UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended July 1, 2017

Commission File Number: **001-37752**

CHROMADEX CORPORATION

(Exact Name of Registrant as Specified in its Charter)

Delaware	**26-2940963**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
10005 Muirlands Blvd. Suite G, Irvine, California	**92618**
(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number, including area code: (949) 419-0288

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

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Section 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 whether the registrant is a large accelerated filer, accelerated filer, non-accelerated filer, smaller reporting company or emerging growth company. See definition of "large accelerated filer, accelerated filer, smaller reporting company and emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer _____	Accelerated filer _X_
Non-accelerated filer _____	Smaller reporting company _____
(Do not check if smaller reporting company)	Emerging growth company _____

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

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

As of August 9, 2017 there were 46,093,894 shares of the registrant's common stock issued and outstanding.

CHROMADEX CORPORATION

QUARTERLY REPORT ON FORM 10-Q

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PART I – FINANCIAL INFORMATION (UNAUDITED)

ITEM 1. FINANCIAL STATEMENTS

ChromaDex Corporation and Subsidiaries

Condensed Consolidated Balance Sheets
July 1, 2017 and December 31, 2016

	July 1, 2017	December 31, 2016
Assets		
Current Assets		
Cash	**$ 14,138,607**	$ 1,642,429
Trade receivables, net of allowances of $736,000 and $1,081,000, respectively	**4,579,253**	5,852,030
Inventories	**7,794,182**	7,912,630
Prepaid expenses and other assets	**864,935**	329,854
Total current assets	**27,376,977**	15,736,943
Leasehold Improvements and Equipment, net	**3,372,879**	3,111,374
Deposits	**402,497**	397,207
Intangible assets, net	**1,767,811**	486,226
Longterm investment	**-**	20,318
Total assets	**$ 32,920,164**	$ 19,752,068
Liabilities and Stockholders' Equity		
Current Liabilities		
Accounts payable	**$ 3,131,759**	$ 5,978,288
Accrued expenses	**2,111,205**	2,170,172
Current maturities of capital lease obligations	**299,103**	255,461
Customer deposits and other	**503,850**	389,010
Deferred rent, current	**114,101**	76,219
Due to officer	**100,000**	-
Total current liabilities	**6,260,018**	8,869,150
Capital lease obligations, less current maturities	**393,184**	343,589
Deferred rent, less current	**547,539**	564,971
Total liabilities	**7,200,741**	9,777,710
Commitments and contingencies		
Stockholders' Equity		
Common stock, $.001 par value; authorized 150,000,000 shares; issued and outstanding July 1, 2017 45,571,891 shares and December 31, 2016 37,544,531 shares	**45,572**	37,545
Additional paid-in capital	**75,590,304**	55,160,387
Accumulated deficit	**(49,916,453)**	(45,223,574)
Total stockholders' equity	**25,719,423**	9,974,358
Total liabilities and stockholders' equity	**$ 32,920,164**	$ 19,752,068

See Notes to Consolidated Financial Statements.

ChromaDex Corporation and Subsidiaries

Condensed Consolidated Statements of Operations
For the Three Month Periods Ended July 1, 2017 and July 2, 2016

	July 1, 2017	July 2, 2016
Sales, net	**$ 5,306,855**	$ 8,829,579
Cost of sales	**3,044,086**	4,702,132
Gross profit	**2,262,769**	4,127,447
Operating expenses:		
Sales and marketing	**728,299**	698,031
Research and development	**849,962**	751,726
General and administrative	**2,657,573**	2,306,559
Other	**745,773**	-
Operating expenses	**4,981,607**	3,756,316
Operating income (loss)	**(2,718,838)**	371,131
Nonoperating expense:		
Interest expense, net	**(45,286)**	(144,786)
Loss on debt extinguishment	**-**	(313,099)
Nonoperating expenses	**(45,286)**	(457,885)
Loss before taxes	**(2,764,124)**	(86,754)
Provision for taxes	**-**	4,087
Net loss	**$ (2,764,124)**	$ (82,667)
Basic and diluted loss per common share	**$ (0.07)**	$ (0.00)
Basic and diluted weighted average common shares outstanding	**42,121,150**	36,990,032

See Notes to Consolidated Financial Statements.

ChromaDex Corporation and Subsidiaries

Condensed Consolidated Statements of Operations
For the Six Month Periods Ended July 1, 2017 and July 2, 2016

	July 1, 2017	July 2, 2016
Sales, net	**$ 9,755,977**	$ 16,161,524
Cost of sales	**5,740,555**	8,582,658
Gross profit	**4,015,422**	7,578,866
Operating expenses:		
Sales and marketing	**1,324,461**	1,242,753
Research and development	**1,514,152**	1,215,798
General and administrative	**5,040,719**	4,295,118
Other	**745,773**	-
Operating expenses	**8,625,105**	6,753,669
Operating income (loss)	**(4,609,683)**	825,197
Nonoperating expense:		
Interest expense, net	**(83,196)**	(332,487)
Loss on debt extinguishment	**-**	(313,099)
Nonoperating expenses	**(83,196)**	(645,586)
Income (loss) before income taxes	**(4,692,879)**	179,611
Provision for taxes	**-**	(6,653)
Net income (loss)	**$ (4,692,879)**	$ 172,958
Basic earnings (loss) per common share	**$ (0.12)**	$ 0.00
Diluted earnings (loss) per common share	**$ (0.12)**	$ 0.00
Basic weighted average common shares outstanding	**40,075,920**	36,702,037
Diluted weighted average common shares outstanding	**40,075,920**	37,470,066

See Notes to Consolidated Financial Statements.

ChromaDex Corporation and Subsidiaries

Condensed Consolidated Statement of Stockholders' Equity
For the Six Month Period Ended July 1, 2017

	Common Stock		Additional Paid-in	Accumulated	Total Stockholders'
	Shares	Amount	Capital	Deficit	Equity
Balance, January 1, 2017	37,544,531	$ 37,545	$55,160,387	$(45,223,574)	9,974,358
Issuance of common stock associated with the acquisition of Healthspan Research LLC	367,648	367	999,635	-	1,000,002
Exercise of stock options	3,202	3	6,620	-	6,623
Vested restricted stock	2,667	3	(3)	-	-
Share-based compensation	-	-	319,830	-	319,830
Net loss	-	-	-	(1,928,755)	(1,928,755)
Balance, April 1, 2017	37,918,048	$ 37,918	$56,486,469	$(47,152,329)	$ 9,372,058
Issuance of common stock, net of offering costs of $1,184,000	7,649,968	7,650	18,698,634	-	18,706,284
Exercise of stock options	1,875	2	5,342	-	5,344
Vested restricted stock	2,000	2	(2)	-	-
Share-based compensation	-	-	399,861	-	399,861
Net loss	-	-	-	(2,764,124)	(2,764,124)
Balance, July 1, 2017	**45,571,891**	**$ 45,572**	**$75,590,304**	**$(49,916,453)**	**$25,719,423**

See Notes to Consolidated Financial Statements.

ChromaDex Corporation and Subsidiaries

Condensed Consolidated Statements of Cash Flows
For the Six Month Periods Ended July 1, 2017 and July 2, 2016

	July 1, 2017	July 2, 2016
Cash Flows From Operating Activities		
Net income (loss)	$ (4,692,879)	$ 172,958
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Depreciation of leasehold improvements and equipment	264,235	159,370
Amortization of intangibles	89,803	38,415
Share-based compensation expense	719,691	657,637
Allowance for doubtful trade receivables	(344,055)	29,649
Loss from disposal of equipment	1,452	-
Non-cash loss on debt extinguishment	-	32,007
Non-cash financing costs	56,587	94,080
Changes in operating assets and liabilities:		
Trade receivables	1,628,288	(4,372,837)
Inventories	179,362	3,628,678
Prepaid expenses and other assets	(554,679)	(266,831)
Accounts payable	(2,950,302)	(3,892,582)
Accrued expenses	(62,174)	634,562
Customer deposits and other	114,840	(9,150)
Deferred rent	20,451	106,657
Due to officer	(32,500)	-
Net cash used in operating activities	(5,561,880)	(2,987,387)
Cash Flows From Investing Activities		
Purchases of leasehold improvements and equipment	(295,078)	(231,201)
Purchases of intangible assets	(183,958)	(195,000)
Net cash used in investing activities	(479,036)	(426,201)
Cash Flows From Financing Activities		
Proceeds from issuance of common stock, net of issuance costs	18,706,284	5,720,000
Proceeds from exercise of stock options	11,966	622,384
Payment of debt issuance costs	(42,279)	-
Principal payment on loan payable	-	(5,000,000)
Principal payments on capital leases	(138,877)	(108,249)
Net cash provided by financing activities	18,537,094	1,234,135
Net increase (decrease) in cash	12,496,178	(2,179,453)
Cash Beginning of Period	1,642,429	5,549,672
Cash Ending of Period	$ 14,138,607	$ 3,370,219
Supplemental Disclosures of Cash Flow Information		
Cash payments for interest	$ 26,611	$ 239,839
Supplemental Schedule of Noncash Investing Activity		
Noncash consideration transferred for the acquisition of Healthspan Research LLC	$ 1,187,430	$ -
Capital lease obligation incurred for the purchase of equipment	$ 232,114	$ -
Inventory supplied to Healthspan Research LLC for equity interest, at cost	$ -	$ 20,318
Retirement of fully depreciated equipment - cost	$ 55,947	$ 28,083
Retirement of fully depreciated equipment - accumulated depreciation	$ (55,947)	$ (28,083)

See Notes to Consolidated Financial Statements.

Note 1. Interim Financial Statements

The accompanying financial statements of ChromaDex Corporation and its wholly owned subsidiaries, ChromaDex, Inc., Healthspan Research, LLC, ChromaDex Analytics, Inc. and ChromaPharma, Inc. (collectively referred to herein as "ChromaDex" or the "Company" or, in the first person as "we", "us" and "our") include all adjustments, consisting of normal recurring adjustments and accruals, that, in the opinion of the management of the Company, are necessary for a fair presentation of the Company's financial position as of July 1, 2017 and results of operations and cash flows for the three and six months ended July 1, 2017 and July 2, 2016. These unaudited interim financial statements should be read in conjunction with the Company's audited financial statements and the notes thereto for the year ended December 31, 2016 appearing in the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission (the "Commission") on March 16, 2017. Operating results for the six months ended July 1, 2017 are not necessarily indicative of the results to be achieved for the full year ending on December 30, 2017. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

The balance sheet at December 31, 2016 has been derived from the audited financial statements at that date, but does not include all of the information and footnotes required by GAAP for complete financial statements.

Note 2. Nature of Business and Liquidity

Nature of business: The Company is a natural products company that discovers, acquires, develops and commercializes patented and proprietary ingredient technologies that address the dietary supplement, food, beverage, skin care and pharmaceutical markets. With the acquisition of Healthspan Research, LLC in March 2017, the Company now has a consumer product, which it plans to further develop and market. Along with the Company's ingredients segment that includes our consumer product business, the Company also has a core standards and contract services segment, which focuses on natural product fine chemicals (known as "phytochemicals") and chemistry and analytical testing services, and a regulatory consulting segment. As a result of the Company's relationships with leading universities and research institutions, the Company is able to discover and license early stage, intellectual property-backed ingredient technologies. The Company then utilizes its business to develop commercially viable proprietary ingredients. The Company's proprietary ingredient portfolio is backed with clinical and scientific research, as well as extensive intellectual property protection.

Liquidity: The Company has incurred loss from operations of approximately $4,610,000 and net loss of approximately $4,693,000 for the six-month period ended July 1, 2017. As of July 1, 2017, the cash and cash equivalents totaled approximately $14.1 million.

On April 26, 2017, the Company entered into a Securities Purchase Agreement with certain purchasers named therein, pursuant to which the Company agreed to sell and issue up to $25.0 million of its Common Stock in three tranches. The first and second tranche closed on April 27, 2017 and May 24, 2017, respectively, and the Company received $3.5 million and $16.4 million, respectively. The third tranche is expected to close following a related stockholder approval at the Company's special meeting on August 10, 2017.

While we anticipate that our current cash, cash equivalents, cash to be generated from operations and the funds from the financing transaction described above will be sufficient to meet our projected operating plans through at least August 11, 2018, we may require additional funds, either through additional equity or debt financings or collaborative agreements or from other sources. We have no commitments to obtain such additional financing, and we may not be able to obtain any such additional financing on terms favorable to us, or at all. If adequate financing is not available, the Company will further delay, postpone or terminate product and service expansion and curtail certain selling, general and administrative operations. The inability to raise additional financing may have a material adverse effect on the future performance of the Company.

Note 3. Significant Accounting Policies

Basis of presentation: The financial statements and accompanying notes have been prepared on a consolidated basis and reflect the consolidated financial position of the Company and its wholly owned subsidiaries. All significant intercompany balances and transactions have been eliminated from these financial statements. The Company's fiscal year ends on the Saturday closest to December 31, and the Company's normal fiscal quarters end on the Saturday 13 weeks after the last fiscal year end or fiscal quarter end. Every fifth or sixth fiscal year, the inclusion of an extra week occurs due to the Company's floating year-end date. The fiscal year 2016 ended on December 31, 2016 consisted of normal 52 weeks. The fiscal year 2017 ending on December 30, 2017 will also include the normal 52 weeks.

Adopted Accounting Pronouncements Fiscal 2017: In January 2017, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2017-01, Business Combinations (Topic 805): Clarifying the Definition of a Business. The ASU 2017-01 clarifies the definition of a business with the objective of adding guidance to assist companies and other reporting organizations with evaluating whether transactions should be accounted for as acquisitions of assets or businesses. The Company early adopted the amendments in this ASU effective as of January 1, 2017. On March 12, 2017, the Company acquired all of the outstanding equity interests of Healthspan Research, LLC ("Healthspan") pursuant to a Membership Interest Purchase Agreement by and among (i) Robert Fried, Jeffrey Allen and Dr. Charles Brenner (the "Sellers") and (ii) ChromaDex Corporation. Under ASU 2017-01, this transaction was treated as an acquisition of assets, rather than a business. For details on the acquisition of Healthspan, please refer to *Note 5. Acquisition and Related Party Transaction* appearing later on this report.

In March 2016, the FASB issued ASU 2016-09, Compensation - Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting to simplify the accounting for stock compensation. It focuses on income tax accounting, award classification, estimating forfeitures, and cash flow presentation. The Company adopted the amendments in this ASU effective as of January 1, 2017. The adoption of ASU 2016-09 did not have a material effect on our consolidated financial statements.

In July 2015, the FASB issued ASU 2015-11, Inventory (Topic 330) - Simplifying the Measurement of Inventory, which requires that inventories, other than those accounted for under Last-In-First-Out, will be reported at the lower of cost or net realizable value. Net realizable value is the estimated selling price less costs of completion, disposal and transportation. The Company adopted the amendments in this ASU effective as of January 1, 2017. The adoption of ASU 2015-11 did not have a material effect on our consolidated financial statements.

Recent accounting standards: In May 2014, the FASB issued ASU No. 2014-09, Revenue from Contracts with Customers: Topic 606 (ASU 2014-09), to supersede nearly all existing revenue recognition guidance under U.S. Generally Accepted Accounting Principles ("GAAP"). The core principle of ASU 2014-09 is to recognize revenues when promised goods or services are transferred to customers in an amount that reflects the consideration that is expected to be received for those goods or services. ASU 2014-09 defines a five step process to achieve this core principle and, in doing so, it is possible more judgment and estimates may be required within the revenue recognition process than required under existing U.S. GAAP including identifying performance obligations in the contract, estimating the amount of variable consideration to include in the transaction price and allocating the transaction price to each separate performance obligation. ASU 2014-09 is effective for us in our first quarter of fiscal 2018 using either of two methods: (i) retrospective to each prior reporting period presented with the option to elect certain practical expedients as defined within ASU 2014-09; or (ii) retrospective with the cumulative effect of initially applying ASU 2014-09 recognized at the date of initial application and providing certain additional disclosures as defined per ASU 2014-09. We are currently evaluating the impact of our pending adoption of ASU 2014-09 on our consolidated financial statements.

Note 4. Earnings Per Share Applicable to Common Stockholders

The following table sets forth the computations of earnings per share amounts applicable to common stockholders for the three and six months ended July 1, 2017 and July 2, 2016:

	Three Months Ended		Six Months Ended	
	July 1, 2017	**July 2, 2016**	**July 1, 2017**	**July 2, 2016**
Net income (loss)	**$ (2,764,124)**	$ (82,667)	**$ (4,692,879)**	$ 172,958
Basic weighted average common shares outstanding (1):	**42,121,150**	36,990,032	**40,075,920**	36,702,037
Basic earnings (loss) per common share	**$ (0.07)**	$ (0.00)	**$ (0.12)**	$ 0.00
Dilutive effect of stock options, net	**-**	-	**-**	726,879
Dilutive effect of warrants, net	**-**	-	**-**	41,750
Diluted weighted average common shares outstanding :	**42,121,150**	36,990,032	**40,075,920**	37,470,666
Diluted earnings (loss) per common share	**$ (0.07)**	$ (0.00)	**$ (0.12)**	$ 0.00
Potentially dilutive securities, total (2):				
Stock options	**5,965,172**	5,126,943	**5,965,172**	4,400,064
Warrants	**470,444**	487,111	**470,444**	445,361

(1) Includes approximately 0.5 million weighted average nonvested shares of restricted stock for the three and six month periods ending July 1, 2017, respectively, and approximately 0.4 million weighted average nonvested shares of restricted stock for the three and six month periods ending July 2, 2016, respectively. These shares are participating securities that feature voting and dividend rights.

