 30, 2016 and 2015, Sassetti LLC billed the Company \$3,950 each year for professional fees related to tax services rendered to the Company.

All Other Fees. Sassetti LLC did not bill for any fees for professional services described in Item 9(e)(4) of Schedule 14A during the past two fiscal years.

Audit Committee Review. The Company's Audit Committee is required to approve all non-audit services to be performed by the Company's auditors. In this respect, the Audit Committee has considered whether the provision of the tax services during the Company's fiscal year ending April 30, 2016 and April 30, 2015 was compatible with maintaining the independence of the Company's auditors. The Audit Committee has made a determination that the independence of Sassetti LLC will not be adversely affected as a result of performance of tax services for the Company, and therefore has approved the performance of such tax services for the fiscal years ending April 30, 2016 and April 30, 2015, respectively.

## Part IV

### Item 15. Exhibits, Financial Statement Schedules

The following financial statements, schedules and exhibits are filed as a part of this report:

(a) (1) Financial Statements.

Balance sheets for April 30, 2016 and 2015.

Statements of Income for the fiscal years ending April 30, 2016 and 2015.

Statements of Shareholders' Equity for the fiscal ending years April 30, 2016 and 2015.

Statements of Cash Flows for fiscal years ending April 30, 2016 and 2015.

Notes to financial statements.

(a) (2) List of Financial Statement Schedules:

No financial schedules for the fiscal years ending April 30, 2016 and 2015 are submitted.

Except as listed above, there are no financial statement schedules required to be filed by Item 8 of this Form 10-K/A except for those otherwise shown on the financial statements or notes thereto contained in this report.

(a)(3) The Following Exhibits are Filed as a Part of this Report:

2. Plan of Acquisition, reorganization, arrangement, liquidation or succession - none.
3.
  - a. Articles of Incorporation<sup>(1)</sup>
  - b. Amended and Restated By-Laws<sup>(2)</sup>
4. Instruments Defining the Rights of Security Holders, Including Indentures - none.
9. Voting Trust Agreements - none.
10. Material Contracts - none.
11. Statement Regarding Computation of Earnings Per Share - none.
13. Annual or Quarterly Reports to Security Holders - none.
14. Code of Ethics.  
(a) Amended and Restated Code of Ethics of Biosynergy, Inc., adopted as of June 28, 2016.
16. Letter Regarding Change in Certifying Accountants - none.
18. Letter Regarding Change in Accounting Principles - none.
19. Previously Unfiled Documents - none.

- 22. Subsidiaries of Registrant - none.
- 23. Published Report Regarding Matters Submitted to Vote of Security Holders - none.
- 24. Consent of Experts and Counsel - none.
- 25. Power of Attorney - none.
- 31.1 Certification of the Chief Executive Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934.  
Accompanying this Report.
- 31.2 Certification of the Chief Accounting Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934.  
Accompanying this Report.
- 32.1 Certification of the Chief Executive Officer pursuant to Rule 13a-14(b) under the Securities Exchange Act of 1934 and 18 U.S.C. Sect. 1350.  
Accompanying this Report.
- 32.2 Certification of the Chief Accounting Officer pursuant to Rule 13a-14(b) under the Securities Exchange Act of 1934 and 18 U.S.C. Sect. 1350.  
Accompanying this Report.

(99) Additional Exhibits - none

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- (1) Incorporated by reference to a Registration Statement filed on Form S-18 with the Securities and Exchange Commission, 1933 Act Registration Number 2-83015C, under the Securities Act of 1933, as amended.
  - (2) Incorporated by reference to the Company's Current Report filed on Form 8-K with the Securities and Exchange Commission as of July 2, 2009.
  - (b) Reports on Form 8K. No current reports on Form 8K were filed or were required to be filed during the last quarter covered by this report.

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

REGISTRANT: BIOSYNERGY, INC.

/s/ Fred K. Suzuki  
Fred K. Suzuki, Chairman of the  
Board, Chief Executive Officer  
and President

August 17, 2016  
Date

Pursuant to the requirements of Securities and Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

/s/ Fred K. Suzuki  
Fred K. Suzuki, Chairman of the  
Board, Chief Executive Officer  
and President

August 17, 2016  
Date

/s/ Lauane C. Addis  
Lauane C. Addis, Secretary  
and Director

August 17, 2016  
Date

# Biosynergy, Inc.

Financial Statements for the  
Years Ended April 30, 2016 and 2015

## C o n t e n t s

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Sassetti LLC  
Certified Public Accountants

The Board of Directors  
Biosynergy, Inc.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We have audited the accompanying balance sheets of Biosynergy, Inc. as of April 30, 2016 and 2015 and the related statements of income, stockholders' equity, and cash flows for the years then ended. Biosynergy's management is responsible for these financial statements. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company has determined that it is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Biosynergy, Inc. as of April 30, 2016 and 2015 and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

/s/ Sassetti LLC

July 28, 2016  
Oak Park, Illinois



Biosynergy, Inc.

Balance Sheets

April 30, 2016 and 2015

	<u>Assets</u>		<u>EXHIBIT A</u>
	April 30, 2016	April 30, 2015	
<b>Current assets</b>			
Cash	\$ 1,091,649	\$ 975,777	
Accounts receivable. Trade (net of allowance for doubtful accounts of \$500 in both 2016 and 2015)	192,051	162,988	
Inventories	108,960	155,394	
Prepaid expenses	<u>25,958</u>	<u>26,524</u>	
Total Current Assets	<u>1,418,618</u>	<u>1,320,683</u>	
<b>Equipment and leasehold improvements</b>			
Equipment	198,640	197,517	
Leasehold improvements	<u>20,022</u>	<u>20,022</u>	
	218,662	217,539	
Less accumulated depreciation and amortization	<u>203,276</u>	<u>195,278</u>	
Total equipment and leasehold improvements net	<u>15,386</u>	<u>22,261</u>	
<b>Other Assets</b>			
Patents less accumulated amortization	79,057	87,742	
Pending patents	60,788	43,950	
Deposits	<u>5,937</u>	<u>5,937</u>	
Total other assets	<u>145,782</u>	<u>137,629</u>	
	<u>\$ 1,579,786</u>	<u>\$ 1,480,573</u>	

The accompanying notes are an integral part of the financial statements.

Biosynergy, Inc.

Balance Sheets

April 30, 2016 and 2015

EXHIBIT A

Liabilities and Stockholders' Equity

	April 30, 2016	April 30, 2015
Current liabilities		
Accounts payable	\$ 4,595	\$ 15,514
Accrued compensation and payroll taxes	39,206	39,827
Other accrued liabilities	3,545	2,924
Accrued vacation	<u>21,835</u>	<u>17,977</u>
Total current liabilities	<u>69,181</u>	<u>76,242</u>
Deferred income taxes	<u>32,110</u>	<u>32,110</u>
Stockholders' equity		
Common stock, no par value: 20,000,000 authorized shares issued: 14,935,511 shares as of April 30, 2016 and 2015	660,988	660,988
Receivable from affiliate	(19,699)	(19,699)
Retained earnings	<u>837,206</u>	<u>730,932</u>
Total stockholders' equity	<u>1,478,495</u>	<u>1,372,221</u>
	<u>\$ 1,579,786</u>	<u>\$ 1,480,573</u>

The accompanying notes are an integral part of the financial statements.

Biosynergy, Inc.

Statements of Income

Years Ended April 30, 2016 and 2015

EXHIBIT B

	April 30	
	<u>2016</u>	<u>2015</u>
Net sales	\$ 1,337,952	\$ 1,360,768
Cost of sales	<u>414,794</u>	<u>428,360</u>
Gross profit	<u>923,158</u>	<u>932,408</u>
Operating expenses		
Marketing	199,183	198,884
General and administrative	421,373	428,322
Research and development	<u>157,444</u>	<u>149,218</u>
Total operating expenses	<u>778,000</u>	<u>776,424</u>
Income from operations	<u>145,158</u>	<u>155,984</u>
Other income		
Interest income	411	457
Other income	<u>1,920</u>	<u>1,920</u>
Total other income	<u>2,331</u>	<u>2,377</u>
Net income before income taxes	147,489	158,361
Provision for income taxes	<u>41,215</u>	<u>44,772</u>
Net income	<u>\$ 106,274</u>	<u>\$ 113,589</u>
Net income per common share - basic and diluted	<u>\$ 0.007</u>	<u>\$ 0.008</u>
Weighted-average shares of common stock outstanding - basic and diluted	<u>14,935,511</u>	<u>14,935,511</u>

The accompanying notes are an integral part of the financial statements.

Biosynergy, Inc.  
 Statements of Stockholders' Equity  
 Years Ended April 30, 2016 and 2015

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EXHIBIT C

	Common Stock				
	<u>Shares</u>	<u>Amount</u>	<u>Other and Related</u> <u>Receivable</u>	<u>Retained Earnings</u>	<u>Total</u>
Balance April 30, 2014	14935511	\$ 660,988	\$ (19,699)	\$ 617,343	\$ 1,258,632
Net Income	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 113,589</u>	<u>\$ 113,589</u>
Balance April 30, 2015	14935511	\$ 660,988	\$ (19,699)	\$ 730,932	\$ 1,372,221
Net Income	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 106,274</u>	<u>\$ 106,274</u>
Balance April 30, 2016	14935511	\$ 660,988	\$ (19,699)	\$ 837,206	\$ 1,478,495

The accompanying notes are an integral part of the financial statements.

Biosynergy, Inc.

Statements of Cash Flows

Years Ended April 30, 2016 and 2015

EXHIBIT D

	<u>Years Ended April 30</u>	
	<u>2016</u>	<u>2015</u>
<b>Cash flows from operating activities</b>		
Net income	\$ 106,274	\$ 113,589
Adjustments to reconcile net income to cash provided by operating activities		
Depreciation and amortization	16,683	18,517
Deferred income taxes	-	8,288
Abandonment of patent and patents pending	-	9,862
Changes in assets and liabilities		
Accounts receivable	(29,063)	27,761
Inventories, prepaid expenses and other	47,000	(30,346)
Accounts payable and accrued expenses	<u>(7,061)</u>	<u>(667)</u>
Total adjustments	<u>27,559</u>	<u>33,415</u>
Net cash provided by operating activities	<u>133,833</u>	<u>147,004</u>
<b>Cash flow from investing activities</b>		
Purchase of equipment	(1,123)	(1,616)
Patents and patents pending	<u>(16,838)</u>	<u>(34,139)</u>
Net cash used in investing activities	<u>(17,961)</u>	<u>(35,755)</u>
Increase in cash	<u>115,872</u>	<u>111,249</u>
Cash beginning of year	<u>975,777</u>	<u>864,528</u>
Cash end of year	<u>\$ 1,091,649</u>	<u>\$ 975,777</u>
<b>Supplemental disclosure of cash flow information</b>		
Income taxes paid	<u>\$ 37,800</u>	<u>\$ 32,974</u>
Interest paid	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of the financial statements.

Biosynergy, Inc.

Notes to Financial Statements

April 30, 2016 and 2015

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**Note 1 - Company Organization and Description**

Biosynergy, Inc. (the Company) was incorporated under the laws of the state of Illinois on February 9, 1976. The Company is primarily engaged in the development and marketing of medical, consumer and industrial thermometric and thermographic products that utilize cholesteric liquid crystals. The Company's primary product, the HemoTemp<sup>R</sup> II Blood Monitoring Device, accounted for about 90% of sales for the years ended April 30, 2016 and 2015. The products are sold to hospitals, clinical end users, laboratories and product dealers primarily located throughout the United States.

**Note 2 - Summary of Significant Accounting Policies**

Cash

The Company maintains all of its cash in bank deposit accounts, which at times may exceed federally insured limits. No losses have been experienced on such accounts. All cash is held with Bank of America, N.A., JPMorgan Chase Bank, N.A., and BMO Harris, N.A.

Receivables

Receivables are carried at original invoice less estimates made for doubtful receivables. Management determines the allowance for doubtful accounts by reviewing and identifying troubled accounts on a periodic basis by using historical experience applied to an aging of accounts. A receivable is considered to be past due if any portion of the receivable balance is outstanding for more than 30 days. Receivables are written off when deemed uncollectible. Recoveries of receivables previously written off are recorded when received.

Inventories

Inventories are valued using the FIFO (first-in, first-out) method at the lower of cost or market.

Depreciation and Amortization

Equipment and leasehold improvements are stated at cost. Depreciation is computed primarily using the straight-line method over the estimated useful lives of the respective assets. Repairs and maintenance are charged to expense as incurred. Renewals and betterments, which significantly extend the useful lives of existing equipment, are capitalized. Significant leasehold improvements are capitalized and amortized over 10 years or the term of the lease, if shorter. Equipment is depreciated over three to 10 years.

Biosynergy, Inc.

Notes to Financial Statements

April 30, 2016 and 2015

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**Note 2 - Summary of Significant Accounting Policies (Cont'd)**

Prepaid Expenses

Certain expenses, primarily insurance and income taxes, have been prepaid and will be used within one year.