(2) Excluded from the computation of diluted earnings (loss) per share as their impact is antidilutive.

Note 5. Asset Acquisition and Related Party Transaction

On March 12, 2017, the Company acquired all of the outstanding equity interests of Healthspan from Robert Fried, Jeffrey Allen and Dr. Charles Brenner (the "Sellers"). Robert Fried is a member of the Board of Directors ("Board") of the Company, a position he has held since July 2015.

Upon the closing of, and as consideration for, the acquisition, the Company issued an aggregate of 367,648 shares of the Company's common stock to the Sellers. The fair value of these shares was approximately $1.0 million based on the closing price of $2.72 per share on March 12, 2017. Also on March 12, 2017, the Company appointed Robert Fried as President and Chief Strategy Officer, effective immediately. Mr. Fried continues to serve as a member of the Board, but resigned as a member of the Nominating and Corporate Governance Committee of the Board.

Healthspan was formed in August 2015 to offer and sell finished bottle products that contain NIAGEN® directly to consumers through internet-based selling platforms. NIAGEN® is the leading ingredient the Company currently sells. Prior to the acquisition, the Company has supplied certain amount of NIAGEN® to Healthspan as a raw material inventory in exchange for a 4% equity interest in Healthspan. An additional 5% equity interest was received for granting certain exclusive rights to resell NIAGEN®.

The Company acquired the consumer product business model that Healthspan has established. Included in the business model acquired is the know-how marketing to date, and the designs and procedures needed to operate a consumer product business. This transaction was accounted for as an acquisition of assets. An intangible asset of approximately $1.35 million was recorded as a result of this acquisition, which is the difference of consideration transferred and the net amount of assets acquired and liabilities assumed.

(A) Consideration transferred

	Fair value
Common Stock	$ 1,000,000
Transaction costs	178,000
Previously held equity interest	20,000
	$ 1,198,000
Consumer product business model, intangible asset (A) -(B)	**$ 1,346,000**

(B) Net amount of assets and liabilities

	Fair value
Assets acquired	
Cash and cash equivalents	$ 19,000
Trade receivables	11,000
Inventory	61,000
Liabilities assumed	
Due to officer	(132,000)
Accounts payable	(74,000)
Credit card payable	(30,000)
Other accrued expenses	(3,000)
Net assets	**$ (148,000)**

The acquired intangible asset is considered to have a useful life of 10 years as we believe the economic benefits from the acquisition will last at least 10 years. The expense is amortized using the straight-line method over the useful life and the Company recognized an amortization expense of approximately $41,000 for the six months ended July 1, 2017.

In cancellation of a loan owed by Healthspan to Mr. Fried prior to the acquisition, the Company repaid $32,500 to Mr. Fried on March 13, 2017 and will also repay $100,000 on March 12, 2018. No interest is to be paid for the outstanding $100,000 due to Mr. Fried.

Note 6. Trade Receivables Allowances

The allowance amounts for the periods ended July 1, 2017 and December 31, 2016 are as follows:

	July 1, 2017	December 31, 2016
Allowances related to		
Customer C	**$ 500,000**	$ 800,000
Customer E	**184,000**	198,000
Other allowances	**52,000**	83,000
	$ 736,000	$ 1,081,000

Note 7. Inventories

The amounts of major classes of inventory as of July 1, 2017 and December 31, 2016 are as follows:

	July 1, 2017	December 31, 2016
Bulk ingredients	**$ 6,833,000**	$ 7,044,000
Reference standards	**1,052,000**	1,033,000
Dietary supplement - finished bottles	**23,000**	-
Dietary supplement - work-in-process	**48,000**	-
	7,956,000	8,077,000
Less valuation allowance	**(162,000)**	(164,000)
	$ 7,794,000	$ 7,913,000

Note 8. Employee Share-Based Compensation

Stock Option Plans

On June 20, 2017, the stockholders of the Company approved the ChromaDex Corporation 2017 Equity Incentive Plan (the "2017 Plan"). The 2017 Plan is intended to be the successor to the ChromaDex Corporation Second Amended and Restated 2007 Equity Incentive Plan (the "2007 Plan"). Under the 2017 Plan, the Company is authorized to issue stock options that total no more than the sum of (i) 3,000,000 new shares, (ii) approximately 384,000 unallocated shares remaining available for the grant of new awards under the 2007 Plan, and (iii) any returning shares from the 2007 Plan or the 2017 Plan, such as forfeited, cancelled, or expired shares.

Share-Based Compensation for Robert Fried

On March 12, 2017, the Board appointed Robert Fried, as President and Chief Strategy Officer. In connection with his appointment as President and Chief Strategy Officer, the Company granted an option to purchase up to 500,000 shares of ChromaDex common stock under the 2007 Plan, subject to monthly vesting over a three-year period. The Company also granted 166,667 shares of restricted stock, subject to annual vesting over a three-year period. The fair value measured for the granted restricted stock was approximately $453,000 and the expense is amortized over the vesting period of three years.

Service Period Based Stock Options

The following table summarizes activity of service period based stock options granted to employees at July 1, 2017 and changes during the six months then ended:

		Weighted Average			
	Number of Shares	Exercise Price	Remaining Contractual Term	Fair Value	Aggregate Intrinsic Value
Outstanding at December 31, 2016	4,281,151	$ 3.52	6.36		
Options Granted	693,334	2.89	10.00	$ 1.85	
Options Exercised	(3,202)	2.07			$ 3,000
Options Forfeited	(33,419)	3.53			
Outstanding at July 1, 2017	4,937,864	$ 3.43	6.40		$ 3,072,000
Exercisable at July 1, 2017	3,348,382	$ 3.43	5.09		$ 2,246,000

The aggregate intrinsic values in the table above are based on the Company's stock price of $3.82, which is the closing price of the Company's stock on the last day of business for the period ended July 1, 2017.

The fair value of the Company's stock options was estimated at the date of grant using the Black-Scholes option pricing model. The table below outlines the weighted average assumptions for options granted to employees during the six months ended July 1, 2017.

Six Months Ended July 1, 2017	
Expected term	5.8 years
Expected volatility	73%
Expected dividends	0.00%
Risk-free rate	2.13%

As of July 1, 2017, there was approximately $3,081,000 of total unrecognized compensation expected to be recognized over a weighted average period of 2.4 years.

Employee Share-Based Compensation

The Company recognized compensation expense of approximately $371,000 and $677,000 in general and administrative expenses in the statement of operations for the three and six months ended July 1, 2017, respectively, and approximately $314,000 and $621,000 for the three and six months ended July 2, 2016, respectively.

Note 9. Stock Issuance

On April 26, 2017, the Company entered into a Securities Purchase Agreement (the "SPA") with certain purchasers named therein, pursuant to which the Company agreed to sell and issue up to $25.0 million of its common stock at a purchase price of $2.60 per share in three tranches of approximately $3.5 million, $16.4 million and $5.1 million, respectively. The first two tranches closed during the three months ended July 1, 2017, whereby approximately 7.6 million shares were issued for proceeds of $19.9 million. The third tranche is expected to close following a related stockholder approval at the Company's special meeting on August 10, 2017.

Note 10. Business Segments

Since the year ended December 31, 2016, the Company has made operational changes to merge its scientific and regulatory consulting segment into core standards and contract services segment. Additionally, the consumer product operations recently acquired in connection with the Healthspan acquisition are categorized as a part of the ingredients segment.

As a result, the Company has the following two reportable segments:

- Ingredients segment develops and commercializes proprietary-based ingredient technologies and supplies these ingredients to consumers in finished products or as raw materials to the manufacturers of consumer products in various industries including the nutritional supplement, food and beverage and animal health industries.
- Core standards and contract services segment includes (i) supply of phytochemical reference standards, (ii) analytical and chemistry based services and (iii) scientific and regulatory consulting.

The "Corporate and other" classification includes corporate items not allocated by the Company to each reportable segment. Further, there are no intersegment sales that require elimination. The Company evaluates performance and allocates resources based on reviewing gross margin by reportable segment.

Three months ended July 1, 2017	Ingredients segment	Core Standards and Contract Services segment	Corporate and other	Total
Net sales	$ 3,004,656	$ 2,302,199	$ -	$ 5,306,855
Cost of sales	1,356,845	1,687,241	-	3,044,086
Gross profit	1,647,811	614,958	-	2,262,769
Operating expenses:				
Sales and marketing	453,668	274,631	-	728,299
Research and development	849,962	-	-	849,962
General and administrative	-	-	2,657,573	2,657,573
Other	745,773	-	-	745,773
Operating expenses	2,049,403	274,631	2,657,573	4,981,607
Operating income (loss)	$ (401,592)	$ 340,327	$ (2,657,573)	$ (2,718,838)

Three months ended July 2, 2016	Ingredients segment	Core Standards and Contract Services segment	Corporate and other	Total
Net sales	$ 6,241,749	$ 2,587,830	$ -	$ 8,829,579
Cost of sales	3,034,389	1,667,743	-	4,702,132
Gross profit	3,207,360	920,087	-	4,127,447
Operating expenses:				
Sales and marketing	399,700	298,331	-	698,031
Research and development	736,726	15,000	-	751,726
General and administrative	-	-	2,306,559	2,306,559
Operating expenses	1,136,426	313,331	2,306,559	3,756,316
Operating income (loss)	$ 2,070,934	$ 606,756	$ (2,306,559)	$ 371,131

Six months ended July 1, 2017	Ingredients segment	Core Standards and Contract Services segment	Corporate and other	Total
Net sales	$ 5,089,059	$ 4,666,918	$ -	$ 9,755,977
Cost of sales	2,271,612	3,468,943	-	5,740,555
Gross profit	2,817,447	1,197,975	-	4,015,422
Operating expenses:				
Sales and marketing	759,013	565,448	-	1,324,461
Research and development	1,514,152	-	-	1,514,152
General and administrative	-	-	5,040,719	5,040,719
Other	745,773	-	-	745,773
Operating expenses	3,018,938	565,448	5,040,719	8,625,105
Operating income (loss)	$ (201,491)	$ 632,527	$ (5,040,719)	$ (4,609,683)

Six months ended July 2, 2016	Ingredients segment	Core Standards and Contract Services segment	Corporate and other	Total
Net sales	$ 10,842,375	$ 5,319,149	$ -	$ 16,161,524
Cost of sales	5,133,551	3,449,107	-	8,582,658
Gross profit	5,708,824	1,870,042	-	7,578,866
Operating expenses:				
Sales and marketing	731,443	511,310	-	1,242,753
Research and development	1,200,798	15,000	-	1,215,798
General and administrative	-	-	4,295,118	4,295,118
Operating expenses	1,932,241	526,310	4,295,118	6,753,669
Operating income (loss)	$ 3,776,583	$ 1,343,732	$ (4,295,118)	$ 825,197

At July 1, 2017	Ingredients segment	Core Standards and Contract Services segment	Corporate and other	Total
Total assets	$ 13,413,963	$ 3,982,296	$ 15,523,905	$ 32,920,164

At December 31, 2016	Ingredients segment	Core Standards and Contract Services segment	Corporate and other	Total
Total assets	$ 13,257,289	$ 3,918,440	$ 2,576,339	$ 19,752,068

Disclosure of major customers

Major customers who accounted for more than 10% of the Company's total sales were as follows:

Major Customers	Three months ended		Six months ended	
	July 1, 2017	July 2, 2016	July 1, 2017	July 2, 2016
Customer C (Ingredients segment)	*	34.5%	*	31.3%
Customer F (Ingredients and Core segment)	11.9%	*	*	*

* Represents less than 10%.

Major customers who accounted for more than 10% of the Company's total trade receivables were as follows:

Major Customers	Percentage of the Company's Total Trade Receivables	
	At July 1, 2017	At December 31, 2016
Customer C (Ingredients segment)	48.8%	45.8%
Customer D (Ingredients and Core segment)	*	10.2%

* Represents less than 10%.

Note 11. Commitments and Contingencies

Legal proceedings

On December 29, 2016, ChromaDex, Inc. filed a complaint (the "Complaint") in the United States District Court for the Central District of California, naming Elysium Health, Inc. as defendant. Among other allegations, ChromaDex, Inc. alleges in the Complaint that (i) Elysium breached the Supply Agreement, dated June 26, 2014, by and between ChromaDex, Inc. and Elysium Health, LLC ("Elysium") (the "pTeroPure® Supply Agreement"), by failing to make payments to ChromaDex, Inc. for purchases of pTeroPure® pursuant to the pTeroPure® Supply Agreement, (ii) Elysium breached the Supply Agreement, dated February 3, 2014, by and between ChromaDex, Inc. and Elysium, as amended (the "NIAGEN® Supply Agreement"), by failing to make payments to ChromaDex, Inc. for purchases of NIAGEN® pursuant to the NIAGEN® Supply Agreement, (iii) Elysium breached the Trademark License and Royalty Agreement, dated February 3, 2014, by and between ChromaDex, Inc. and Elysium (the "License Agreement"), by failing to make payments to ChromaDex, Inc. for royalties due pursuant to the License Agreement and (iv) certain officers of Elysium made false promises and representations to induce ChromaDex, Inc. into providing large supplies of pTeroPure® and NIAGEN® to Elysium pursuant to the pTeroPure® Supply Agreement and NIAGEN® Supply Agreement. ChromaDex, Inc. is seeking punitive damages, money damages and interest.

On January 25, 2017, Elysium filed an answer and counterclaims (the "Counterclaim") in response to the Complaint. Among other allegations, Elysium alleges in the Counterclaim that (i) ChromaDex, Inc. breached the NIAGEN® Supply Agreement by not issuing certain refunds or credits to Elysium and for violating certain confidential information provisions, (ii) ChromaDex, Inc. breached the implied covenant of good faith and fair dealing pursuant to the NIAGEN® Supply Agreement, (iii) ChromaDex, Inc. breached certain confidential provisions of the pTeroPure® Supply Agreement, (iv) ChromaDex, Inc. fraudulently induced Elysium into entering into the License Agreement (the "Fraud Claim"), (v) ChromaDex, Inc.'s conduct constitutes misuse of its patent rights (the "Patent Claim") and (vi) ChromaDex, Inc. has engaged in unlawful or unfair competition under California state law (the "Unfair Competition Claim"). Elysium is seeking damages for ChromaDex, Inc.'s alleged breaches of the NIAGEN® Supply Agreement and pTeroPure® Supply Agreement, and compensatory damages, punitive damages and/or rescission of the License Agreement and restitution of any royalty payments conveyed by Elysium pursuant to the License Agreement.

On February 15, 2017, ChromaDex, Inc. filed an amended complaint. In the amended complaint, ChromaDex, Inc. re-alleges the claims in the Complaint, and also alleges that Elysium willfully and maliciously misappropriated ChromaDex, Inc.'s trade secrets. On February 15, 2017, ChromaDex, Inc. also filed a motion to dismiss the Fraud Claim, the Patent Claim and the Unfair Competition Claim. On March 1, 2017, Elysium filed a motion to dismiss ChromaDex, Inc.'s fraud and trade secret misappropriation causes of action. On March 6, 2017, Elysium filed a first amended counterclaim. On March 20, 2017, ChromaDex, Inc. moved to dismiss Elysium's amended fraud, patent misuse and the Unfair Competition Claim. On May 10, 2017, the court ruled on the motions to dismiss, denying ChromaDex, Inc.'s motion as to Elysium's fraud and patent misuse claims and granting ChromaDex, Inc.'s motion with prejudice as to Elysium's Unfair Competition Claim. With respect to Elysium's motion, the court granted the motion with prejudice as to ChromaDex, Inc.'s fraud claim and granted with leave to amend the motion as to ChromaDex, Inc.'s trade secret misappropriation claims. On May 24, 2017, ChromaDex, Inc. answered the first amended counterclaim and asserted several affirmative defenses. Also on May 24, 2017, ChromaDex, Inc. filed a second amended complaint, amending the trade secret misappropriation claims and addressing Elysium's patent misuse counterclaim. On June 7, 2017, ChromaDex, Inc. filed a third amended complaint dismissing the trade secret misappropriation claims and asserting two breach of contract claims for Elysium's failure to pay for the product delivered. On June 16, 2017, Elysium answered the third amended complaint. On July 17, 2017, Elysium filed petitions with the U.S. Patent and Trademark Office for inter partes review of U.S. Patent No. 8,197,807 and 8,383,086, patents to which ChromaDex, Inc. is the exclusive licensee.

As of July 1, 2017, ChromaDex, Inc. did not accrue a potential loss for the Counterclaim because ChromaDex, Inc. believes that the allegations are without merit and thus it is not probable that a liability had been incurred, and the amount of loss cannot be reasonably estimated.

From time to time we are involved in legal proceedings arising in the ordinary course of our business. We believe that there is no other litigation pending that is likely to have, individually or in the aggregate, a material adverse effect on our financial condition or results of operations.