Revenue Recognition

The Company recognizes net sales revenue upon the shipment of products to customers.

Shipping and Handling

Shipping and handling fees billed to customer, if any, are netted against the related costs which are included in cost of sales. The net cost is not material.

Income Taxes

Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due and deferred taxes related primarily to differences in the methods of accounting for patents, inventories, certain accrued expenses and bad debt expenses for financial and income tax reporting purposes. The deferred income taxes represent the future tax consequences of those differences, which will be taxable in the future. See Note 4 for additional information regarding income taxes.

The Company files tax returns in the U.S. federal jurisdiction and with the state of Illinois. Various tax years remain open to examinations, generally for three years after filing, although there are currently no ongoing tax examinations. Management's policy is to recognize interest and penalties related to uncertain tax positions in income tax expense. Management does not believe that there are any uncertain tax positions as of April 30, 2016.

Research and Development and Patents

Research and development expenditures are charged to operations as incurred. The costs of obtaining patents, primarily legal fees, are capitalized and, once obtained, are amortized over the life of the respective patent using the straight-line method.

Patents relate to products that have been developed and are being marketed by the Company. Patents pending relate to products under development. The Company wrote-off \$9,862 for the year ended April 30, 2015 for abandoned patents.

Biosynergy, Inc.

Notes to Financial Statements

April 30, 2016 and 2015

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**Note 2 - Summary of Significant Accounting Policies (Cont'd)**

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Income Per Common Share

Income per common share is computed by dividing net income by the weighted-average number of common shares outstanding during the period. Basic and diluted net income per common share is the same for the years ended April 30, 2016 and 2015 as there are no common stock equivalents.

Fair Value of Financial Instruments

The Company evaluates its financial instruments based on current market interest rates relative to stated interest rates, length to maturity and the existence of readily determinable market prices. Based on the Company's analysis, the fair value of financial instruments recorded on the balance sheets as of April 30, 2016 and 2015, approximates their carrying value.

Recent Accounting Pronouncements

The FASB issues ASUs to amend the authoritative literature in Accounting Standards Certification (ASC). There have been a number of ASUs to date that amend the original text of ASCs. Except for the ASUs listed below, those issued to date either (i) provide supplemental guidance, (ii) are technical corrections, (iii) are not applicable to the Company or (iv) are not expected to have a significant impact on the Company.

On February 25, 2016, the FASB issued Topic 842, its highly-anticipated leasing standard for both lessees and lessors. Under its core principle, a lessee will recognize lease assets and liabilities on the balance sheet for all arrangements with terms longer than 12 months. Lessor accounting remains largely consistent with existing U.S. GAAP. The amendments are effective for public companies for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. At inception, a lessee must classify all leases as either finance or operating. The Company intends to adopt Topic 842 upon extension of the current lease for its facilities in Elk Grove Village or upon entering into a new lease agreement for alternative facilities on or about May 1, 2018. The Company is investigating the effect of adoption of Topic 842 on its results of operations and financial condition. However, it is not anticipated that adoption of Topic 842 will have a material impact on the results of operations or financial condition of the Company.



Biosynergy, Inc.

Notes to Financial Statements

April 30, 2016 and 2015

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In May 2014, the Financial Accounting Standard Board (FASB) issued ASU 2014-09, Revenue from Contracts with Customers (Topic 606) (“ASU 2014-09”). ASU 2014-09 supersedes the revenue recognition requirements in ASC Topic 605, Revenue Recognition, and most industry-specific guidance. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This guidance is effective for annual reporting periods beginning after December 15, 2017, including interim periods within that reporting period, under either full or modified retrospective adoption. Early application is not permitted. The Company plans to adopt ASU 2014-09 beginning May 1, 2017, and management is currently assessing the potential effects of these changes to the Company’s consolidated financial statements.

Biosynergy, Inc.

Notes to Financial Statements

April 30, 2016 and 2015

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**Note 3 - Inventories**

Inventories consist of the following:

	<u>2016</u>	<u>2015</u>
Raw Materials	\$83,231	\$115,071
Work-in-process	16,303	28,384
Finished goods	<u>9,426</u>	<u>11,939</u>
	<u>\$108,960</u>	<u>\$155,394</u>

**Note 4 - Income Taxes**

The components of the deferred income tax (assets) and liabilities as of April 30, 2016 and 2015 are as follows:

	<u>2016</u>	<u>2015</u>
Total deferred tax liabilities		
Patents	\$38,330	\$34,875
Prepaid and other	<u>\$7,012</u>	<u>6,428</u>
	45,342	41,303
Total deferred tax assets		
Accrued vacation pay	(7,084)	(5,772)
Equipment and leaseholds	(4,488)	(1,805)
Other	<u>(1,660)</u>	<u>(1,616)</u>
	<u>(13,232)</u>	<u>(9,193)</u>
Net deferred income tax liabilities	<u>\$32,110</u>	<u>\$32,110</u>

Deferred income tax liabilities result primarily from prepaid expenses and capitalized legal costs associated with patents that are deducted immediately for income tax purposes. Deferred income tax assets result primarily from accrued vacation pay, which is not deducted for tax purposes unless it is paid within 2½ months of each year-end, other expenses, which are not deductible for tax purposes until paid and from differences between depreciation expense for book and tax purposes.

Biosynergy, Inc.

Notes to Financial Statements

April 30, 2016 and 2015

**Note 4 - Income Taxes (Continued)**

The provision for income taxes consists of the following components:

	<u>2016</u>	<u>2015</u>
Current		
Federal	\$30,695	\$25,836
State	<u>10,520</u>	<u>10,648</u>
	41,215	36,484
Deferred		
	<u>--</u>	<u>8,288</u>
	<u>\$41,215</u>	<u>\$44,772</u>

The differences between the U.S. federal statutory tax rate and the Company's effective tax rate are as follows:

	<u>2016</u>	<u>2015</u>
U.S. federal statutory tax rate	34.0%	34.0%
State income tax expense, net of federal tax benefit	6.0	6.0
Effect of graduated federal tax rates and other	<u>(12.06)</u>	<u>(11.7)</u>
Effective tax rate	<u>27.94%</u>	<u>28.3%</u>

**Note 5 - Related Party Transactions**

The Company and its affiliates are related through common stock ownership as follows as of April 30, 2016:

	<u>Stock of Affiliates</u>		
	<u>Biosynergy, Inc.</u>	<u>F.K. Suzuki International, Inc.</u>	<u>Medlab, Inc.</u>
F.K. Suzuki International, Inc.	30.0%	-	100%
Fred K. Suzuki, Officer	4.1	30.0	-
Jeanne S. Addis, as Trustee	-	28.1	-
James F. Schembri, Director	8.6	-	-
Mary K. Friske, Officer	0.3	0.7	-
Laurence C. Mead, Officer	0.4	10.0	-
Beverly R. Suzuki, Officer	2.7	-	-
Lauane C. Addis, Officer	-	-	-
[030027.0033/1611033/1]	6		

Biosynergy, Inc.

Notes to Financial Statements

April 30, 2016 and 2015

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**Note 5 - Related Party Transactions (Continued)**

As of April 30, 2016 and 2015, \$19,699 was due from F.K. Suzuki International, Inc. (FKSI). This balance is resulted from an allocation of common expenses charged to FKSI offset by advances received from time to time. No interest income is received or accrued by the Company. The financial condition of FKSI is such that it will likely be unable to repay the Company without liquidating a portion of its assets, including a portion of its ownership in the Company. As a result, the total receivable balance of \$19,699 was reclassified as a contra equity account.

A board member provides a variety of legal services to the Company in his capacity as a partner in a law firm. Fees for such legal services were \$17,984 and \$29,165 for the years ended April 30, 2016 and 2015, respectively.

**Note 6 - Lease Commitments**

In January 2015, the Company entered into a three-year lease agreement for its current facilities, which expires on April 30, 2018. The base rent under the lease escalates over the life of the lease. However, rent expense is recorded on a straight-line basis as required by accounting principles generally accepted in the United States of America. As of April 30, 2016, the Company's approximate total future minimum lease payments are as follows:

Year Ending April 30:

2017	\$86,675
2018	89,275

Also included in the lease agreement are escalation clauses for the lessor's increases in property taxes and other operating expenses. Rent expense was \$86,700 for fiscal year ended April 30, 2016 and \$70,200 for fiscal year ended April 30, 2015.

**Note 7 – Customer Concentrations**

Shipments to one customer amounted to approximately 28.3% and 29.6% of sales in fiscal years 2016 and 2015, respectively. As of April 30, 2016 and 2015, there were outstanding accounts receivable from this customer of approximately \$73,031 and \$76,475, respectively.

Shipments to another customer accounted for 37.5% and 33.2% of sales in fiscal years 2016 and 2015, respectively. As of April 30, 2016 and 2015, there were outstanding accounts receivable from this customer of approximately \$60,497 and \$43,415, respectively.

**Note 7 – Customer Concentrations (continued)**

The Company had export sales of \$49,240 during the last fiscal year, and export sales of \$140,300 during the fiscal year ending in 2015. The Company also believes that some of its medical devices were sold to distributors within the United States who resold the devices in foreign markets. However, the Company does not have any information regarding such sales, and such sales are not considered to be material.

The Company does not rely on any foreign operations other than its dealers and marketing representatives in their respective marketing areas. See "Marketing and Distribution." Foreign sales are contingent upon, among other factors, foreign trade regulations, value of the United States Dollar and, where required, government approval of the Company's products including CE Marketing requirements.

The Company is exposed to risks generally attendant to foreign operations, including but not limited to, trade restrictions, tariffs, embargos, foreign war and unrest and competition from foreign and domestic producers. Management believes the partial or total loss of foreign operations would not have a material impact on the Company's financial condition or results of operations.

**Note 8 – Employee Benefit Plan**

The Company sponsors a 401(k) plan for all full-time employees. Under the plan, a participant may elect to defer compensation (up to allowable limits). The Company's discretionary contributions for the years ended April 30, 2016 and 2015 were \$25,818 and \$25,785, respectively.

## EXHIBIT 14(A)

# AMENDED AND RESTATED CODE OF ETHICS OF BIOSYNERGY, INC.

June 6, 2016

### INTRODUCTION

The following Amended and Restated Code of Ethics is hereby adopted and ratified by the Board and shall be made available to all Employees. This Code applies to the Chief Executive Officer, Chief Financial Officer, President, Secretary and persons performing similar functions with the Company (the "Officers") and such Employees as the Directors may require.

The Company's continued success and its reputation within the community are dependent upon the integrity and conduct of the Company's Directors, Officers and Employees. In an effort to achieve the Company's goal to enhance its reputation for ethical conduct each of its' Officers and Employees are expected to conduct themselves in accordance with the highest standards of business and individual behavior.

The Board has adopted this Code of Ethics for the purpose of promoting:

- An understanding of the principles of conduct that the Employees and Officers are expected to adhere.
- Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- Full fair, accurate time and understandable disclosure in all reports and documents that the Company files with, or submits to, the Securities and Exchange Commission ("SEC") and in other public communications made by the Company that are within the Officer's area of responsibility;
- A means to review and reaffirm the high standards of conduct that are associated with ethical business practices;
- Compliance with applicable governmental laws, rules and regulations;
- The prompt internal reporting of violations of the Code; and
- Accountability for adherence to the Code.

Because the perception of the Company's ethical standards are built upon the ethical standards of its Employees, the Company may require that individual Officers and Employees sign a written affirmation of their adherence to this Code of Ethics from time to time.

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## CODE OF ETHICS

The nature of the Company's business requires careful attention to maintaining high standards of conduct and personal integrity. A violation of this Code of Ethics by any of the Company's Employees may result in disciplinary action, up to and including termination of said individual's relationship with the Company.

### I. DEFINITIONS

- A. "Board" shall mean the board of directors of Biosynergy.
- B. "Company" shall mean Biosynergy, Inc. an Illinois corporation.
- C. "Director" shall mean an individual member of the Board.
- D. "Employee" shall mean all common law employees, Officers and members of the Board of the Company.
- E. "Material Inside Information" is defined as information, which would affect a person's decision to purchase or sell a security and which has not been sufficiently disclosed to insure its availability to the investing public.
- F. "Officer(s)" shall mean the individuals filling the positions of President, Vice President(s), Treasurer and or Assistant Treasurer(s), Secretary and or Assistant Secretarie(s) and such other positions as created by the Board.
- G. "Review Procedure" shall mean the method of review for approval for a particular course of action requested by an Employee. Employees shall seek review of a particular course of action through the President. The President or and member of the Board should seek review of a particular course of action through the Board in its entirety and shall abstain from any debate on a proposed course of action and shall abstain from any vote or decision making process thereon.

Requests and responses for the review for approval of particular courses of action shall be in writing and shall be retained in the Company's records for a period of seven years. Because a written policy such as this Code of Ethics cannot address every possibility raised in the course of the conduct of the Company's business, each Employee must make it their responsibility to recognize and respond to circumstances and situations as they arise. Questions and concerns about ambiguous situations, conflicts of interest, Employee misconduct, and ethical standards should be addressed to the President, or if such a situation or circumstances involves the President, the Board.