Lease

Subsequent to the period ended July 1, 2017, the Company entered into a lease for an office space located in Los Angeles, California through September 2021. Pursuant to the lease, the Company will make monthly lease payments ranging from approximately $11,000 to $21,000, as the payments escalate during the term of the lease.

Employment agreement with Robert Fried

On March 12, 2017, the Company entered into an Employment Agreement (the "Fried Agreement") with Robert Fried. Mr. Fried is entitled to receive certain severance payments per the terms of the Fried Agreement. The key terms of the Fried Agreement, including the severance terms are as follows:

Mr. Fried is entitled to: (i) an annual base salary of $300,000; (ii) an annual cash bonus equal to (a) 1% of net direct-to-consumer sales of products with nicotinamide riboside as a lead ingredient by the Company plus (b) 2% of direct to consumer net sales of products with nicotinamide riboside as a lead ingredient for the portion of such sales that exceeded prior year sales plus (c) 1% of the gross profit derived from nicotinamide riboside ingredient sales to dietary supplement producers; (iii) an option to purchase up to 500,000 shares of Common Stock under the 2007 plan, subject to monthly vesting over a three-year period; and (iv) 166,667 shares of restricted Common Stock, subject to annual vesting over a three-year period.

Subject to Mr. Fried's continuous service through such date, Mr. Fried is also eligible to receive (i) on March 12, 2018, 166,667 shares of restricted Common Stock, subject to annual vesting over a two-year period, (ii) on March 12, 2019, 166,666 shares of restricted Common Stock that vest in full on the one year anniversary of the grant date and (iii) up to 500,000 shares of fully-vested restricted Common Stock that will be granted upon the achievement of certain performance goals. Any unvested options or shares of restricted stock will vest in full upon (a) a change in control of the Company, (b) Mr. Fried's death, (c) Mr. Fried's disability, (d) termination by the Company of Mr. Fried's employment without cause or (e) Mr. Fried's resignation for good reason, subject in each case to Mr. Fried's continuous service as an employee or consultant of the Company or any of its subsidiaries though such event.

The severance terms of the Fried Agreement provide that if (i) Mr. Fried's employment is terminated by the Company without cause, for death or disability, or Mr. Fried resigns for good reason, or (ii) (a) a change in control of the Company occurs and (b) within one month prior to the date of such change in control or twelve months after the date of such change in control R. Fried's employment is terminated by the Company other than for cause, then, subject to executing a release, Mr. Fried will receive (w) continuation of his base salary for 12 months, (x) health care continuation coverage payments premiums for 12 months, (y) a prorated annual cash bonus earned for the fiscal year in which such termination or resignation occurs, and (z) an extended exercise period for his options

Note 12. Other Expense

Loss from an ongoing litigation, Elysium Health, Inc.

During the three months ended July 1, 2017, the Company, in relation to the ongoing litigation, incurred a write-off of approximately $746,000 in gross trade receivable from Elysium Health, Inc. related to royalties. As a result of this write-off and after further analysis, the Company made an adjustment to the total allowance amount from ($800,000) to ($500,000).

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

Certain statements in this Management's Discussion and Analysis ("MD&A"), other than purely historical information, including estimates, projections, statements relating to our business plans, objectives and expected operating results, and the assumptions upon which those statements are based, are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "may," "would," "expect," "intend," "could," "estimate," "should," "anticipate," or "believe," and similar expressions. Forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties which may cause actual results to differ materially from the forward-looking statements. We undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events, or otherwise. Readers should carefully review the risk factors and related notes set forth below in Part II, Item 1A, "Risk Factors" and included under Part I, Item 1A, "Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2016 filed with the Securities and Exchange Commission on March 16, 2017 (our "Annual Report").

The following MD&A is intended to help readers understand the results of our operation and financial condition, and is provided as a supplement to, and should be read in conjunction with, our Interim Unaudited Financial Statements and the accompanying Notes to Interim Unaudited Financial Statements under Part 1, Item 1 of this Quarterly Report on Form 10-Q.

Growth and percentage comparisons made herein generally refer to the three and six months ended July 1, 2017 compared with the three and six months ended July 2, 2016 unless otherwise noted. Unless otherwise indicated or unless the context otherwise requires, all references in this document to "we," "us," "our," the "Company," and similar expressions refer to ChromaDex Corporation, and depending on the context, its subsidiaries.

Company Overview

The business of ChromaDex Corporation is conducted by our principal subsidiaries, ChromaDex, Inc., Healthspan Research, LLC, ChromaDex Analytics, Inc. and ChromaPharma, Inc. The Company is a natural products company that leverages its complementary business units to discover, acquire, develop and commercialize patented and proprietary ingredient technologies that address the dietary supplement, food, beverage, skin care and pharmaceutical markets. With the recent acquisition of Healthspan Research, LLC, the Company is also selling consumer products. Along with our ingredients segment that includes our consumer product business, the Company also has a core standards and contract services segment, which focuses on (i) natural product fine chemicals (known as "phytochemicals") (ii) chemistry and analytical testing services, and (iii) scientific and regulatory consulting. As a result of the Company's relationships with leading universities and research institutions, the Company is able to discover and license early stage, intellectual property-backed ingredient technologies. The Company then utilizes the Company's business segments to develop commercially viable proprietary ingredients. The Company's proprietary ingredient portfolio is backed with clinical and scientific research, as well as extensive intellectual property protection.

The discussion and analysis of our financial condition and results of operations is based on our financial statements, which have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). The preparation of these financial statements requires our management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported revenues, if any, and expenses during the reporting periods. On an ongoing basis, we evaluate such estimates and judgments, including those described in greater detail below. We base our estimates on historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

As of July 1, 2017, the Company had approximately $14.1 million cash and cash equivalents on hand. On April 26, 2017, the Company entered into a Securities Purchase Agreement with certain purchasers named therein, pursuant to which the Company agreed to sell and issue up to $25.0 million of its Common Stock in three tranches. The first and second tranche closed on April 27, 2017 and May 24, 2017, respectively, and the Company received $3.5 million and $16.4 million, respectively. The third tranche is expected to close following a related stockholder approval at the Company's special meeting on August 10, 2017. We anticipate that our current cash, cash equivalents, cash to be generated from operations and the funds from the financing transaction described above will be sufficient to meet our projected operating plans through at least August 11, 2018. We may, however, seek additional capital prior to August 11, 2018, both to meet our projected operating plans after August 11, 2018 and/or to fund our longer term strategic objectives.

Additional capital may come from public and/or private stock or debt offerings, borrowings under lines of credit or other sources. These additional funds may not be available on favorable terms, or at all. Further, if we issue equity or debt securities to raise additional funds, our existing stockholders may experience dilution and the new equity or debt securities we issue may have rights, preferences and privileges senior to those of our existing stockholders. In addition, if we raise additional funds through collaboration, licensing or other similar arrangements, it may be necessary to relinquish valuable rights to our products or proprietary technologies, or to grant licenses on terms that are not favorable to us. If we cannot raise funds on acceptable terms, we may not be able to develop or enhance our products, obtain the required regulatory clearances or approvals, achieve long term strategic objectives, take advantage of future opportunities, or respond to competitive pressures or unanticipated customer requirements. Any of these events could adversely affect our ability to achieve our development and commercialization goals, which could have a material and adverse effect on our business, results of operations and financial condition. If we are unable to establish small to medium scale production capabilities through our own plant or though collaboration, we may be unable to fulfill our customers' requirements. This may cause a loss of future revenue streams as well as require us to look for third-party vendors to provide these services. These vendors may not be available, or charge fees that prevent us from pricing competitively within our markets.

Financial Condition and Results of Operations

The discussion and analysis of our financial condition and results of operations is based on our financial statements, which have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). The preparation of these financial statements requires our management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported revenues, if any, and expenses during the reporting periods. On an ongoing basis, we evaluate such estimates and judgments, including those described in greater detail below. We base our estimates on historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Some of our operations are subject to regulation by various state and federal agencies. In addition, we expect a significant increase in the regulation of our target markets. Dietary supplements are subject to Food and Drug Administration (the "FDA"), Federal Trade Commission and U.S. Department of Agriculture regulations relating to composition, labeling and advertising claims. These regulations may in some cases, particularly with respect to those applicable to new ingredients, require a notification that must be submitted to the FDA along with evidence of safety. There are similar regulations related to food additives.

Our net sales and net income (loss) for the three- and six-month periods ending on July 1, 2017 and July 2, 2016 were as follows:

	Three months ending		Six months ending	
	July 1, 2017	July 2, 2016	**July 1, 2017**	July 2, 2016
Net sales	**$ 5,307,000**	$ 8,830,000	**$ 9,756,000**	$ 16,162,000
Net income (loss)	**(2,764,000)**	(83,000)	**(4,693,000)**	173,000
Basic earnings (loss) per common share	**$ (0.07)**	$ (0.00)	**$ (0.12)**	$ 0.00
Diluted earnings (loss) per common share	**$ (0.07)**	$ (0.00)	**$ (0.12)**	$ 0.00

Over the next twelve months, we plan to continue to increase research and development efforts for our line of proprietary ingredients, subject to available financial resources.

Net Sales

Net sales consist of gross sales less discounts and returns.

	Three months ending			Six months ending		
	July 1, 2017	July 2, 2016	Change	**July 1, 2017**	July 2, 2016	Change
Net sales:						
Ingredients	**$ 3,005,000**	$ 6,242,000	-52%	**$ 5,089,000**	$10,842,000	-53%
Core standards and contract services	**2,302,000**	2,588,000	-11%	**4,667,000**	5,320,000	-12%
Total net sales	**$ 5,307,000**	$ 8,830,000	-40%	**$ 9,756,000**	$16,162,000	-40%

- The decrease in sales for the ingredients segment for the three and six months ended July 1, 2017 is mainly due to decreased sales of "NIAGEN®." During the six months ended July 1, 2017, we did not ship NIAGEN® to certain customers that placed large orders during the six months ended July 2, 2016.
- The decrease in sales for the core standards and contract services segment is primarily due to decreased sales of analytical testing and contract services.

Cost of Sales

Cost of sales include raw materials, labor, overhead, and delivery costs.

	Three months ending				Six months ending			
	July 1, 2017		July 2, 2016		**July 1, 2017**		July 2, 2016	
	Amount	% of net sales	Amount	% of net sales	Amount	% of net sales	Amount	% of net sales
Cost of sales:								
Ingredients	**$ 1,357,000**	45%	$ 3,035,000	49%	**$ 2,272,000**	45%	$ 5,134,000	47%
Core standards and contract services	**1,687,000**	73%	1,667,000	64%	**3,469,000**	74%	3,449,000	65%
Total cost of sales	**$ 3,044,000**	57%	$ 4,702,000	53%	**$ 5,741,000**	59%	$ 8,583,000	53%

The cost of sales, as a percentage of net sales, increased 4% and 6% for the three- and six-month periods ended July 1, 2017, respectively, compared to the comparable periods in 2016.

- The cost of sales, as a percentage of net sales, for the ingredients segment decreased 4% and 2% for the three- and six-month periods, respectively, as we were able to manage favorable pricing levels.
- The cost of sales, as a percentage of net sales for the core standards and contract services segment, increased 9% for both the three- and six-month periods ended July 1, 2017, compared to the comparable periods in 2016. The decrease in analytical testing and contract services sales led to a lower labor utilization rate, which resulted in increasing our cost of sales as a percentage of net sales.

Gross Profit

Gross profit is net sales less the cost of sales and is affected by a number of factors including product mix, competitive pricing and costs of products and services.

	Three months ending			Six months ending		
	July 1, 2017	July 2, 2016	Change	**July 1, 2017**	July 2, 2016	Change
Gross profit:						
Ingredients	**$ 1,648,000**	$ 3,207,000	-49%	**$ 2,817,000**	$ 5,709,000	-51%
Core standards and contract services	**615,000**	920,000	-33%	**1,198,000**	1,870,000	-36%
Total gross profit	**$ 2,263,000**	$ 4,127,000	-45%	**$ 4,015,000**	$ 7,579,000	-47%

- The decreased gross profit for the ingredients segment for the three and six months ended July 1, 2017 is due to the decreased sales of "NIAGEN®."
- The decreased gross profit for the core standards and contract services segment is largely due to the decreased sale of analytical testing and contract services. Fixed labor costs make up the majority of costs for analytical testing and contract services and these fixed labor costs did not decrease in proportion to sales, hence yielding lower profit margin.

Operating Expenses-Sales and Marketing

Sales and marketing expenses consist of salaries, advertising and marketing expenses.

	Three months ending			Six months ending		
	July 1, 2017	July 2, 2016	Change	**July 1, 2017**	July 2, 2016	Change
Sales and marketing expenses:						
Ingredients	**$ 454,000**	$ 400,000	14%	**$ 759,000**	$ 732,000	4%
Core standards and contract services	**274,000**	298,000	-8%	**565,000**	511,000	11%
Total sales and marketing expenses	**$ 728,000**	$ 698,000	4%	**$ 1,324,000**	$ 1,243,000	7%

- For the ingredients segment, the increase for the three and six months ended July 1, 2017 is largely due to marketing expenses related to our recently acquired consumer product business through Healthspan Research LLC. Subject to available financial resources, we plan to increase our marketing efforts for our consumer product business.
- For the core standards and contract services segment, the decrease for the three months ended July 1, 2017 is largely due to decreased marketing efforts, while the increase for the six months ended July 1, 2017 is mainly due to hiring additional staff.

Operating Expenses-Research and Development

Research and development expenses mainly consist of clinical trials and process development expenses.

	Three months ending			Six months ending		
	July 1, 2017	July 2, 2016	Change	**July 1, 2017**	July 2, 2016	Change
Research and development expenses:						
Ingredients	**$ 850,000**	$ 737,000	15%	**$ 1,514,000**	$ 1,201,000	26%
Core standards and contract services	**-**	15,000	-100%	**-**	15,000	-100%
Total sales and marketing expenses	**$ 850,000**	$ 752,000	13%	**$ 1,514,000**	$ 1,216,000	25%

- For the ingredients segment, we increased our research and development efforts for the ingredients segment with a focus on our "NIAGEN®" brand. Subject to available financial resources, we plan to continue to increase research and development efforts for our line of proprietary ingredients.
- For the core standards and contract services segment, we explored processes to develop certain compounds at a larger scale during the three months ended July 2, 2016.

Operating Expenses-General and Administrative

General and administrative expenses consist of general company administration, IT, accounting and executive management.

	Three months ending			Six months ending		
	July 1, 2017	July 2, 2016	Change	**July 1, 2017**	July 2, 2016	Change
General and administrative	**$ 2,658,000**	$ 2,307,000	15%	**$ 5,041,000**	$ 4,295,000	17%

- The increase was primarily related to legal expenses. For the three- and six-month periods ended July 1, 2017, our legal expenses increased to approximately $522,000 and $953,000, respectively, compared to approximately $69,000 and $80,000, respectively, for the comparable periods in 2016. The ongoing litigation with Elysium Health, Inc. was the main reason for the increase in legal expenses.

Operating Expense-Other

Other expense consists of loss from an ongoing litigation.

	Three months ending			Six months ending		
	July 1, 2017	July 2, 2016	Change	**July 1, 2017**	July 2, 2016	Change
Other	**$ 746,000**	$ -		**$ 746,000**	$ -	

- During the three months ended July 1, 2017, the Company, in relation to ongoing litigation, incurred a write-off of approximately $746,000 in gross trade receivable from Elysium Health, Inc. related to royalties.

Non-operating Expenses- Interest Expense, net

Interest expense consists of interest on loan payable and capital leases.

	Three months ending			Six months ending		
	July 1, 2017	July 2, 2016	Change	**July 1, 2017**	July 2, 2016	Change
Interest expense, net	**$ 45,000**	$ 145,000	-69%	**$ 83,000**	$ 332,000	-75%

The decrease in interest expense was mainly due to the term loan from Hercules Technology II, L.P. which the Company drew down an initial $2.5 million on September 29, 2014 and a second $2.5 million on June 18, 2015. The Company fully repaid the loan on June 14, 2016.

Income Taxes

At July 1, 2017 and July 2, 2016, the Company maintained a full valuation allowance against the entire deferred income tax balance which resulted in an effective tax rate of approximately 0% and 4% for the six-month periods ended July 1, 2017 and July 2, 2016, respectively.

Depreciation and Amortization

Depreciation expense for the six-month period ended July 1, 2017 was approximately $264,000 as compared to $159,000 for the six-month period ended July 2, 2016. We depreciate our assets on a straight-line basis, based on the estimated useful lives of the respective assets.

Amortization expense of intangible assets for the six-month period ended July 1, 2017 was approximately $90,000 as compared to $38,000 for the six-month period ended July 2, 2016. We amortize intangible assets using a straight-line method, generally over 10 years. For licensed patent rights, the useful lives are 10 years or the remaining term of the patents underlying licensing rights, whichever is shorter. The useful lives of subsequent milestone payments that are capitalized are the remaining useful life of the initial licensing payment that was capitalized.