### II. HONEST AND ETHICAL CONDUCT

#### A. **Duty of Officers and Employees.**

Each Officer and Employee owes a duty to the Company to act with integrity. Integrity requires, among other things, being honest and candid. Officers and Employees must adhere to a high standard of business ethics and are expected to make decisions and take actions based on the best interests of the Company, as a whole, and not based on personal relationships or benefits. Generally, a "conflict of



interest” occurs when a Officer’s or Employee’s personal interest is, or appears to be, inconsistent with, interferes with or is opposed to the best interests of the Company or gives the appearance of impropriety.

Business decisions and actions must be made in the best interests of the Company and should not be influenced by personal considerations or relationships. Relationships with the Company’s stakeholders - for example suppliers, competitors and customers - should not in any way affect an Officer’s or Employee’s responsibility and accountability to the Company. Conflicts of interest can arise when an Officer or Employee or a member of his or her family receives improper gifts, entertainment or benefits as a result of his or her position in the Company.

Specifically, each Officer and Employee must:

1. act with integrity, including being honest and candid while still maintaining the confidentiality of information when required or consistent with the Company’s policies;
2. avoid violations of the Code, including actual or apparent conflicts of interest with the Company in personal and professional relationships;
3. disclose to the Board or the Audit Committee any material transaction or relationship that could reasonably be expected to give rise to a breach of the Code, including actual or apparent conflicts of interest with the Company;
4. obtain approval from the Board or Audit Committee before making any decisions or taking any action that could reasonably be expected to involve or result in a conflict of interest or the appearance of a conflict of interest;
5. observe both the form and spirit of laws and governmental rules and regulations, accounting standards and Company policies;
6. maintain a high standard of accuracy and completeness in the Company’s financial records;
7. ensure full, fair, timely, accurate and understandable disclosure in the Company’s periodic reports filed from time-to-time with the SEC;
8. report any violations of the Code to the Board or Audit Committee;
9. proactively promote ethical behavior among peers in his or her work environment; and
10. maintain the skills appropriate and necessary for the performance of his or her duties.

### **III. CONFIDENTIAL INFORMATION**

All Officers and Employees should become familiar with the Company’s Unauthorized Disclosure Policy and the Company’s Electronic Communications and Computer Policy. All Officers and Employees are required to comply with all guidelines set forth in the aforementioned Company policies.

## **A. Confidential Information about Others**

All Officers and Employees must safeguard confidential and/or proprietary information about customers, potential customers, shareholders, Employees and third parties with the Company.

In particular:

1. Caution and discretion are required in the discussion, use, and sharing of information within the Company. Such matters should not be discussed among Officers and Employees unless there is a valid business reason (i.e. a “need to know”) for doing so.
2. Requests for information regarding current or former Officers and Employees should be referred to the Chief Executive Officer.
3. The disclosure of information concerning an applicant, customer, or third party is permitted, when and if the Officers or Directors, feel it is appropriate and warranted.
4. Officers and Employees should avoid any discussion of confidential information or relationships with third parties in public places.
5. Directors should act in good faith in matters involving a customer or prospect of the Company when that customer or prospect is a competitor, customer, or supplier of the Director. In such instances, the Director should use proper judgment when participating in any matters or discussions involving such matter, and in all cases should abstain on any matters during discussion or pertaining to a vote involving such matters.

## **B. Company Confidential Information**

The Company provides its Officers and Employees with access to its physical resources and proprietary information and with knowledge and experience in the technologies developed or used by the Company. Officers and Employees are responsible for the proper use of the Company’s physical resources and information. Accordingly, Officers and Employees may not disseminate, sell or otherwise use the Company’s physical resources or proprietary information for their personal benefit or for the benefit of a third party. This restriction continues to apply after employment terminates, regardless of the reason for termination. The proper use of resources includes uses only for those activities that are directly related to the Company business or that have been approved in advance by management.

Financial information about the Company is not to be discussed with or released to any person or entity unless it has been published in reports to the Company’s shareholders or otherwise made generally available to the public in the ordinary course of business as so determined by the Board, and the Officers.

Officers and Employees are strongly advised to refer all inquiries from the media to the attention of the Chief Executive Officer. Officers and Employees should obtain prior approval before discussing Company policies, procedures or affairs with a third party. This Code of Ethics insures that the message being conveyed to the media and other groups is consistent throughout the Company.

Officers and Employees should be aware that any product, program or writing developed or produced by Officers or Employees during work time, by using Company facilities or as a result of performing their responsibilities, is the property of the Company.

Officers and Employees should take appropriate steps to protect all of the Company's proprietary interests, both during and after employment by the Company. Further, copying any records for any purpose other than a necessary job-related activity is strictly prohibited. An Officer or Employee may not retain any Company records, information or copies thereof after termination of the Officer's or Employee's employment.

### **C. Third-Party Proprietary Information**

Officers and Employees are responsible for using the patented, copyrighted, or other proprietary material or information of a third party in compliance with applicable provisions of any contract between the Company and the third party. The Company, as well as individual Officers and Employees, may be held liable for both civil damages and criminal penalties for copyright, trademark, or patent infringement and for any other illegal or improper use of another's property. Officers and Employees must also be aware that other uses of third party materials or information, such as the duplication of computer software and the downloading of data from information retrieval services (databases), may also require the permission of a third party. Officers and Employees are encouraged to consult their immediate supervisor regarding the photocopying, duplication, reproduction, data downloading, or other use of proprietary material or information owned by a third party.

## **IV. CONFLICTS OF INTEREST**

A possible conflict of interest exists whenever an Employee has an interest in any entity or matter that may influence a decision or cloud the individual's judgment in the discharge of his or her responsibilities. All individuals should conduct their personal affairs so as to avoid conflicts of interest. As a result, joint business ventures amongst Officers and Directors are discouraged because the venture may imply Company sponsorship. In case of doubt, it is the individual's obligation to secure clarification and guidance from the Board.

It is the duty of every Officer and Employee to avoid any situation in which he or she, or a family member, might profit personally (directly or indirectly), or give the appearance of profiting personally, from Company facilities or from relationships with its customers.

Should a situation arise where an Officer or Employee becomes aware of irregularities, or non-compliance with provisions of this Code of Ethics regarding another Officer or Employee, confidential disclosure of such should be directed to the Chief Executive Officer or the Board.