Liquidity and Capital Resources

From inception through July 1, 2017, we have incurred aggregate losses of approximately $50 million. These losses are primarily due to expenses associated with the development and expansion of our operations. These operations have been financed through capital contributions, the issuance of common stock and warrants through private placements, and the issuance of debt.

Our board of directors periodically reviews our capital requirements in light of our proposed business plan. Our future capital requirements will remain dependent upon a variety of factors, including cash flow from operations, the ability to increase sales, increasing our gross profits from current levels, reducing selling and administrative expenses as a percentage of net sales, continued development of customer relationships, and our ability to market our new products successfully. However, based on our results from operations, we may determine that we need additional financing to implement our business plan. There can be no assurance that any such financing will be available on terms favorable to us or at all. Without adequate financing we may have to further delay or terminate product and service expansion and curtail certain selling, general and administrative expenses. Any inability to raise additional financing would have a material adverse effect on us.

On April 26, 2017, the Company entered into a Securities Purchase Agreement (the "Purchase Agreement") with certain purchasers named therein, pursuant to which the Company agreed to sell and issue up to $25.0 million of its Common Stock in three tranches. The first and second tranche closed on April 27, 2017 and May 24, 2017, respectively, and the Company received $3.5 million and $16.4 million, respectively. The third tranche is expected to close following a related stockholder approval at the Company's special meeting on August 10, 2017.

While we anticipate that our current cash, cash equivalents, cash to be generated from operations and the funds from the financing transaction described above will be sufficient to meet our projected operating plans through at least August 11, 2018, we may require additional funds, either through additional equity or debt financings or collaborative agreements or from other sources. We have no commitments to obtain such additional financing, and we may not be able to obtain any such additional financing on terms favorable to us, or at all. If adequate financing is not available, the Company will further delay, postpone or terminate product and service expansion and curtail certain selling, general and administrative operations. The inability to raise additional financing may have a material adverse effect on the future performance of the Company.

Net cash used in operating activities

Net cash used in operating activities for the six months ended July 1, 2017 was approximately $5,562,000 as compared to approximately $2,987,000 for the six months ended July 2, 2016. Along with the net loss, a decrease in accounts payable and an increase in prepaid expenses were the largest uses of cash during the six-month period ended July 1, 2017, partially offset by the decrease in trade receivables. Net cash used in operating activities for the six months ended July 2, 2016 largely reflects a decrease in accounts payable and an increase in trade receivables along with the net loss.

We expect our operating cash flows to fluctuate significantly in future periods as a result of fluctuations in our operating results, shipment timetables, accounts receivable collections, inventory management, and the timing of our payments, among other factors.

Net cash used in investing activities

Net cash used in investing activities was approximately $479,000 for the six months ended July 1, 2017, compared to approximately $426,000 for the six months ended July 2, 2016. Net cash used in investing activities for the six months ended July 1, 2017 consisted of purchases of leasehold improvements and equipment and intangible assets. Net cash used in investing activities for the six months ended July 2, 2016 also consisted of purchases of leasehold improvements and equipment and intangible assets.

Net cash provided by financing activities

Net cash provided by financing activities was approximately $18,537,000 for the six months ended July 1, 2017, compared to approximately $1,234,000 for the six months ended July 2, 2016. Net cash provided by financing activities for the six months ended July 1, 2017 mainly consisted of proceeds from issuance of our common stock pursuant to the Purchase Agreement. Net cash provided by financing activities for the six months ended July 2, 2016 mainly consisted of proceeds from the issuance of our common stock and warrants through a private offering to our existing stockholders and exercise of stock options, offset by principal payments on loan payable and capital leases.

Contractual Obligations and Commitments

During the six months ended July 1, 2017, there were no material changes outside of the ordinary course of business in the specified contractual obligations disclosed in "Management's Discussion and Analysis of Financial Condition and Results of Operations," as contained in our Annual Report, other than as disclosed in "Item 1 Financial Statements" of this Quarterly Report.

Off-Balance Sheet Arrangements

During the six months ended July 1, 2017, we had no material off-balance sheet arrangements other than with respect to ordinary operating leases as disclosed in the "Financial Statements and Supplementary Data" section of our Annual Report.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest Rate Risk

Our capital lease obligations bear interest at a fixed rate and therefore have no exposure to changes in interest rates.

The Company's cash investments consist of short term, high liquid investments in money market funds managed by banks. Due to the short-term duration of our investment portfolio and the relatively low risk profile of our investments, a sudden change in interest rates would not have a material effect on either the fair market value of our portfolio, or our operating results or cash flows.

Foreign Currency Risk

All of our long-lived assets are located within the United States and we do not hold any foreign currency denominated financial instruments.

Effects of Inflation

We do not believe that inflation and changing prices during the six months ended July 1, 2017 and July 2, 2016 had a significant impact on our results of operations.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our management, with the supervision of our Chief Executive Officer and Chief Financial Officer (our principal executive officer and principal financial officer, respectively), evaluated the effectiveness of our disclosure controls and procedures pursuant to Rule 13a-15 under the Securities Exchange Act of 1934, as amended, as of the end of the period covered by this Quarterly Report on Form 10-Q. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply its judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Based on our evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of July 1, 2017, our disclosure controls and procedures are designed at a reasonable assurance level and are effective to provide reasonable assurance that information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

An evaluation was also performed under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of any change in our internal control over financial reporting (as defined in Rule 13a−15(f) promulgated under the Securities Exchange Act of 1934, as amended) that occurred during our last fiscal quarter and that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting. There were no changes in internal control over financial reporting that occurred during the Company's second fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

As previously disclosed, on December 29, 2016, ChromaDex, Inc. filed a complaint (the "Complaint") in the United States District Court for the Central District of California, naming Elysium Health, Inc. as defendant. Among other allegations, ChromaDex, Inc. alleges in the Complaint that (i) Elysium breached the Supply Agreement, dated June 26, 2014, by and between ChromaDex, Inc. and Elysium Health, LLC ("Elysium") (the "pTeroPure® Supply Agreement"), by failing to make payments to ChromaDex, Inc. for purchases of pTeroPure® pursuant to the pTeroPure® Supply Agreement, (ii) Elysium breached the Supply Agreement, dated February 3, 2014, by and between ChromaDex, Inc. and Elysium, as amended (the "NIAGEN® Supply Agreement"), by failing to make payments to ChromaDex, Inc. for purchases of NIAGEN® pursuant to the NIAGEN® Supply Agreement, (iii) Elysium breached the Trademark License and Royalty Agreement, dated February 3, 2014, by and between ChromaDex, Inc. and Elysium (the "License Agreement"), by failing to make payments to ChromaDex, Inc. for royalties due pursuant to the License Agreement and (iv) certain officers of Elysium made false promises and representations to induce ChromaDex, Inc. into providing large supplies of pTeroPure® and NIAGEN® to Elysium pursuant to the pTeroPure® Supply Agreement and NIAGEN® Supply Agreement. ChromaDex, Inc. is seeking punitive damages, money damages and interest.

On January 25, 2017, Elysium filed an answer and counterclaims (the "Counterclaim") in response to the Complaint. Among other allegations, Elysium alleges in the Counterclaim that (i) ChromaDex, Inc. breached the NIAGEN® Supply Agreement by not issuing certain refunds or credits to Elysium and for violating certain confidential information provisions, (ii) ChromaDex, Inc. breached the implied covenant of good faith and fair dealing pursuant to the NIAGEN® Supply Agreement, (iii) ChromaDex, Inc. breached certain confidential provisions of the pTeroPure® Supply Agreement, (iv) ChromaDex, Inc. fraudulently induced Elysium into entering into the License Agreement (the "Fraud Claim"), (v) ChromaDex, Inc.'s conduct constitutes misuse of its patent rights (the "Patent Claim") and (vi) ChromaDex, Inc. has engaged in unlawful or unfair competition under California state law (the "Unfair Competition Claim"). Elysium is seeking damages for ChromaDex, Inc.'s alleged breaches of the NIAGEN® Supply Agreement and pTeroPure® Supply Agreement, and compensatory damages, punitive damages and/or rescission of the License Agreement and restitution of any royalty payments conveyed by Elysium pursuant to the License Agreement.

On February 15, 2017, ChromaDex, Inc. filed an amended complaint. In the amended complaint, ChromaDex, Inc. re-alleges the claims in the Complaint, and also alleges that Elysium willfully and maliciously misappropriated ChromaDex, Inc.'s trade secrets. On February 15, 2017, ChromaDex, Inc. also filed a motion to dismiss the Fraud Claim, the Patent Claim and the Unfair Competition Claim. On March 1, 2017, Elysium filed a motion to dismiss ChromaDex, Inc.'s fraud and trade secret misappropriation causes of action. On March 6, 2017, Elysium filed a first amended counterclaim. On March 20, 2017, ChromaDex, Inc. moved to dismiss Elysium's amended fraud, patent misuse and the Unfair Competition Claim. On May 10, 2017, the court ruled on the motions to dismiss, denying ChromaDex, Inc.'s motion as to Elysium's fraud and patent misuse claims and granting ChromaDex, Inc.'s motion with prejudice as to Elysium's Unfair Competition Claim. With respect to Elysium's motion, the court granted the motion with prejudice as to ChromaDex, Inc.'s fraud claim and granted with leave to amend the motion as to ChromaDex, Inc.'s trade secret misappropriation claims. On May 24, 2017, ChromaDex, Inc. answered the first amended counterclaim and asserted several affirmative defenses. Also on May 24, 2017, ChromaDex, Inc. filed a second amended complaint, amending the trade secret misappropriation claims and addressing Elysium's patent misuse counterclaim. On June 7, 2017, ChromaDex, Inc. filed a third amended complaint dismissing the trade secret misappropriation claims and asserting two breach of contract claims for Elysium's failure to pay for the product delivered. On June 16, 2017, Elysium answered the third amended complaint. On July 17, 2017, Elysium filed petitions with the U.S. Patent and Trademark Office for inter partes review of U.S. Patent No. 8,197,807 and 8,383,086, patents to which ChromaDex, Inc. is the exclusive licensee. While ChromaDex, Inc. expresses no opinion as to the ultimate outcome of these matters, ChromaDex, Inc. believes Elysium's allegations are without merit and will vigorously defend against them.

As of July 1, 2017, ChromaDex, Inc. did not accrue a potential loss for the Counterclaim because ChromaDex, Inc. believes that the allegations are without merit and thus it is not probable that a liability had been incurred, and the amount of loss cannot be reasonably estimated.

From time to time we are involved in legal proceedings arising in the ordinary course of our business. We believe that there is no other litigation pending that is likely to have, individually or in the aggregate, a material adverse effect on our financial condition or results of operations.

ITEM 1A. RISK FACTORS

Investing in our common stock involves a high degree of risk. Current investors and potential investors should consider carefully the risks and uncertainties described below and in our Annual Report, together with all other information contained in this Form 10-Q and our Annual Report, including our financial statements, the related notes and "Management's Discussion and Analysis of Financial Condition and Results of Operations," before making investment decisions with respect to our common stock. If any of the following risks actually occur, our business, financial condition, results of operations and future growth prospects would likely be materially and adversely affected. Under these circumstances, the trading price and value of our common stock could decline, and you may lose all or part of your investment. The risks and uncertainties described in this Form 10-Q and in our Annual Report are not the only ones facing our Company. Additional risks and uncertainties of which we are not presently aware, or that we currently consider immaterial, may also impair our business operations. The risk factors set forth below that are marked with an asterisk (*) contain changes to the similarly titled risk factors included in Part I, Item 1A of our Annual Report.

Risks Related to our Company and our Business

We have a history of operating losses, may need additional financing to meet our future long-term capital requirements and may be unable to raise sufficient capital on favorable terms or at all.

We have recorded a net loss of approximately $4,693,000 for the six months ended July 1, 2017, and we have a history of losses and may continue to incur operating and net losses for the foreseeable future. We incurred net losses of approximately $2,928,000, $2,771,000 and $5,388,000 for the years ended December 31, 2016, January 2, 2016 and January 3, 2015, respectively. As of July 1, 2017, our accumulated deficit was approximately $49.9 million. We have not achieved profitability on an annual basis. We may not be able to reach a level of revenue to continue to achieve and sustain profitability. If our revenues grow slower than anticipated, or if operating expenses exceed expectations, then we may not be able to achieve and sustain profitability in the near future or at all, which may depress our stock price.

On April 26, 2017, the Company entered into a Securities Purchase Agreement with certain purchasers named therein, pursuant to which the Company agreed to sell and issue up to $25.0 million of its Common Stock in three tranches. The first and second tranche closed on April 27, 2017 and May 24, 2017, respectively, and the Company received $3.5 million and $16.4 million, respectively. The third tranche is expected to close following a related stockholder approval at the Company's special meeting on August 10, 2017.

While we anticipate that our current cash, cash equivalents, cash to be generated from operations and the funds from the financing transaction described above will be sufficient to meet our projected operating plans through at least August 2018, the third tranche of the financing transaction is not certain to close and we may require additional funds, either through additional equity or debt financings or collaborative agreements or from other sources. We have no commitments to obtain such additional financing, and we may not be able to obtain any such additional financing on terms favorable to us, or at all. If adequate financing is not available, the Company will further delay, postpone or terminate product and service expansion and curtail certain selling, general and administrative operations. The inability to raise additional financing may have a material adverse effect on the future performance of the Company.

**** Our capital requirements will depend on many factors.***

Our capital requirements will depend on many factors, including:

- the revenues generated by sales of our products;
- the costs associated with expanding our sales and marketing efforts, including efforts to hire independent agents and sales representatives and obtain required regulatory approvals and clearances;
- the expenses we incur in developing and commercializing our products, including the cost of obtaining and maintaining regulatory approvals; and
- unanticipated general and administrative expenses.

As a result of these factors, we may seek to raise additional capital prior to August 2018 both to meet our projected operating plans after August 2018 and to fund our longer term strategic objectives. Additional capital may come from public and private equity or debt offerings, borrowings under lines of credit or other sources. These additional funds may not be available on favorable terms, or at all. There can be no assurance we will be successful in raising these additional funds. Furthermore, if we issue equity or debt securities to raise additional funds, our existing stockholders may experience dilution and the new equity or debt securities we issue may have rights, preferences and privileges senior to those of our existing stockholders. In addition, if we raise additional funds through collaboration, licensing or other similar arrangements, it may be necessary to relinquish valuable rights to our products or proprietary technologies, or grant licenses on terms that are not favorable to us. If we cannot raise funds on acceptable terms, we may not be able to develop or enhance our products, obtain the required regulatory clearances or approvals, execute our business plan, take advantage of future opportunities, or respond to competitive pressures or unanticipated customer requirements. Any of these events could adversely affect our ability to achieve our development and commercialization goals, which could have a material and adverse effect on our business, results of operations and financial condition.

**** We are currently engaged in litigation with Elysium Health, LLC that may harm our business, and a disruption in sales to or the ability to collect from this customer or other significant customers in the future, could also materially harm our financial results.***

We are currently engaged in litigation with Elysium Health, LLC, a customer that represented 19% of our net sales for the year ending December 31, 2016. For further details on this litigation, please refer to Part II, Item 1 of this Quarterly Report on Form 10-Q. This customer has not paid us approximately $2.7 million for previous purchase orders. We may not collect the full amount owed to us by this customer, and as a result, we may have to write off a large portion of that amount as uncollectible expense. We may also have to discount future sales, if any, to this customer.

The litigation may turn out to be substantial and complex, and it has and could continue to cause us to incur significant costs, as well as distract our management over an extended period of time. The litigation may substantially disrupt our business and we cannot assure you that we will be able to resolve the litigation on terms favorable to us. The customer has filed a counterclaim against us, and if we are unsuccessful in resolving the litigation on favorable terms to us, we may be forced to pay compensatory and punitive damages and restitution for any royalty payments that we received from the customer. Elysium has made no purchases from us since August 9, 2016. It is likely that the customer will not make any future purchases from us or, even if it does, those purchases may not be at previous volumes or prices. This may harm our future sales if we cannot replace their volume with other existing and new customers and which may materially affect our future financial results.

Going forward, we may have additional customers upon whom we become highly dependent. Factors that could influence our relationship with our significant customer and other customers upon whom we may become highly dependent include:

- our ability to maintain our products at prices that are competitive with those of our competitors;
- our ability to maintain quality levels for our products sufficient to meet the expectations of our customers;
- our ability to produce, ship and deliver a sufficient quantity of our products in a timely manner to meet the needs of our customers;
- our ability to continue to develop and launch new products that our customers feel meet their needs and requirements, with respect to cost, timeliness, features, performance and other factors;
- our ability to provide timely, responsive and accurate customer support to our customers; and
- the ability of our customers to effectively deliver, market and increase sales of their own products based on ours.

Decline in the state of the global economy and financial market conditions could adversely affect our ability to conduct business and our results of operations.

Global economic and financial market conditions, including disruptions in the credit markets and the impact of the global economic deterioration may materially impact our customers and other parties with whom we do business. These conditions could negatively affect our future sales of our ingredient lines as many consumers consider the purchase of nutritional products discretionary. Decline in general economic and financial market conditions could materially adversely affect our financial condition and results of operations. Specifically, the impact of these volatile and negative conditions may include decreased demand for our products and services, a decrease in our ability to accurately forecast future product trends and demand, and a negative impact on our ability to timely collect receivables from our customers. The foregoing economic conditions may lead to increased levels of bankruptcies, restructurings and liquidations for our customers, scaling back of research and development expenditures, delays in planned projects and shifts in business strategies for many of our customers. Such events could, in turn, adversely affect our business through loss of sales.

We may need to increase the size of our organization, and we can provide no assurance that we will successfully expand operations or manage growth effectively.

Our significant increase in the scope and the scale of our product launches, including the hiring of additional personnel, has resulted in significantly higher operating expenses. As a result, we anticipate that our operating expenses will continue to increase. Expansion of our operations may also cause a significant demand on our management, finances and other resources. Our ability to manage the anticipated future growth, should it occur, will depend upon a significant expansion of our accounting and other internal management systems and the implementation and subsequent improvement of a variety of systems, procedures and controls. There can be no assurance that significant problems in these areas will not occur. Any failure to expand these areas and implement and improve such systems, procedures and controls in an efficient manner at a pace consistent with our business could have a material adverse effect on our business, financial condition and results of operations. There can be no assurance that our attempts to expand our marketing, sales, manufacturing and customer support efforts will be successful or will result in additional sales or profitability in any future period. As a result of the expansion of our operations and the anticipated increase in our operating expenses, as well as the difficulty in forecasting revenue levels, we expect to continue to experience significant fluctuations in our results of operations.

****Changes in our business strategy, including entering the consumer product market, or restructuring of our businesses may increase our costs or otherwise affect the profitability of our businesses.***

As changes in our business environment occur we may adjust our business strategies to meet these changes or we may otherwise decide to restructure our operations or particular businesses or assets. In addition, external events including changing technology, changing consumer patterns and changes in macroeconomic conditions may impair the value of our assets. When these changes or events occur, we may incur costs to change our business strategy and may need to write down the value of assets. In any of these events, our costs may increase, we may have significant charges associated with the write-down of assets or returns on new investments may be lower than prior to the change in strategy or restructuring. For example, if we are not successful in developing our consumer product business, our sales may decrease and our costs may increase.

****The success of our ingredient and consumer product business is linked to the size and growth rate of the vitamin, mineral and dietary supplement market and an adverse change in the size or growth rate of that market could have a material adverse effect on us.***

An adverse change in the size or growth rate of the vitamin, mineral and dietary supplement market could have a material adverse effect on our business. Underlying market conditions are subject to change based on economic conditions, consumer preferences and other factors that are beyond our control, including media attention and scientific research, which may be positive or negative.

Our future growth and profitability of our consumer product business will depend in large part upon the effectiveness and efficiency of our marketing expenditures and our ability to select effective markets and media in which to advertise.

Our business success depends on our ability to attract and retain customers, which significantly depends on our marketing practices. Our future growth and profitability will depend in large part upon the effectiveness and efficiency of our marketing expenditures, including our ability to:

- create greater awareness of our brand;
- identify the most effective and efficient levels of spending in each market, media and specific media vehicle;
- determine the appropriate creative messages and media mix for advertising, marketing and promotional expenditures;
- effectively manage marketing costs (including creative and media) in order to maintain acceptable customer acquisition costs;
- acquire cost-effective television advertising;
- select the most effective markets, media and specific media vehicles in which to advertise; and
- convert consumer inquiries into actual orders.

Unfavorable publicity or consumer perception of our products and any similar products distributed by other companies could have a material adverse effect on our business.

We believe the nutritional supplement market is highly dependent upon consumer perception regarding the safety, efficacy and quality of nutritional supplements generally, as well as of products distributed specifically by us. Consumer perception of our products can be significantly influenced by scientific research or findings, regulatory investigations, litigation, national media attention and other publicity regarding the consumption of nutritional supplements. We cannot assure you that future scientific research, findings, regulatory proceedings, litigation, media attention or other favorable research findings or publicity will be favorable to the nutritional supplement market or any particular product, or consistent with earlier publicity. Future research reports, findings, regulatory proceedings, litigation, media attention or other publicity that are perceived as less favorable than, or that question, such earlier research reports, findings or publicity could have a material adverse effect on the demand for our products and consequently on our business, results of operations, financial condition and cash flows.

Our dependence upon consumer perceptions means that adverse scientific research reports, findings, regulatory proceedings, litigation, media attention or other publicity, whether or not accurate or with merit, could have a material adverse effect on the demand for our products, the availability and pricing of our ingredients, and our business, results of operations, financial condition and cash flows. Further, adverse public reports or other media attention regarding the safety, efficacy and quality of nutritional supplements in general, or our products specifically, or associating the consumption of nutritional supplements with illness, could have such a material adverse effect. Any such adverse public reports or other media attention could arise even if the adverse effects associated with such products resulted from consumers' failure to consume such products appropriately or as directed and the content of such public reports and other media attention may be beyond our control.

We may incur material product liability claims, which could increase our costs and adversely affect our reputation, revenues and operating income.

As an ingredient supplier and consumer product supplier we market and manufacture products designed for human and animal consumption, we are subject to product liability claims if the use of our products is alleged to have resulted in injury. Our products consist of vitamins, minerals, herbs and other ingredients that are classified as foods, dietary supplements, or natural health products, and, in most cases, are not necessarily subject to pre-market regulatory approval in the United States. Some of our products contain innovative ingredients that do not have long histories of human consumption. Previously unknown adverse reactions resulting from human consumption of these ingredients could occur. In addition, the products we sell are produced by third-party manufacturers. As a marketer of products manufactured by third parties, we also may be liable for various product liability claims for products we do not manufacture. We may, in the future, be subject to various product liability claims, including, among others, that our products include inadequate instructions for use or inadequate warnings concerning possible side effects and interactions with other substances. A product liability claim against us could result in increased costs and could adversely affect our reputation with our customers, which, in turn, could have a materially adverse effect on our business, results of operations, financial condition and cash flows.

We acquire a significant amount of key ingredients for our products from foreign suppliers, and may be negatively affected by the risks associated with international trade and importation issues.

We acquire a significant amount of key ingredients for a number of our products from suppliers outside of the United States, particularly India and China. Accordingly, the acquisition of these ingredients is subject to the risks generally associated with importing raw materials, including, among other factors, delays in shipments, changes in economic and political conditions, quality assurance, nonconformity to specifications or laws and regulations, tariffs, trade disputes and foreign currency fluctuations. While we have a supplier certification program and audit and inspect our suppliers' facilities as necessary both in the United States and internationally, we cannot assure you that raw materials received from suppliers outside of the United States will conform to all specifications, laws and regulations. There have in the past been quality and safety issues in our industry with certain items imported from overseas. We may incur additional expenses and experience shipment delays due to preventative measures adopted by the Indian and U.S. governments, our suppliers and our company.

The insurance industry has become more selective in offering some types of coverage and we may not be able to obtain insurance coverage in the future.

The insurance industry has become more selective in offering some types of insurance, such as product liability, product recall, property and directors' and officers' liability insurance. Our current insurance program is consistent with both our past level of coverage and our risk management policies. However, we cannot assure you that we will be able to obtain comparable insurance coverage on favorable terms, or at all, in the future. Certain of our customers as well as prospective customers require that we maintain minimum levels of coverage for our products. Lack of coverage or coverage below these minimum required levels could cause these customers to materially change business terms or to cease doing business with us entirely.

If we experience product recalls, we may incur significant and unexpected costs, and our business reputation could be adversely affected.

We may be exposed to product recalls and adverse public relations if our products are mislabeled or alleged to cause injury or illness, or if we are alleged to have violated governmental regulations. A product recall could result in substantial and unexpected expenditures, which would reduce operating profit and cash flow. In addition, a product recall may require significant management attention. Product recalls may hurt the value of our brands and lead to decreased demand for our products. Product recalls also may lead to increased scrutiny by federal, state or international regulatory agencies of our operations and increased litigation and could have a material adverse effect on our business, results of operations, financial condition and cash flows.

Marketing our consumer products could put us in direct competition with our current ingredients segment customers and could potentially harm the sales of our ingredients segment business.

By developing and selling our own consumer standalone NIAGEN® supplement product, we may be in direct competition with some of our current ingredients segment customers that use NIAGEN® in the products that are sold to consumers. As our own consumer product becomes more prominent and widely adopted by consumers, this competition could potential harm the sales of our ingredients segment business, and our sales of NIAGEN® for our ingredients segment may decrease. Sales for our ingredients segment represented approximately 63% of the Company's revenue for 2016, and sales of NIAGEN® accounted for approximately 71% of our ingredient segment's total sales in 2016, or 45% of our overall revenue, so any harm to our NIAGEN® ingredient sales may materially and negatively affect our business.

We depend on key personnel, the loss of any of which could negatively affect our business.

We depend greatly on Frank L. Jaksch Jr., Thomas C. Varvaro, Troy A. Rhonemus and Robert N. Fried who are our Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, and President and Chief Strategy Officer, respectively. We also depend greatly on other key employees, including key scientific and marketing personnel. In general, only highly qualified and trained scientists have the necessary skills to develop our products and provide our services. Only marketing personnel with specific experience and knowledge in health care are able to effectively market our products. In addition, some of our manufacturing, quality control, safety and compliance, information technology, sales and e-commerce related positions are highly technical as well. We face intense competition for these professionals from our competitors, customers, marketing partners and other companies throughout the industries in which we compete. Our success will depend, in part, upon our ability to attract and retain additional skilled personnel, which will require substantial additional funds. There can be no assurance that we will be able to find and attract additional qualified employees or retain any such personnel. Our inability to hire qualified personnel, the loss of services of our key personnel, or the loss of services of executive officers or key employees that may be hired in the future may have a material and adverse effect on our business.

Our operating results may fluctuate significantly as a result of a variety of factors, many of which are outside of our control.

We are subject to the following factors, among others, that may negatively affect our operating results:

- the announcement or introduction of new products by our competitors;
- our ability to upgrade and develop our systems and infrastructure to accommodate growth;
- the decision by significant customers to reduce purchases;
- disputes and litigation with significant customers;
- our ability to attract and retain key personnel in a timely and cost-effective manner;
- technical difficulties;
- the amount and timing of operating costs and capital expenditures relating to the expansion of our business, operations and infrastructure;
- regulation by federal, state or local governments; and
- general economic conditions as well as economic conditions specific to the healthcare industry.

As a result of our limited operating history and the nature of the markets in which we compete, it is extremely difficult for us to make accurate forecasts. We have based our current and future expense levels largely on our investment plans and estimates of future events although certain of our expense levels are, to a large extent, fixed. Assuming our products reach the market, we may be unable to adjust spending in a timely manner to compensate for any unexpected revenue shortfall. Accordingly, any significant shortfall in revenues relative to our planned expenditures would have an immediate adverse effect on our business, results of operations and financial condition. Further, as a strategic response to changes in the competitive environment, we may from time to time make certain pricing, service or marketing decisions that could have a material and adverse effect on our business, results of operations and financial condition. Due to the foregoing factors, our revenues and operating results are and will remain difficult to forecast.

We face significant competition, including changes in pricing.

The markets for our products and services are both competitive and price sensitive. Many of our competitors have significant financial, operations, sales and marketing resources and experience in research and development. Competitors could develop new technologies that compete with our products and services or even render our products obsolete. If a competitor develops superior technology or cost-effective alternatives to our products and services, our business could be seriously harmed.

The markets for some of our products are also subject to specific competitive risks because these markets are highly price competitive. Our competitors have competed in the past by lowering prices on certain products. If they do so again, we may be forced to respond by lowering our prices. This would reduce sales revenues and increase losses. Failure to anticipate and respond to price competition may also impact sales and aggravate losses.

We believe that customers in our markets display a significant amount of loyalty to their supplier of a particular product. To the extent we are not the first to develop, offer and/or supply new products, customers may buy from our competitors or make materials themselves, causing our competitive position to suffer.

Many of our competitors are larger and have greater financial and other resources than we do.

Our products compete and will compete with other similar products produced by our competitors. These competitive products could be marketed by well-established, successful companies that possess greater financial, marketing, distributional, personnel and other resources than we possess. Using these resources, these companies can implement extensive advertising and promotional campaigns, both generally and in response to specific marketing efforts by competitors, and enter into new markets more rapidly to introduce new products. In certain instances, competitors with greater financial resources also may be able to enter a market in direct competition with us, offering attractive marketing tools to encourage the sale of products that compete with our products or present cost features that consumers may find attractive.

We may never develop any additional products to commercialize.

We have invested a substantial amount of our time and resources in developing various new products. Commercialization of these products will require additional development, clinical evaluation, regulatory approval, significant marketing efforts and substantial additional investment before they can provide us with any revenue. Despite our efforts, these products may not become commercially successful products for a number of reasons, including but not limited to:

- we may not be able to obtain regulatory approvals for our products, or the approved indication may be narrower than we seek;
- our products may not prove to be safe and effective in clinical trials;
- we may experience delays in our development program;
- any products that are approved may not be accepted in the marketplace;
- we may not have adequate financial or other resources to complete the development or to commence the commercialization of our products or will not have adequate financial or other resources to achieve significant commercialization of our products;
- we may not be able to manufacture any of our products in commercial quantities or at an acceptable cost;
- rapid technological change may make our products obsolete;
- we may be unable to effectively protect our intellectual property rights or we may become subject to claims that our activities have infringed the intellectual property rights of others; and
- we may be unable to obtain or defend patent rights for our products.

We may not be able to partner with others for technological capabilities and new products and services.

Our ability to remain competitive may depend, in part, on our ability to continue to seek partners that can offer technological improvements and improve existing products and services that are offered to our customers. We are committed to attempting to keep pace with technological change, to stay abreast of technology changes and to look for partners that will develop new products and services for our customer base. We cannot assure prospective investors that we will be successful in finding partners or be able to continue to incorporate new developments in technology, to improve existing products and services, or to develop successful new products and services, nor can we be certain that newly developed products and services will perform satisfactorily or be widely accepted in the marketplace or that the costs involved in these efforts will not be substantial.

If we fail to maintain adequate quality standards for our products and services, our business may be adversely affected and our reputation harmed.

Dietary supplement, nutraceutical, food and beverage, functional food, analytical laboratories, pharmaceutical and cosmetic customers are often subject to rigorous quality standards to obtain and maintain regulatory approval of their products and the manufacturing processes that generate them. A failure to maintain, or, in some instances, upgrade our quality standards to meet our customers' needs, could cause damage to our reputation and potentially substantial sales losses.

Our ability to protect our intellectual property and proprietary technology through patents and other means is uncertain and may be inadequate, which would have a material and adverse effect on us.

Our success depends significantly on our ability to protect our proprietary rights to the technologies used in our products. We rely on patent protection, as well as a combination of copyright, trade secret and trademark laws and nondisclosure, confidentiality and other contractual restrictions to protect our proprietary technology, including our licensed technology. However, these legal means afford only limited protection and may not adequately protect our rights or permit us to gain or keep any competitive advantage. For example, our pending United States and foreign patent applications may not issue as patents in a form that will be advantageous to us or may issue and be subsequently successfully challenged by others and invalidated. In addition, our pending patent applications include claims to material aspects of our products and procedures that are not currently protected by issued patents. Both the patent application process and the process of managing patent disputes can be time consuming and expensive. Competitors may be able to design around our patents or develop products which provide outcomes which are comparable or even superior to ours. Steps that we have taken to protect our intellectual property and proprietary technology, including entering into confidentiality agreements and intellectual property assignment agreements with some of our officers, employees, consultants and advisors, may not provide us with meaningful protection for our trade secrets or other proprietary information in the event of unauthorized use or disclosure or other breaches of the agreements. Furthermore, the laws of foreign countries may not protect our intellectual property rights to the same extent as do the laws of the United States.

In the event a competitor infringes upon our licensed or pending patent or other intellectual property rights, enforcing those rights may be costly, uncertain, difficult and time consuming. Even if successful, litigation to enforce our intellectual property rights or to defend our patents against challenge could be expensive and time consuming and could divert our management's attention. We may not have sufficient resources to enforce our intellectual property rights or to defend our patents rights against a challenge. The failure to obtain patents and/or protect our intellectual property rights could have a material and adverse effect on our business, results of operations and financial condition.

Our patents and licenses may be subject to challenge on validity grounds, and our patent applications may be rejected.

We rely on our patents, patent applications, licenses and other intellectual property rights to give us a competitive advantage. Whether a patent is valid, or whether a patent application should be granted, is a complex matter of science and law, and therefore we cannot be certain that, if challenged, our patents, patent applications and/or other intellectual property rights would be upheld. If one or more of those patents, patent applications, licenses and other intellectual property rights are invalidated, rejected or found unenforceable, that could reduce or eliminate any competitive advantage we might otherwise have had.

We may become subject to claims of infringement or misappropriation of the intellectual property rights of others, which could prohibit us from developing our products, require us to obtain licenses from third parties or to develop non-infringing alternatives and subject us to substantial monetary damages.

Third parties could, in the future, assert infringement or misappropriation claims against us with respect to products we develop. Whether a product infringes a patent or misappropriates other intellectual property involves complex legal and factual issues, the determination of which is often uncertain. Therefore, we cannot be certain that we have not infringed the intellectual property rights of others. Our potential competitors may assert that some aspect of our product infringes their patents. Because patent applications may take years to issue, there also may be applications now pending of which we are unaware that may later result in issued patents upon which our products could infringe. There also may be existing patents or pending patent applications of which we are unaware upon which our products may inadvertently infringe.