### **A. Compensation and Gifts**

#### **1. General**

No Officer or Employee shall solicit or receive anything of value (be it money, goods, or services) in any amount, as a *quid pro quo* (something received or given as a personal reward for preferential action or service by an Officer or Employee) or as a "gratuity," in connection with the Company's business. This includes, for example, compensation of any kind from any source for rendering services of a type that might properly be performed by the Company as one of its regular services. An Officer or Employee may not do indirectly what he or she is prohibited from doing directly; e.g. arrange to have a prohibited gift made to a member of his or her family. Similarly, an Officer or Employee should avoid giving gifts, meals, or entertainment intended to

influence, or that might give the appearance of influencing, an Officer or Employee or a business decision. An Officer or Employee should never give any gift, meal or entertainment, as a *quid pro quo* or if it could pose a danger of compromising the receivers or attendee's judgment.

2. Permissible Gifts to Employees

- a. This Code of Ethics permits the acceptance of meals, refreshments or entertainment of up to \$100.00 in connection with a bonafide business purpose such as a seminar, conference, or other similar functions;
- b. This Code of Ethics permits the acceptance of gifts of less than \$50.00 for advertising or promotional items such as pens, pencils, note pads, key chains, calendars, or similar items; and
- c. This Code of Ethics permits the acceptance of civic, charitable, educational or religious organizational awards for recognition of services and accomplishment in an amount of \$100.00 or less.

The amounts specified above are intended to apply to individual events or transactions, but any repeat events or transactions within a year, especially from the same person or organization, that would cause the combined amounts to exceed the specified amounts should be reported to the President and preferably pre-approved by the Board.

If an individual covered by this Code of Ethics is offered, receives or anticipates receiving something of value beyond what is expressly authorized in this Code of Ethics, that individual should complete a disclosure form which should be retained by the Board.

If an Employee is offered or receives something of value, which he or she believes may be impermissible under this Code of Ethics, he or she shall disclose the matter by means of the Review Procedure. The reviewer, in turn, shall render a determination in writing that the item of value should be accepted or returned, giving due consideration to such issues as whether the item is reasonable in value and whether receipt poses a threat to the Company's interests. Such disclosures and resulting determinations shall be retained in the Employee's personnel file.

**B. Business Meals, Refreshments, Travel, Accommodations and Entertainment**

Payments for meals, refreshments, travel, accommodations or entertainment by an outside source are permitted, *if* they:

1. Are reasonable in amount;
2. Are expended in the course of a meeting or other occasion the purpose of which is to hold a bona fide business discussion or to foster better business relations;
3. Are unsolicited; and
4. The expense would be paid for by the Company as a business expense if not paid for by the outside source. Permissible items could include business luncheons or dinners, golf

or tennis outings, cab fare, attending a customer's annual Christmas party, entertainment, and travel arrangements and accommodations if reasonable in value.

Payment by an outside source for business meals, refreshments, travel, accommodations, and entertainment which is extravagant, a *quid pro quo*, or confers a benefit on the Officer or Employee or his or her spouse rather than the Company is impermissible. For example, use of a customer's property for the leisure of an Officer or Employee would not be permitted.

If an Officer or Employee is offered payments for business meals, refreshments, travel, accommodations or entertainment, which he/she believes may be impermissible under this Code of Ethics, the individual shall disclose the matter by means of the Review Procedure. The reviewer, in turn, shall render a determination in writing if payment for such service should be accepted, giving due consideration to the bonafides of the business purpose involved and the reasonableness of the value of such service under the circumstances.

## **V. OUTSIDE ACTIVITIES**

### **A. Community, Charitable and Professional Activities**

The Company encourages Officer and Employees to actively participate in community, charitable, and professional activities. An Officer or Employee must obtain approval by means of the Review Procedure if a Company relationship is involved. A Director must disclose the nature of the activity if a Company relationship is involved.

### **B. Outside Employment**

The Company generally discourages outside employment for Officers and full time Employees because the additional employment might affect the Officer's or Employee's performance of his or her principal duties at the Company and might possibly subject the Company to criticism or adverse publicity. Prior approval of outside employment must be obtained by means of the Review Procedure unless such employment was made known to and approved by the time such Officer or Employee was hired. The reviewer shall consult with the Chief Executive Officer and give particular scrutiny to factors bearing on the question of whether a conflict, or potential conflict, of interest could arise, such as whether the outside employer has a relationship with the Company (and, if so, its nature and extent) and whether the Officer or Employee would be in a position to influence impermissibly any decision by the Company concerning the outside employer.

### **C. Outside Business Interests (This section does not apply to Directors)**

Officers and Employees shall avoid situations in which they or their family members profit from a relationship with a company or other entity with which the Officer or Employee deals in the course of his or her duties at the Company.

## **VI. PERSONAL FINANCES; COMPLIANCE WITH LAWS**

### **A. Borrowing**

An Officer or Employee may not borrow from, or lend personal funds to the Company's customers or suppliers.

## **B. Personal Investments Prohibitions on Insider Trading**

Personal investments in any customer or supplier of goods or services which has credit or other relationships with the Company should not be made by an Officer or Employee except for investments in securities which are actively traded on recognized markets, or only upon approval obtained by means of the Review Procedure; and subject in all cases to the rules described below concerning insider trading. Directors and Officers may be asked to disclose such information in an annual statement.

Even if a personal investment has been approved, an Officer or Employee should not take part in a Company decision or attempt to influence a decision about that customer or supplier.

Officers and Employees are responsible for observing the Securities and Exchange Commission regulations, which prohibit purchase or sales of securities by persons having material inside information, and should be aware that material inside information concerning a company's plans or operations which has not been released to the public is confidential. Officers and Employees are prohibited from using material inside information for personal gain, from using such information for security transactions made on behalf of the Company and from using such information on behalf of a third party.

The Officers and Employees must respect and obey all applicable foreign, federal, state and local laws, rules and regulations applicable to the business and operations of the Company.

To assure compliance with applicable law, the actions of every Officer and Employee should be governed according to the following guidelines:

1. Material inside information must not be disclosed to anyone other than Officers or Employees who establish their need to know, and should not be discussed in public places.
2. Officers and Employees possessing material inside information relating to the Company shall not sell or buy the Company's securities, or disclose such information to persons outside the Company until the information has been effectively disclosed to the public and the public has had sufficient time to absorb and evaluate it.
3. Since material inside information may also have a material effect on the purchase or sale of securities of companies with which the Company is dealing, one possessing such information concerning such a company must not sell or buy the securities of that company or disclose this information to persons outside the Company until the information has been effectively disclosed to the public and the public has had sufficient time to absorb and evaluate it. Inquiries from financial analysts and investors and others affiliated with the financial investment communities should be answered only by the Chief Executive Officer, or the Vice President of Finance or Chief Financial Officer ("CFO"), or their respective designees. Securities laws impose severe sanctions and penalties, including monetary penalties, criminal fines and imprisonment, on any individual who fails to comply with the above guidelines. Liability for such individuals'

actions may also extend to the Company. The penalties range from monetary penalties to criminal fines.

In summary, no Officer or Employee shall buy or sell the Company's securities, or any other securities, based on material inside information.

## **VII. BUSINESS CONDUCT**

The Company conducts its affairs in strict conformity to all applicable legal requirements, generally accepted accounting principles and procedures, and the highest standards of business ethics. The following rules govern the application of this Code of Ethics to the areas of business and accounting practices and political contributions.

### **A. Business and Accounting Practices**

1. The Company's funds or assets shall not be used for any unlawful purpose.
2. No false or misleading entries shall be made in the Company's books and records for any purpose. All items of income or expense shall be appropriately recorded.
3. No payment by the Company shall be made with the intention or understanding that all or any part of such payment is to be used for any purpose other than that described in the Company's books and records.
4. No payment on behalf of the Company shall be approved without adequate supporting documentation or made with the intention or understanding that all or any part of such payment is to be used for any purpose other than that described by the documents supporting the payment.
5. The Company shall comply with generally accepted accounting principles and procedures and with established internal corporate controls and procedures.
6. Any Officer or Employee who has or obtains knowledge of, or information concerning, any actions prohibited by this section shall promptly notify the Chief Executive Officer, and the Vice President of Finance or CFO.
7. The Company may require submission of reports or statements with respect to compliance with this section by such Officers and other Employees, at such time or times, and in such form, as the Company may specify.

### **B. Political Contributions and Other Expenditures for Political Purposes**

1. The Company's funds and assets are not to be used to make any unlawful political contribution. For purposes of this section, the term "political contribution" shall be deemed to include not only the direct or indirect delivery of cash or property of the Company to a political party, candidate, committee or organization, but also (a) the reimbursement by the Company of any Officer or Employee of the Company or any other person for a political contribution made, or to be made, by such Officer or Employee or

other person or (b) the provision of services or of the use of property, or the making of a loan, to a political party, candidate, committee or organization by the Company, except in the ordinary course of the Company's business and on customary commercial terms.

2. Neither the Company, nor any person acting on its behalf, shall establish any unlawful program to solicit, collect or distribute political contributions from Officers or Employees.
3. No person receiving payment from the Company, whether as compensation for services or for any other purpose whatsoever, shall be under any obligation of any kind to the Company to utilize any amount of any such payment for the making of any political contribution and no Officer or Employee, or any other person acting on his or her behalf, shall seek to create or enforce any such obligation.
4. Nothing in this section is intended in any way to discourage Officers and Employees from active personal involvement in the political process, including the making of personal political contributions, or otherwise to limit the rights and obligations of Officers and Employees as responsible citizens.
5. Any Officer or Employee who has or obtains knowledge of, or information concerning, any action prohibited by this section shall promptly notify the Chief Executive Officer.

## **VIII. PROFESSIONAL RELATIONSHIP GUIDELINES**

### **A. Anti-Discrimination Policy**

All Officers and Employees must conduct their relationship with other Officers, Employees, customers, and the general public with courtesy and mutual respect. The Company operates under sound personnel policies and applies an equitable standard of fair treatment to all of its Officers and Employees. It also conducts its business dealings in a non-discriminatory manner and employs persons of varied backgrounds based upon their qualifications, without regard to age, color, gender, national origin, country of ancestral origin, sexual orientation, marital status, race, religion, handicap or disability, or veteran status. The Company does not tolerate any improper conduct among Officers and Employees, such as harassment of one Officer or Employee or by another, either directly, by mail, telephone, or other indirect means, such as electronic mail, etc. Appropriate corrective and disciplinary action will be taken if such improper conduct occurs. Supervisors and managers are expected to ensure that no Officer or Employee is subjected to harassment, intimidation, coercion, or retaliation.

For purposes of this Code of Ethics, harassment includes:

1. Derogatory expressions describing a member of the particular group;
2. Offensive jokes;
3. Graphics or cartoons that disparage a specific group or individual Employee;
4. Physical assault or threat of physical assault; and



5. Behavior clearly outside the bounds of professional interaction in a business environment.

## **B. Sexual Harassment Policy**

The Company's policy and goal is that all Officers and Employees have a right to work in an environment free from sexual harassment. Sexual harassment is a violation of federal law under Title VII of the Civil Rights Act of 1964 and is also against state law. The Company will not tolerate or permit any Officer or Employee to engage in sexual harassment of other Officers and Employees, in any form, and such conduct may result in disciplinary action, including discharge.

Federal and state law defines sexual harassment as follows:

“Unwelcome sexual advances, request for sexual favors, and other verbal or physical conduct of a sexual nature, constitute sexual harassment when (1) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment, (2) submission to or rejection of such conduct by an individual is used as the basis for an employment decision effecting such individual, or (3) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.”

Sexual harassment may take various forms and may be verbal, physical or visual. Sexual harassment may include repeated offenses of sexual flirtations, advances or propositions, continued or repeated verbal abuse of a sexual nature, graphic or verbal comments about an individual's or individuals' bodies, degrading words or names, sexually suggestive displays, pictures or objects in the workplace. A threat or insinuation, either explicitly or implicitly that an Officer's or Employee's refusal to submit to sexual advances will adversely affect the Officer's or Employee's work environment or any conditions of employment may also be sexual harassment. While these examples do not provide a complete list of what might be deemed to be sexual harassment under the law, it is hoped that any harassment problems will be avoided if everyone acts professionally and treats each other with respect.

If any individual believes that he or she has been sexually harassed, he or she should notify his or her immediate supervisor, or if the Officer or Employee chooses, the Chief Executive Officer. Any retaliation against an Officer or Employee bringing a complaint in good faith will not be tolerated. If the Officer or Employee requests that the complaint be treated with complete confidentiality, that request will be honored to the extent the law permits. Any complaint will be immediately and confidentially (to the extent possible) investigated, and any remedial action, which is necessary and appropriate, will be taken.

## **IX. DISCLOSURE OF COMPANY FINANCIAL INFORMATION**

As a result of the Company's status as a public company, it is required to file periodic and other reports with the SEC. The Company takes its public disclosure responsibility seriously and desire to ensure that these reports furnish the marketplace with full, fair, accurate, timely and understandable disclosure regarding the financial and business condition of the Company. All disclosures contained in reports and documents filed with or submitted to the SEC, or other government agencies on behalf of the Company or contained in other public communications made by the Company must be complete and correct in all material respects and understandable to the intended recipient.