Any infringement or misappropriation claim could cause us to incur significant costs, place significant strain on our financial resources, divert management's attention from our business and harm our reputation. If the relevant patents in such claim were upheld as valid and enforceable and we were found to infringe them, we could be prohibited from selling any product that is found to infringe unless we could obtain licenses to use the technology covered by the patent or are able to design around the patent. We may be unable to obtain such a license on terms acceptable to us, if at all, and we may not be able to redesign our products to avoid infringement. A court could also order us to pay compensatory damages for such infringement, plus prejudgment interest and could, in addition, treble the compensatory damages and award attorney fees. These damages could be substantial and could harm our reputation, business, financial condition and operating results. A court also could enter orders that temporarily, preliminarily or permanently enjoin us and our customers from making, using, or selling products, and could enter an order mandating that we undertake certain remedial activities. Depending on the nature of the relief ordered by the court, we could become liable for additional damages to third parties.

The prosecution and enforcement of patents licensed to us by third parties are not within our control. Without these technologies, our products may not be successful and our business would be harmed if the patents were infringed on or misappropriated without action by such third parties.

We have obtained licenses from third parties for patents and patent application rights related to the products we are developing, allowing us to use intellectual property rights owned by or licensed to these third parties. We do not control the maintenance, prosecution, enforcement or strategy for many of these patents or patent application rights and as such are dependent in part on the owners of the intellectual property rights to maintain their viability. Without access to these technologies or suitable design-around or alternative technology options, our ability to conduct our business could be impaired significantly.

We may be subject to damages resulting from claims that we, our employees, or our independent contractors have wrongfully used or disclosed alleged trade secrets of others.

Some of our employees were previously employed at other dietary supplement, nutraceutical, food and beverage, functional food, analytical laboratories, pharmaceutical and cosmetic companies. We may also hire additional employees who are currently employed at other such companies, including our competitors. Additionally, consultants or other independent agents with which we may contract may be or have been in a contractual arrangement with one or more of our competitors. We may be subject to claims that these employees or independent contractors have used or disclosed such other party's trade secrets or other proprietary information. Litigation may be necessary to defend against these claims. Even if we are successful in defending against these claims, litigation could result in substantial costs and be a distraction to our management. If we fail to defend such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights or personnel. A loss of key personnel or their work product could hamper or prevent our ability to market existing or new products, which could severely harm our business.

Litigation may harm our business.

Substantial, complex or extended litigation could cause us to incur significant costs and distract our management. For example, lawsuits by employees, stockholders, collaborators, distributors, customers, competitors or others could be very costly and substantially disrupt our business. Disputes from time to time with such companies, organizations or individuals are not uncommon, and we cannot assure you that we will always be able to resolve such disputes or on terms favorable to us. Unexpected results could cause us to have financial exposure in these matters in excess of recorded reserves and insurance coverage, requiring us to provide additional reserves to address these liabilities, therefore impacting profits.

Our sales and results of operations depend on our customers' research and development efforts and their ability to obtain funding for these efforts.

Our customers include researchers at pharmaceutical and biotechnology companies, chemical and related companies, academic institutions, government laboratories and private foundations. Fluctuations in the research and development budgets of these researchers and their organizations could have a significant effect on the demand for our products. Our customers determine their research and development budgets based on several factors, including the need to develop new products, the availability of governmental and other funding, competition and the general availability of resources. As we continue to expand our international operations, we expect research and development spending levels in markets outside of the United States will become increasingly important to us.

Research and development budgets fluctuate due to changes in available resources, spending priorities, general economic conditions, institutional and governmental budgetary limitations and mergers of pharmaceutical and biotechnology companies. Our business could be harmed by any significant decrease in life science and high technology research and development expenditures by our customers. In particular, a small portion of our sales has been to researchers whose funding is dependent on grants from government agencies such as the United States National Institute of Health, the National Science Foundation, the National Cancer Institute and similar agencies or organizations. Government funding of research and development is subject to the political process, which is often unpredictable. Other departments, such as Homeland Security or Defense, or general efforts to reduce the United States federal budget deficit could be viewed by the government as a higher priority. Any shift away from funding of life science and high technology research and development or delays surrounding the approval of governmental budget proposals may cause our customers to delay or forego purchases of our products and services, which could seriously damage our business.

Some of our customers receive funds from approved grants at a particular time of year, many times set by government budget cycles. In the past, such grants have been frozen for extended periods or have otherwise become unavailable to various institutions without advance notice. The timing of the receipt of grant funds may affect the timing of purchase decisions by our customers and, as a result, cause fluctuations in our sales and operating results.

Demand for our products and services are subject to the commercial success of our customers' products, which may vary for reasons outside our control.

Even if we are successful in securing utilization of our products in a customer's manufacturing process, sales of many of our products and services remain dependent on the timing and volume of the customer's production, over which we have no control. The demand for our products depends on regulatory approvals and frequently depends on the commercial success of the customer's supported product. Regulatory processes are complex, lengthy, expensive, and can often take years to complete.

We may bear financial risk if we under-price our contracts or overrun cost estimates.

In cases where our contracts are structured as fixed price or fee-for-service with a cap, we bear the financial risk if we initially under-price our contracts or otherwise overrun our cost estimates. Such under-pricing or significant cost overruns could have a material adverse effect on our business, results of operations, financial condition and cash flows.

We rely on single or a limited number of third-party suppliers for the raw materials required for the production of our products.

Our dependence on a limited number of third-party suppliers or on a single supplier, and the challenges we may face in obtaining adequate supplies of raw materials, involve several risks, including limited control over pricing, availability, quality and delivery schedules. We cannot be certain that our current suppliers will continue to provide us with the quantities of these raw materials that we require or satisfy our anticipated specifications and quality requirements. Any supply interruption in limited or sole sourced raw materials could materially harm our ability to manufacture our products until a new source of supply, if any, could be identified and qualified. Although we believe there are other suppliers of these raw materials, we may be unable to find a sufficient alternative supply channel in a reasonable time or on commercially reasonable terms. Any performance failure on the part of our suppliers could delay the development and commercialization of our products, or interrupt production of then existing products that are already marketed, which would have a material adverse effect on our business.

We may not be successful in acquiring complementary businesses on favorable terms.

As part of our business strategy, we intend to consider acquisitions of similar or complementary businesses. No assurance can be given that we will be successful in identifying attractive acquisition candidates or completing acquisitions on favorable terms. In addition, any future acquisitions will be accompanied by the risks commonly associated with acquisitions. These risks include potential exposure to unknown liabilities of acquired companies or to acquisition costs and expenses, the difficulty and expense of integrating the operations and personnel of the acquired companies, the potential disruption to the business of the combined company and potential diversion of our management's time and attention, the impairment of relationships with and the possible loss of key employees and clients as a result of the changes in management, the incurrence of amortization expenses and dilution to the shareholders of the combined company if the acquisition is made for stock of the combined company. In addition, successful completion of an acquisition may depend on consents from third parties, including regulatory authorities and private parties, which consents are beyond our control. There can be no assurance that products, technologies or businesses of acquired companies will be effectively assimilated into the business or product offerings of the combined company or will have a positive effect on the combined company's revenues or earnings. Further, the combined company may incur significant expense to complete acquisitions and to support the acquired products and businesses. Any such acquisitions may be funded with cash, debt or equity, which could have the effect of diluting or otherwise adversely affecting the holdings or the rights of our existing stockholders.

If we experience a significant disruption in our information technology systems or if we fail to implement new systems and software successfully, our business could be adversely affected.

We depend on information systems throughout our company to control our manufacturing processes, process orders, manage inventory, process and bill shipments and collect cash from our customers, respond to customer inquiries, contribute to our overall internal control processes, maintain records of our property, plant and equipment, and record and pay amounts due vendors and other creditors. If we were to experience a prolonged disruption in our information systems that involve interactions with customers and suppliers, it could result in the loss of sales and customers and/or increased costs, which could adversely affect our overall business operation.

****Our cash flows and capital resources may be insufficient to make required payments on future indebtedness.***

On November 4, 2016, we entered into entered into a business financing agreement (the "Financing Agreement") with Western Alliance Bank ("Western Alliance"), in order to establish a formula based revolving credit line pursuant to which the Company may borrow an aggregate principal amount of up to $5,000,000, subject to the terms and conditions of the Financing Agreement. The interest rate will be calculated at a floating rate per month equal to (a) the greater of (i) 3.50% per year or (ii) the Prime Rate published in the Money Rates section of the Western Edition of The Wall Street Journal, or such other rate of interest publicly announced by Lender as its Prime Rate, plus (b) 2.50 percentage points. Any borrowings, interest or other fees or obligations that the Company owes Western Alliance pursuant to the Financing Agreement (the "Obligations") will be become due and payable on November 4, 2018.

As of July 1, 2017 and August 9, 2017, we did not have any indebtedness under the Financing Agreement. However, we may incur indebtedness in the future and such indebtedness could have important consequences to you. For example, it could:

- make it difficult for us to satisfy our other debt obligations;
- make us more vulnerable to general adverse economic and industry conditions;
- limit our ability to obtain additional financing for working capital, capital expenditures, acquisitions and other general corporate requirements;
- expose us to interest rate fluctuations because the interest rate on the debt under the Financing Agreement is variable;
- require us to dedicate a portion of our cash flow from operations to payments on our debt, thereby reducing the availability of our cash flow for operations and other purposes;
- limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate; and
- place us at a competitive disadvantage compared to competitors that may have proportionately less debt and greater financial resources.

In addition, our ability to make payments or refinance our obligations depends on our successful financial and operating performance, cash flows and capital resources, which in turn depend upon prevailing economic conditions and certain financial, business and other factors, many of which are beyond our control. These factors include, among others:

- economic and demand factors affecting our industry;
- pricing pressures;
- increased operating costs;
- competitive conditions; and
- other operating difficulties.

If our cash flows and capital resources are insufficient to fund our debt service obligations, we may be forced to reduce or delay capital expenditures, sell material assets or operations, obtain additional capital or restructure our debt. In the event that we are required to dispose of material assets or operations to meet our debt service and other obligations, the value realized on such assets or operations will depend on market conditions and the availability of buyers. Accordingly, any such sale may not, among other things, be for a sufficient dollar amount. Our obligations pursuant to the Financing Agreement are secured by a security interest in all of our assets, exclusive of intellectual property. The foregoing encumbrances may limit our ability to dispose of material assets or operations. We also may not be able to restructure our indebtedness on favorable economic terms, if at all.

We may incur additional indebtedness in the future. Our incurrence of additional indebtedness would intensify the risks described above.

The Financing Agreement contains various covenants limiting the discretion of our management in operating our business.

The Financing Agreement contains various restrictive covenants that limit our management's discretion in operating our business. In particular, these instruments limit our ability to, among other things:

- incur additional debt;
- grant liens on assets;
- make investments, including capital expenditures;
- sell or acquire assets outside the ordinary course of business; and
- make fundamental business changes.

If we fail to comply with the restrictions in the Financing Agreement, a default may allow the creditors under the relevant instruments to accelerate the related debt and to exercise their remedies under these agreements, which will typically include the right to declare the principal amount of that debt, together with accrued and unpaid interest and other related amounts, immediately due and payable, to exercise any remedies the creditors may have to foreclose on assets that are subject to liens securing that debt and to terminate any commitments they had made to supply further funds.

If we are unable to maintain sales, marketing and distribution capabilities or maintain arrangements with third parties to sell, market and distribute our products, our business may be harmed.

To achieve commercial success for our products, we must sell our product lines and/or technologies at favorable prices. In addition to being expensive, maintaining such a sales force is time-consuming. Qualified direct sales personnel with experience in the natural products industry are in high demand, and there can be no assurance that we will be able to hire or retain an effective direct sales team. Similarly, qualified independent sales representatives both within and outside the United States are in high demand, and we may not be able to build an effective network for the distribution of our product through such representatives. There can be no assurance that we will be able to enter into contracts with representatives on terms acceptable to us. Furthermore, there can be no assurance that we will be able to build an alternate distribution framework should we attempt to do so.

We may also need to contract with third parties in order to market our products. To the extent that we enter into arrangements with third parties to perform marketing and distribution services, our product revenue could be lower and our costs higher than if we directly marketed our products. Furthermore, to the extent that we enter into co-promotion or other marketing and sales arrangements with other companies, any revenue received will depend on the skills and efforts of others, and we do not know whether these efforts will be successful. If we are unable to establish and maintain adequate sales, marketing and distribution capabilities, independently or with others, we will not be able to generate product revenue, and may not become profitable.

Risks Related to Regulatory Approval of Our Products and Other Government Regulations

We are subject to regulation by various federal, state and foreign agencies that require us to comply with a wide variety of regulations, including those regarding the manufacture of products, advertising and product label claims, the distribution of our products and environmental matters. Failure to comply with these regulations could subject us to fines, penalties and additional costs.

Some of our operations are subject to regulation by various United States federal agencies and similar state and international agencies, including the Department of Commerce, the FDA, the FTC, the Department of Transportation and the Department of Agriculture. These regulations govern a wide variety of product activities, from design and development to labeling, manufacturing, handling, sales and distribution of products. If we fail to comply with any of these regulations, we may be subject to fines or penalties, have to recall products and/or cease their manufacture and distribution, which would increase our costs and reduce our sales.

We are also subject to various federal, state, local and international laws and regulations that govern the handling, transportation, manufacture, use and sale of substances that are or could be classified as toxic or hazardous substances. Some risk of environmental damage is inherent in our operations and the products we manufacture, sell, or distribute. Any failure by us to comply with the applicable government regulations could also result in product recalls or impositions of fines and restrictions on our ability to carry on with or expand in a portion or possibly all of our operations. If we fail to comply with any or all of these regulations, we may be subject to fines or penalties, have to recall products and/or cease their manufacture and distribution, which would increase our costs and reduce our sales.

Government regulations of our customer's business are extensive and are constantly changing. Changes in these regulations can significantly affect customer demand for our products and services.

The process by which our customers' industries are regulated is controlled by government agencies and depending on the market segment can be very expensive, time consuming, and uncertain. Changes in regulations or the enforcement practices of current regulations could have a negative impact on our customers and, in turn, our business. At this time, it is unknown how the FDA will interpret and to what extent it will enforce GMPs, regulations that will likely affect many of our customers. These uncertainties may have a material impact on our results of operations, as lack of enforcement or an interpretation of the regulations that lessens the burden of compliance for the dietary supplement marketplace may cause a reduced demand for our products and services.

****Changes in government regulation or in practices relating to the pharmaceutical, dietary supplement, food and cosmetic industry could decrease the need for the services we provide.***

Governmental agencies throughout the world, including in the United States, strictly regulate the pharmaceutical, dietary supplement, food and cosmetic industries. Our business involves helping pharmaceutical and biotechnology companies navigate the regulatory drug approval process. Changes in regulation, such as a relaxation in regulatory requirements or the introduction of simplified drug approval procedures, or an increase in regulatory requirements that we have difficulty satisfying or that make our services less competitive, could eliminate or substantially reduce the demand for our services. Also, if the government makes efforts to contain drug costs and pharmaceutical and biotechnology company profits from new drugs, our customers may spend less, or reduce their spending on research and development. If health insurers were to change their practices with respect to reimbursements for pharmaceutical products, our customers may spend less, or reduce their spending on research and development.

If we should in the future become required to obtain regulatory approval to market and sell our goods we will not be able to generate any revenues until such approval is received.

The pharmaceutical industry is subject to stringent regulation by a wide range of authorities. While we believe that, given our present business, we are not currently required to obtain regulatory approval to market our goods because, among other things, we do not (i) produce or market any clinical devices or other products, or (ii) sell any medical products or services to the customer, we cannot predict whether regulatory clearance will be required in the future and, if so, whether such clearance will at such time be obtained for any products that we are developing or may attempt to develop. Should such regulatory approval in the future be required, our goods may be suspended or may not be able to be marketed and sold in the United States until we have completed the regulatory clearance process as and if implemented by the FDA. Satisfaction of regulatory requirements typically takes many years, is dependent upon the type, complexity and novelty of the product or service and would require the expenditure of substantial resources.

If regulatory clearance of a good that we propose to propose to market and sell is granted, this clearance may be limited to those particular states and conditions for which the good is demonstrated to be safe and effective, which would limit our ability to generate revenue. We cannot ensure that any good that we develop will meet all of the applicable regulatory requirements needed to receive marketing clearance. Failure to obtain regulatory approval will prevent commercialization of our goods where such clearance is necessary. There can be no assurance that we will obtain regulatory approval of our proposed goods that may require it.

Risks Related to the Securities Markets and Ownership of our Equity Securities

The market price of our common stock may be volatile and adversely affected by several factors.

The market price of our common stock could fluctuate significantly in response to various factors and events, including, but not limited to:

- our ability to integrate operations, technology, products and services;
- our ability to execute our business plan;
- our operating results are below expectations;
- our issuance of additional securities, including debt or equity or a combination thereof,;
- announcements of technological innovations or new products by us or our competitors;
- media coverage regarding our industry or us;
- litigation;
- disputes with or our inability to collect from significant customers;
- loss of any strategic relationship;
- industry developments, including, without limitation, changes in healthcare policies or practices;
- economic and other external factors;
- reductions in purchases from our large customers;
- period-to-period fluctuations in our financial results; and
- whether an active trading market in our common stock develops and is maintained.

In addition, the securities markets have from time to time experienced significant price and volume fluctuations that are unrelated to the operating performance of particular companies. These market fluctuations may also materially and adversely affect the market price of our common stock.

Our shares of common stock may be thinly traded, so you may be unable to sell at or near ask prices or at all.

We cannot predict the extent to which an active public market for our common stock will develop or be sustained. This situation may be attributable to a number of factors, including the fact that we are a small company that is relatively unknown to stock analysts, stock brokers, institutional investors and others in the investment community who generate or influence sales volume, and that even if we came to the attention of such persons, they tend to be risk averse and would be reluctant to follow an unproven company such as ours or purchase or recommend the purchase of our shares until such time as we have become more seasoned and viable. As a consequence, there may be periods of several days or weeks when trading activity in our shares is minimal or non-existent, as compared to a seasoned issuer which has a large and steady volume of trading activity that will generally support continuous sales without an adverse effect on share price. We cannot assure you that a broader or more active public trading market for our common stock will develop or be sustained, or that current trading levels will be sustained or not diminish.

We have not paid cash dividends in the past and do not expect to pay cash dividends in the foreseeable future. Any return on investment may be limited to the value of our common stock.

We have never paid cash dividends on our capital stock and do not anticipate paying cash dividends on our capital stock in the foreseeable future. The payment of dividends on our capital stock will depend on our earnings, financial condition and other business and economic factors affecting us at such time as the board of directors may consider relevant. If we do not pay dividends, our common stock may be less valuable because a return on your investment will only occur if the common stock price appreciates.

Stockholders may experience significant dilution if future equity offerings are used to fund operations or acquire complementary businesses.

If future operations or acquisitions are financed through the issuance of additional equity securities, stockholders could experience significant dilution. Securities issued in connection with future financing activities or potential acquisitions may have rights and preferences senior to the rights and preferences of our common stock. In addition, the issuance of shares of our common stock upon the exercise of outstanding options or warrants may result in dilution to our stockholders.

****We may become involved in securities class action litigation that could divert management's attention and harm our business.***

The stock market in general, and the stocks of early stage companies in particular, have experienced extreme price and volume fluctuations. These fluctuations have often been unrelated or disproportionate to the operating performance of the companies involved. If these fluctuations occur in the future, the market price of our shares could fall regardless of our operating performance. In the past, following periods of volatility in the market price of a particular company's securities, securities class action litigation has often been brought against that company. If the market price or volume of our shares suffers extreme fluctuations, then we may become involved in this type of litigation, which would be expensive and divert management's attention and resources from managing our business.

As a public company, we may also from time to time make forward-looking statements about future operating results and provide some financial guidance to the public markets. Projections may not be made timely or set at expected performance levels and could materially affect the price of our shares. Any failure to meet published forward-looking statements that adversely affect the stock price could result in losses to investors, stockholder lawsuits or other litigation, sanctions or restrictions issued by the SEC.

****We have a significant number of outstanding options and warrants, and future sales of these shares could adversely affect the market price of our common stock.***

As of July 1, 2017, we had outstanding options exercisable for an aggregate of 5,965,172 shares of common stock at a weighted average exercise price of $3.41 per share and outstanding warrants exercisable for an aggregate of 470,444 shares of common stock at a weighted average exercise price of $4.15 per share. The holders may sell many of these shares in the public markets from time to time, without limitations on the timing, amount or method of sale. As and when our stock price rises, if at all, more outstanding options and warrants will be in-the-money and the holders may exercise their options and warrants and sell a large number of shares. This could cause the market price of our common stock to decline.

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

On April 26, 2017, the Company entered into a Securities Purchase Agreement with certain purchasers named therein (the "Purchasers"), pursuant to which the Company agreed to sell and issue up to $25.0 million of its common stock at a purchase price of $2.60 per share in three tranches of approximately $3.5 million, $16.4 million and $5.1 million, respectively. The first tranche closed on April 27, 2017, pursuant to which the Company issued 1,346,154 shares of its common stock. The second tranche closed on May 24, 2017, pursuant to which the Company issued 6,303,814 shares of its common stock. The third tranche is expected to close following a related stockholder approval at the Company's special meeting on August 10, 2017.

The shares of the Company's common stock sold pursuant to the Securities Purchase Agreement were not registered under the Securities Act, or any state securities laws. The Company had relied on the exemption from the registration requirements of the Securities Act by virtue of Section 4(a)(2) thereof and Rule 506 of Regulation D thereunder. In connection with the Purchasers' execution of the Securities Purchase Agreement, the Purchasers' represented to the Company that they are each an "accredited investor" as defined in Regulation D of the Securities Act and that the securities purchased by them were acquired solely for their own account and for investment purposes and not with a view to the future sale or distribution.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

Exhibit No.	Description of Exhibits
2.1	Agreement and Plan of Merger, dated as of May 21, 2008, by and among Cody Resources, Inc., CDI Acquisition, Inc. and ChromaDex, Inc., as amended on June 10, 2008 (incorporated by reference to, and filed as Exhibit 2.1 to the Registrant's Current Report on Form 8-K filed with the Commission on June 24, 2008)
3.1	Amended and Restated Certificate of Incorporation of the Registrant (incorporated by reference to, and filed as Exhibit 3.1 to the Registrant's Annual Report on Form 10-K filed with the Commission on March 16, 2017)
3.2	Bylaws of the Registrant (incorporated by reference to, and filed as Exhibit 3.2 to the Registrant's Current Report on Form 8-K filed with the Commission on June 24, 2008)
3.3	Certificate of Amendment to the Amended and Restated Certificate of Incorporation of the Registrant (incorporated by reference to, and filed as Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed with the Commission on April 12, 2016)
3.4	Amendment to Bylaws of the Registrant (incorporated by reference to, and filed as Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed with the Commission on July 19, 2016)
4.1	Form of Stock Certificate representing shares of the Registrant's Common Stock (incorporated by reference to, and filed as Exhibit 4.1 to the Registrant's Annual Report on Form 10-K filed with the Commission on April 3, 2009)
4.2	Investor's Rights Agreement, effective as of December 31, 2005, by and between The University of Mississippi Research Foundation and the Registrant (incorporated by reference to, and filed as Exhibit 4.1 to the Registrant's Current Report on Form 8-K filed with the Commission on June 24, 2008)
4.3	Tag-Along Agreement effective as of December 31, 2005, by and among the Registrant, Frank Louis Jaksch, Snr. & Maria Jaksch, Trustees of the Jaksch Family Trust, Margery Germain, Lauren Germain, Emily Germain, Lucie Germain, Frank Louis Jaksch, Jr., and the University of Mississippi Research Foundation (incorporated by reference to, and filed as Exhibit 4.2 to the Registrant's Current Report on Form 8-K filed with the Commission on June 24, 2008)
4.4	Form of Stock Certificate representing shares of the Registrant's Common Stock effective as of January 1, 2016 (incorporated by reference to, and filed as Exhibit 4.4 to the Registrant's Annual Report on Form 10-K filed with the Commission on March 17, 2016)
10.1	Third Business Financing Modification Agreement, dated as of April 19, 2017, between Western Alliance Bank and ChromaDex Corporation ❖
10.2	Securities Purchase Agreement dated April 26, 2017, by and among the Company and the purchasers named therein (incorporated by reference to, and filed as Exhibit 99.1 to the Registrant's Current Report on Form 8-K filed with the Commission on April 27, 2017)
10.3	Registration Rights Agreement dated April 29, 2017, by and among the Company and the purchasers named therein (incorporated by reference to, and filed as Exhibit 99.1 to the Registrant's Current Report on Form 8-K filed with the Commission on May 2, 2017)
10.4	First Amendment to Securities Purchase Agreement dated May 24, 2017, by and among the Company and the purchasers named therein (incorporated by reference to, and filed as Exhibit 99.1 to the Registrant's Current Report on Form 8-K filed with the Commission on May 25, 2017)
10.5	License Agreement dated June 9, 2017, by and between ChromaPharma, Inc. and the Scripps Research Institute❖(1)
10.6	Research Funding Agreement dated June 9, 2017, by and between ChromaPharma, Inc. and the Scripps Research Institute❖(1)
10.7	Fourth Business Financing Modification Agreement, dated as of July 13, 2017, between Western Alliance Bank and ChromaDex Corporation❖
10.8	Amended and Restated Non-Employee Director Compensation Policy❖+
31.1	Certification of the Chief Executive Officer pursuant to Rule 13a-14(A) of the Securities Exchange Act of 1934, as amended❖
31.2	Certification of the Chief Financial Officer pursuant to Rule 13a-14(A) of the Securities Exchange Act of 1934, as amended❖
32.1	Certification pursuant to 18 U.S.C. Section 1350 (as adopted pursuant to Section 906 of the Sarbanes–Oxley Act of 2002)❖
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

❖ Filed herewith.
+ Indicates management contract or compensatory plan or arrangement.

(1) A redacted version of this Exhibit is filed herewith. An un-redacted version of this Exhibit has been separately filed with the Commission pursuant to an application for confidential treatment. The confidential portions of the Exhibit have been omitted and are marked by an asterisk.

SIGNATURES

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

CHROMADEX CORPORATION

Date: August 10, 2017

By: /s/ THOMAS C. VARVARO
Thomas C. Varvaro
Chief Financial Officer
(principal financial and accounting officer and duly authorized on behalf of the registrant)

Exhibit 10.1

THIRD BUSINESS FINANCING MODIFICATION AGREEMENT

This Third Business Financing Modification Agreement (this "Agreement") is entered into as of April 19, 2017, by and among CHROMADEX CORPORATION, a Delaware corporation, CHROMADEX, INC., a California corporation, CHROMADEX ANALYTICS, INC., a Nevada corporation ("Existing Borrowers") and HEALTHSPAN RESEARCH LLC, a Delaware limited liability company ("New Borrower", and together with Existing Borrowers, each, a "Borrower" and collectively, "Borrowers"), and WESTERN ALLIANCE BANK, an Arizona corporation ("Lender").

1. DESCRIPTION OF EXISTING INDEBTEDNESS: Among other indebtedness which may be owing by Borrowers to Lender, Existing Borrowers are indebted to Lender pursuant to, among other documents, a Business Financing Agreement, dated November 4, 2016, by and among Existing Borrowers and Lender, as may be amended from time to time, including, without limitation, by that certain First Business Financing Modification Agreement dated as of February 16, 2017, and that certain Second Business Financing Modification Agreement dated as of March 12, 2017 (the "Business Financing Agreement"). Capitalized terms used without definition herein shall have the meanings assigned to them in the Business Financing Agreement.

Hereinafter, all indebtedness owing by Borrowers to Lender under the Existing Documents (defined herein) shall be referred to as the "Obligations" and the Business Financing Agreement and any and all other Loan Documents executed by Borrowers in favor of Lender in connection therewith shall be referred to as the "Existing Documents."

2. ACKNOWLEDGMENT OF DEFAULTS. Borrowers hereby acknowledge that they are currently in default under the Business Financing Agreement due to (i) Borrowers' failure to maintain the minimum Quick Ratio as required by Section 4.12(a) of the Business Financing Agreement (as in effect prior to the date hereof) for the measuring periods ended January 31, 2017, and February 28, 2017 and (ii) Borrowers' failure to make New Borrower a Borrower under the Business Financing Agreement on or prior to April 11, 2017 as required by the Second Business Financing Modification Agreement (collectively, the "Existing Defaults").

3. WAIVER OF EXISTING DEFAULTS. On the date of this Agreement, Lender hereby waives the Existing Defaults. Nothing contained herein shall constitute or effect a continuing waiver or a course of conduct waiving these or any other provision of the Business Financing Agreement.

4. NEW BORROWER JOINDER. From and after the date hereof, New Borrower hereby absolutely and unconditionally: (i) joins as and becomes a party to the Business Financing Agreement as a Borrower thereunder, (ii) assumes all of the obligations, liabilities and indemnities of a Borrower under the Business Financing Agreement and all other Loan Documents, and (iii) covenants and agrees to be bound by and adhere to all of the terms, covenants, waivers, releases, agreements and conditions of or respecting the Borrowers with respect to the Business Financing Agreement and the other Loan Documents and all of the representations and warranties contained in the Business Financing Agreement and the other Loan Documents with respect to the Borrowers; and (iv) hereby grants to Lender a continuing security interest in all of such New Borrower's now owned and existing and hereafter acquired and arising Collateral, as collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise under the Loan Documents) of all of the Obligations. New Borrower hereby authorizes Lender to file at any time uniform commercial code financing statements in such jurisdictions and offices as Lender deems reasonably necessary in connection with the perfection of a security interest in all of such New Borrower's now owned or hereafter arising or acquired Collateral. New Borrower has read the Business Financing Agreement and affirmatively grants to Lender a security interest in New Borrower's Collateral as set forth in said Business Financing Agreement and the Loan Documents.

5. DESCRIPTION OF CHANGE IN TERMS.

A. Modifications to Business Financing Agreement and all Existing Documents:

(i) Section 4.12(a) of the Business Financing Agreement hereby is amended and restated in its entirety and replaced with the following:

"(a) Quick Ratio, at all times when any Advances are outstanding, but tested at each Month End (when Advances are outstanding during such month of measurement at any time), not less than 0.8 to 1.0."

(ii) The third sentence of Section 1.1 of the Business Financing Agreement hereby is amended and restated in its entirety and replaced with the following:

"It shall be a condition to each Advance that (a) an Advance Request acceptable to Lender has been received by Lender, (b) all of the representations and warranties set forth in Section 3 are true and correct in all material respects on the date of such Advance as though made at and as of each such date, (c) Borrowers shall deliver to Lender evidence, in form and substance satisfactory to Lender in its good faith business discretion, that Borrowers have maintained a Quick Ratio of not less than 0.8 to 1.0 for each of the three (3) months immediately preceding the date of such request for an Advance, and (d) no Default has occurred and is continuing, or would result from such Advance."

6. CONSISTENT CHANGES. The Existing Documents are each hereby amended wherever necessary to reflect the changes described above.

7. PAYMENT OF MODIFICATION FEE AND DOCUMENTATION FEE . Borrowers shall pay Lender (i) a modification fee in the amount of $7,500 plus (ii) all out-of-pocket expenses (including but not limited to reasonable legal fees and due diligence fees (if any)) incurred by Lender in connection with the execution of this Agreement.

8. NO DEFENSES OF BORROWERS/GENERAL RELEASE. Each Borrower agrees that, as of this date, it has no defenses against the obligations to pay any amounts presently due under the Obligations. Each Borrower (each, a "Releasing Party") acknowledges that Lender would not enter into this Agreement without Releasing Party's assurance that it has no claims against Lender or any of Lender's officers, directors, employees or agents. Except for the obligations arising hereafter under this Agreement, each Releasing Party releases Lender, and each of Lender's and entity's officers, directors and employees from any known or unknown claims that Releasing Party now has against Lender of any nature, including any claims that Releasing Party, its successors, counsel, and advisors may in the future discover they would have now had if they had known facts not now known to them, whether founded in contract, in tort or pursuant to any other theory of liability, including but not limited to any claims arising out of or related to the Agreement or the transactions contemplated thereby. Releasing Party waives the provisions of California Civil Code section 1542, which states:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER, MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

The provisions, waivers and releases set forth in this section are binding upon each Releasing Party and its shareholders, agents, employees, assigns and successors in interest. The provisions, waivers and releases of this section shall inure to the benefit of Lender and its agents, employees, officers, directors, assigns and successors in interest. The provisions of this section shall survive payment in full of the Obligations, full performance of all the terms of this Agreement and the Business Financing Agreement, and/or Lender's actions to exercise any remedy available under the Business Financing Agreement or otherwise.

9. CONTINUING VALIDITY. Borrowers understand and agree that in modifying the existing Business Financing Agreement, Lender is relying upon Borrowers' representations, warranties, and agreements, as set forth in the Existing Documents. Except as expressly modified pursuant to this Agreement, the terms of the Existing Documents remain unchanged and in full force and effect. Lender's agreement to modifications to the existing Business Financing Agreement pursuant to this Agreement in no way shall obligate Lender to make any future modifications to the Business Financing Agreement. Nothing in this Agreement shall constitute a satisfaction of the Obligations. It is the intention of Lender and Borrowers to retain as liable parties all makers and endorsers of Existing Documents, unless the party is expressly released by Lender in writing. No maker, endorser, or guarantor will be released by virtue of this Agreement except in accordance with the terms of this Agreement. The terms of this paragraph apply not only to this Agreement, but also to any subsequent Business Financing modification agreements.

10. REFERENCE PROVISION.

A. In the event the Jury Trial waiver is not enforceable, the parties elect to proceed under this Judicial Reference Provision.