## **A. Reports**

The Officers, in relation to their area of responsibility, must be committed to providing timely, consistent and accurate information in compliance with all legal and regulatory requirements. It is imperative that this disclosure be accomplished consistently during both good times and bad and that all parties in the marketplace have equal or similar access to this information.

## **B. Books and Records**

All of the Company's books, records, accounts and financial statements must be maintained in reasonable detail, must appropriately reflect the Company's transactions, and must conform both to applicable legal requirements and to the Company's system of internal controls. Unrecorded or "off the book" funds, assets or liabilities should not be maintained unless permitted by applicable law or regulation. Officers involved in the preparation of the Company's financial statements must prepare those statements in accordance with generally accepted accounting principles, consistently applied, and any other applicable accounting standards and rules so that the financial statements materially, fairly and completely reflect the business transactions and financial statements and related condition of the Company. Further, it is important that financial statements and related disclosures be free of material errors.

Specifically, each Officer must:

1. familiarize himself or herself with the disclosure requirements generally applicable to the Company;
2. not knowingly misrepresent, or cause others to misrepresent, facts about the Company to others, including the Company's independent auditors, governmental regulators, self-regulating organizations and other governmental officials;
3. to the extent that he or she participates in the creation of the Company's books and records, promote the accuracy, fairness and timeliness of those records; and
4. in relation to his or her area of responsibility, properly review and critically analyze proposed disclosure for accuracy and completeness.

## **XI. REPORTING ACTUAL AND POTENTIAL VIOLATIONS OF THE CODE AND ACCOUNTABILITY**

The Company, through the Board or the Audit Committee, is responsible for applying this Code to specific situations in which questions may arise and has the authority to interpret this Code in any particular situation. This Code is not intended to provide a comprehensive guideline for Officers and Employees in relation to their business activities with the Company. Any Officer or Employee may seek clarification on the application of this Code from the Board or the Audit Committee.

## **A. Obligations**

Each Officer and Employee must:

1. notify the Company of any existing or potential violation of this Code, and failure to do so is itself a breach of the Code; and
2. not retaliate, directly or indirectly, or encourage others to do so, against any Employee or Officer for reports, made in good faith, of any misconduct or violations of the Code solely because that Employee or Officer raised a legitimate ethical issue.

#### **B. Investigation**

The Board or the Audit Committee will take all action it considers appropriate to investigate any breach of the Code reported to it. All Officers, Directors and Employees are required to cooperate fully with any such investigations and to provide truthful and accurate information. If the Board or the Audit Committee determines that a breach has occurred, it will take or authorize disciplinary or preventative action as it deems appropriate, after consultation with the Company's counsel if warranted, up to and including termination of employment. Where appropriate, the Company will not limit itself to disciplinary action but may pursue legal action against the offending Officer or Employee involved. In some cases, the Company may have a legal or ethical obligation to call violations to the attention of appropriate enforcement authorities.

#### **C. Monitoring**

Compliance with the Code may be monitored by audits performed by the Board, Audit Committee, the Company's counsel and/or by the Company's outside auditors. All Officers, Directors and Employees are required to cooperate fully with any such audits and to provide truthful and accurate information.

#### **D. Waivers**

Any waiver of this Code for any Officer, Director or Employee may be given only by the Board or the Audit Committee and will be promptly disclosed to stockholders and others, as required by applicable law. The Company must disclose changes to and waivers of the requirements imposed by the Code in accordance with applicable law.

## **XII. CONCLUSION**

The Company conducts itself in business dealings so as to obey all applicable laws and regulations. Where the requirements of such laws and regulations are unclear, the advice of the Chief Executive Officer should be sought to secure interpretation and to ensure compliance. Officers and Employees are urged to review and refer to this Code of Ethics from time to time so as to refresh their recollection of the statutory and regulatory matters involved and the policies outlined herein.

**RECEIPT**

I have received and read a copy of the Biosynergy, Inc. Code of Ethics. I understand it is solely for the purpose of summarizing the Company's current policies and level of acceptable behavior, and it is not intended to be a contract or guarantee of employment or a guarantee of any specific terms or conditions of employment or procedural rights, and that certain portions of this Code of Ethics may need to be amended or eliminated from time to time without advance notice.

\_\_\_\_\_  
Officer / Employee name (printed)

\_\_\_\_\_  
Officer / Employee signature

Date: \_\_\_\_\_

EXHIBIT 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Fred K. Suzuki, certify that:

1. I have reviewed this Annual Report on Form 10-K/A of Biosynergy, 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(s) 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(s) 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.

Dated: August 17, 2016

/s/ Fred K. Suzuki

Fred K. Suzuki  
Chairman of the Board, Chief  
Executive Officer and President

## EXHIBIT 31.2

### CERTIFICATION OF CHIEF ACCOUNTING OFFICER

I, Laurence C. Mead, certify that:

1. I have reviewed this Annual Report on Form 10-K/A of Biosynergy, 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(s) 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(s) 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.

Dated: August 17, 2016

/s/ Laurence C. Mead

Laurence C. Mead  
Vice President/Manufacturing and  
Development, Chief Financial Officer, and  
Chief Accounting 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

In connection with the Annual Report of Biosynergy, Inc. (the “Company”) on Form 10-K/A for the year ending April 30, 2016, the undersigned hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that: (1) the Report fully complies with the requirements of Section 13(a) and 15(d) of the Securities and Exchange Act of 1934; and (2) the information contained in the Report fairly represents, in all material respects, the financial conditions and results of operations of the Company as of April 30, 2016, and for the period then ended.

Biosynergy, Inc.

Dated: August 17, 2016

/s/ Fred K. Suzuki

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Fred K. Suzuki  
Chairman of the Board, Chief  
Executive Officer and President

Exhibit 32.2

CERTIFICATION 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 Annual Report of Biosynergy, Inc. (the “Company”) on Form 10-K/A for the year ending April 30, 2016, the undersigned hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that: (1) the Report fully complies with the requirements of Section 13(a) and 15(d) of the Securities and Exchange Act of 1934; and (2) the information contained in the Report fairly represents, in all material respects, the financial conditions and results of operations of the Company as of April 30, 2016, and for the period then ended.

Biosynergy, Inc.

Dated: August 17, 2016

/s/ Laurence C. Mead

Laurence C. Mead  
Vice President/Manufacturing and  
Development, Chief Financial Officer, and  
Chief Accounting Officer