B. With the exception of the items specified in Section 8(c) below, any controversy, dispute or claim (each, a "Claim") between the parties arising out of or relating to this Agreement or any other document, instrument or agreement between the undersigned parties (collectively in this Section, the "Loan Documents"), will be resolved by a reference proceeding in California in accordance with the provisions of Sections 638 et seq. of the California Code of Civil Procedure ("CCP"), or their successor sections, which shall constitute the exclusive remedy for the resolution of any Claim, including whether the Claim is subject to the reference proceeding. Except as otherwise provided in the Loan Documents, venue for the reference proceeding will be in the state or federal court in the county or district where the real property involved in the action, if any, is located or in the state or federal court in the county or district where venue is otherwise appropriate under applicable law (the "Court").

C. The matters that shall not be subject to a reference are the following: (i) nonjudicial foreclosure of any security interests in real or personal property, (ii) exercise of self-help remedies (including, without limitation, set-off), (iii) appointment of a receiver and (iv) temporary, provisional or ancillary remedies (including, without limitation, writs of attachment, writs of possession, temporary restraining orders or preliminary injunctions). This reference provision does not limit the right of any party to exercise or oppose any of the rights and remedies described in clauses (i) and (ii) or to seek or oppose from a court of competent jurisdiction any of the items described in clauses (iii) and (iv). The exercise of, or opposition to, any of those items does not waive the right of any party to a reference pursuant to this reference provision as provided herein.

D. The referee shall be a retired judge or justice selected by mutual written agreement of the parties. If the parties do not agree within ten (10) days of a written request to do so by any party, then, upon request of any party, the referee shall be selected by the Presiding Judge of the Court (or his or her representative). A request for appointment of a referee may be heard on an ex parte or expedited basis, and the parties agree that irreparable harm would result if ex parte relief is not granted. Pursuant to CCP Sec. 170.6, each party shall have one peremptory challenge to the referee selected by the Presiding Judge of the Court (or his or her representative).

E. The parties agree that time is of the essence in conducting the reference proceedings. Accordingly, the referee shall be requested, subject to change in the time periods specified herein for good cause shown, to (i) set the matter for a status and trial-setting conference within fifteen (15) days after the date of selection of the referee, (ii) if practicable, try all issues of law or fact within one hundred twenty (120) days after the date of the conference and (iii) report a statement of decision within twenty (20) days after the matter has been submitted for decision.

F. The referee will have power to expand or limit the amount and duration of discovery. The referee may set or extend discovery deadlines or cutoffs for good cause, including a party's failure to provide requested discovery for any reason whatsoever. Unless otherwise ordered based upon good cause shown, no party shall be entitled to "priority" in conducting discovery, depositions may be taken by either party upon seven (7) days written notice, and all other discovery shall be responded to within fifteen (15) days after service. All disputes relating to discovery which cannot be resolved by the parties shall be submitted to the referee whose decision shall be final and binding.

G. Except as expressly set forth herein, the referee shall determine the manner in which the reference proceeding is conducted including the time and place of hearings, the order of presentation of evidence, and all other questions that arise with respect to the course of the reference proceeding. All proceedings and hearings conducted before the referee, except for trial, shall be conducted without a court reporter, except that when any party so requests, a court reporter will be used at any hearing conducted before the referee, and the referee will be provided a courtesy copy of the transcript. The party making such a request shall have the obligation to arrange for and pay the court reporter. Subject to the referee's power to award costs to the prevailing party, the parties will equally share the cost of the referee and the court reporter at trial.

H. The referee shall be required to determine all issues in accordance with existing case law and the statutory laws of the State of California. The rules of evidence applicable to proceedings at law in the State of California will be applicable to the reference proceeding. The referee shall be empowered to enter equitable as well as legal relief, enter equitable orders that will be binding on the parties and rule on any motion which would be authorized in a court proceeding, including without limitation motions for summary judgment or summary adjudication. The referee shall issue a decision at the close of the reference proceeding which disposes of all claims of the parties that are the subject of the reference. Pursuant to CCP Sec. 644, such decision shall be entered by the Court as a judgment or an order in the same manner as if the action had been tried by the Court and any such decision will be final, binding and conclusive. The parties reserve the right to appeal from the final judgment or order or from any appealable decision or order entered by the referee. The parties reserve the right to findings of fact, conclusions of laws, a written statement of decision, and the right to move for a new trial or a different judgment, which new trial, if granted, is also to be a reference proceeding under this provision.

I. If the enabling legislation which provides for appointment of a referee is repealed (and no successor statute is enacted), any dispute between the parties that would otherwise be determined by reference procedure will be resolved and determined by arbitration. The arbitration will be conducted by a retired judge or justice, in accordance with the California Arbitration Act Sec.1280 through Sec.1294.2 of the CCP as amended from time to time. The limitations with respect to discovery set forth above shall apply to any such arbitration proceeding.

J. THE PARTIES RECOGNIZE AND AGREE THAT ALL CONTROVERSIES, DISPUTES AND CLAIMS RESOLVED UNDER THIS REFERENCE PROVISION WILL BE DECIDED BY A REFEREE AND NOT BY A JURY. AFTER CONSULTING (OR HAVING HAD THE OPPORTUNITY TO CONSULT) WITH COUNSEL OF ITS, HIS OR HER OWN CHOICE, EACH PARTY KNOWINGLY AND VOLUNTARILY, AND FOR THE MUTUAL BENEFIT OF ALL PARTIES, AGREES THAT THIS REFERENCE PROVISION WILL APPLY TO ANY CONTROVERSY, DISPUTE OR CLAIM BETWEEN OR AMONG THEM ARISING OUT OF OR IN ANY WAY RELATED TO, THIS AGREEMENT OR THE OTHER LOAN DOCUMENTS.

11. CONDITIONS. The effectiveness of this Agreement is conditioned upon Lender's receipt of the following, in form and substance satisfactory to Lender:

(a) this Agreement, duly executed by Borrowers;

(b) a certificate of each Borrower with respect to incumbency and resolutions authorizing the execution and delivery of this Agreement;

(c) an Intellectual Property Security Agreement, duly executed by New Borrower;

(d) payment of a modification fee in the amount of Seven Thousand Five Hundred Dollars ($7,500), which may be debited from any of Borrowers' accounts,

(e) payment of all reasonable expenses incurred by Lender in connection with the execution hereof, which may be debited from any of Borrowers' accounts; and

(f) such other documents, and completion of such other matters, as Lender may reasonably deem necessary or appropriate.

12. NOTICE OF FINAL AGREEMENT. BY SIGNING THIS DOCUMENT EACH PARTY REPRESENTS AND AGREES THAT: (A) THIS WRITTEN AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES, (B) THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES, AND (C) THIS WRITTEN AGREEMENT MAY NOT BE CONTRADICTED BY EVIDENCE OF ANY PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OR UNDERSTANDINGS OF THE PARTIES.

13. COUNTERSIGNATURE. This Agreement shall become effective only when executed by Lender and Borrowers.

[*Balance of Page Intentionally Left Blank*]

IN WITNESS WHEREOF, Borrowers and Lender have executed this Agreement on the date and year above written.

BORROWERS:

CHROMADEX CORPORATION,
a Delaware corporation

By: /s/ Thomas C. Varvaro
Name: Thomas C. Varvaro
Title: CFO

CHROMADEX, INC.,
a California corporation

By: /s/ Thomas C. Varvaro
Name: Thomas C. Varvaro
Title: CFO

CHROMADEX ANALYTICS, INC.,
a Nevada corporation

By: /s/ Thomas C. Varvaro
Name: Thomas C. Varvaro
Title: CFO

HEALTHSPAN RESEARCH LLC,
a Delaware limited liability company

By: /s/ Thomas C. Varvaro
Name: Thomas C. Varvaro
Title: CFO

[*Signature Page to Third Business Financing Modification Agreement*]
[*Signatures continued on the next page*]

IN WITNESS WHEREOF, Borrowers and Lender have executed this Agreement on the date and year above written.

LENDER:

WESTERN ALLIANCE BANK,
an Arizona corporation

By: /s/ Justin Vogel
Name: Justin Vogel
Title: Vice President

[*Signature Page to Third Business Financing Modification Agreement*]

Exhibit 10.5

*****Text Omitted and Filed Separately with the Securities and Exchange Commission. Confidential Treatment Requested Under 17 C.F.R. Sections 200.80(b)(4) and 240.24b-2**

LICENSE AGREEMENT

This License Agreement is effective as of June 5, 2017 (the "Effective Date"), by and between THE SCRIPPS RESEARCH INSTITUTE, a California nonprofit public benefit corporation ("TSRI"), and ChromaPharma, Inc. a Nevada corporation ("Licensee"), each located at the respective address set forth in Section 13.17 below, with respect to the facts set forth below.

RECITALS

A. TSRI is engaged in fundamental scientific biomedical and biochemical research including research relating to fundamental scientific biomedical and biochemical research including research relating to breast cancer and NAD+/NADH redox balancing.

B. Licensee is engaged in the discovery and development of therapeutic drugs.

C. TSRI has disclosed to Licensee certain technology and TSRI has the right to grant a license to the technology, subject to certain rights of the U.S. Government resulting from the receipt by TSRI of certain funding from the U.S. Government.

D. TSRI desires to grant to Licensee, and Licensee wishes to acquire from TSRI, an exclusive license to certain patent rights of TSRI, all subject to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth herein, TSRI and Licensee hereby agree as follows:

1. **Definitions**. Capitalized terms shall have the meaning set forth herein.

1.1 Affiliate. The term "Affiliate" shall mean any entity which directly or indirectly controls, or is controlled by Licensee. The term "control" as used herein means (a) in the case of corporate entities, direct or indirect ownership of at least fifty percent (50%) of the stock or shares entitled to vote for the election of directors; or (b) in the case of non-corporate entities, direct or indirect ownership of at least fifty percent (50%) of the equity interests with the power to direct the management and policies of such non-corporate entities. The term "Licensee" as used throughout this Agreement also includes its Affiliates.

1.2 Challenge. Licensee or a Sublicensee will be deemed to have made a "Challenge" of the Licensed Patent Rights if Licensee or a Sublicensee: (a) institutes or maintains, or causes its counsel to institute or maintain on Licensee's or such Sublicensee's behalf, any interference, opposition, re-examination, post-grant review or similar proceeding with respect to any Licensed Patent Right with the U.S. Patent and Trademark Office or any foreign patent office; or (b) makes any filing or institutes or maintains any legal proceeding, or causes its counsel to make any filing or institute or maintain any legal proceeding on Licensee's or such Sublicensee's behalf, with a court or other governmental body (including, without limitation, the U.S. Patent and Trademark Office or any foreign patent office) in which one or more claims or allegations challenges the validity or enforceability of any Licensed Patent Right.

1.3 Confidential Information. The term "Confidential Information" shall mean any and all proprietary or confidential information of TSRI or Licensee that such party (the "Disclosing Party") discloses to the other party (the "Receiving Party")at any time and from time to time during the term of this Agreement. The provisions of this Agreement shall be considered the Confidential Information of both parties. Information shall not be considered confidential to the extent that the Receiving Party can establish by competent proof that such information:

(a) is publicly available through no fault of the Receiving Party, either before or after it becomes known to the Receiving Party;

(b) was known to the Receiving Party prior to the date of this Agreement, which knowledge was acquired independently and not from the Disclosing Party (or the Disclosing Party's employees); or

(c) is subsequently disclosed to the Receiving Party in good faith by a third party who is not under any obligation to maintain the confidentiality of such information, and without breach of this Agreement by the Receiving Party.

Specific Confidential Information disclosed to a Receiving Party shall not be deemed to be within any of the foregoing exceptions merely because it is (i) embraced by more general information in the public domain or in the Receiving Party's possession; (ii) a combination of features or data that can be pieced together by combining individual features or data from multiple sources in the public domain or in the Receiving Party's possession to reconstruct the Confidential Information, but none of which shows the entire combination; and/or (iii) a selection or part of a document or embodiment where other information in the same document or embodiment becomes part of the public domain or in the Receiving Party's possession.

1.4 Derivative Product. The term "Derivative Product" shall mean products that are not Licensed Products, but are in the Field and share an active pharmacophore or mechanism of action with any Licensed Product. If a product can be characterized as a Licensed Product and a Derivative Product, then such product shall be considered a Licensed Product.

1.5 Field. The term "Field" shall mean the prevention, treatment or amelioration of a specific disease, symptom, state of health, or medical- or health-related condition in humans and/or animals utilizing Nicotinamide Riboside or any NAD+ precursors limited to the patent in Exhibit B for the treat of breast cancer.

1.6 Licensed Biological Materials. The term "Licensed Biological Materials" shall mean the materials identified in Exhibit A (which will be supplied by TSRI to Licensee), together with any progeny or mutants of such materials, or unmodified derivatives of such materials (defined as substances created by Licensee that constitute an unmodified functional sub-unit or product expressed by such materials) in the Field.

1.7 Licensed Patent Rights. The term "Licensed Patent Rights" shall mean:

(a) the patent application(s) set forth in Exhibit B of this Agreement;

(b) the foreign counterpart applications of the respective applications

referenced in sub-clause (a) above, but only to the extent the claims of such foreign applications are entitled to the priority date of the respective applications referenced in sub-clause (a) above;

(c) divisionals, substitutions (only those claims of such substitutions that disclose the same subject matter that is covered by the application for which it is substituted), and continuations of any applications referenced in sub-clauses (a) and (b) above, provided the claims of such applications are entitled to the priority date of the respective applications referenced in sub-clause (a) above;

(d) any claim(s) of a continuation-in-part application of any application set forth in sub-clauses (a) and (c) above that are entitled to the priority date of the respective applications referenced in sub-clause (a) above;

(e) the patents issued from the applications referenced in sub-clauses (a) – (c) above and any reissues, reexaminations, renewals and patent term extensions of such patents; and

(f) any claim(s) of a patent issued from a continuation-in-part application referenced in sub-clause (d) above that are entitled to the priority date of the respective applications referenced in sub-clause (a) above, and any claim(s) of a reissue, reexamination, renewal and patent term extension of a patent issued from a continuation-in-part application referenced in sub-clause (d) above that are entitled to the priority date of the respective applications referenced in sub-clause (a) above.

1.8 Licensed Product. The term "Licensed Product" shall mean any product (a) the manufacture, use, sale, offer for sale or importation of which would, in the absence of the license granted by this Agreement, infringe any of the Licensed Patent Rights, (b) that is comprised of, utilizes or incorporates any of the Licensed Biological Materials, and/or (c) that is discovered, developed or made using a Licensed Process or any of the Licensed Biological Materials, or using any data or results produced or generated by using a Licensed Process or any of the Licensed Biological Materials within the Field.

1.9 Licensed Product Data. The term “Licensed Product Data” shall mean any data, information or other materials exclusively controlled by Licensee, including without limitation pre-clinical, clinical and other regulatory data, generated or produced by or on behalf of Licensee directly relating to a Licensed Product and which is generated or produced after the Effective Date.

1.10 Licensed Process. The term “Licensed Process” shall mean any method or process claimed in the Licensed Patent Rights.

1.11 Licensed Service. The term “Licensed Service” shall mean the performance of a service for a third party in the Field, which performance uses or incorporates a Product, Licensed Process or Licensed Biological Material.

1.12 Major Market Country. The term "Major Market Country" shall mean any of the following countries: the United States of America, the United Kingdom, France, Italy, Spain, Germany, Ireland and Japan.

1.13 Net Sales. The term "Net Sales" shall mean the gross amounts invoiced by Licensee and its Sublicensees, or any of them, on all sales of Products, Licensed Processes and Licensed Services, less the following items, to the extent directly applicable to such sales of Products, Licensed Processes or Licensed Services (if not previously deducted from the amount invoiced): […***…]. Net Sales shall include all consideration charged by Licensee or Sublicensees in exchange for any Products, Licensed Processes or Licensed Services, including without limitation any monetary payments or, with regard to any other property paid in exchange for any Products, Licensed Processes or Licensed Services, an amount in cash equal to the fair market value of such property. For purposes of determining Net Sales, a sale shall be deemed to have occurred when […***…]. Sales of Products by Licensee to a Sublicensee or Affiliate for resale or by a Sublicensee to an Affiliate of Licensee for resale shall be excluded, and only the subsequent sale of such Products by such Affiliates or Sublicensees to unrelated parties shall be deemed Net Sales hereunder.

The deductible items listed [...***...] above shall be either (i) included as line items on the invoice, or (ii) documented as being specifically attributable to actual sales of Products, Licensed Processes or Licensed Services in accordance with United States Generally Accepted Accounting Principles ("GAAP") or International Financing Reporting Standards ("IFRS"), as applicable, consistently applied throughout the organization of the selling party, and provided that such amounts are included in the quarterly Royalty Reports that Licensee sends to TSRI pursuant to Section 5.3. If Licensee or other selling party receives refunds or reimbursements of any amounts deducted as set forth herein, then such refunded or reimbursed amounts shall be considered Net Sales in the applicable reporting period in which such refunded or reimbursed amounts are received.

1.14 Product. The term "Product" shall mean a Licensed Product and/or Derivative Product, as applicable.

1.15 Royalty Report. The term "Royalty Report" shall have the meaning ascribed to such term as provided in Section 5.3.

1.16 Research Funding Agreement. The term "Research Funding Agreement" shall mean the Research Funding Agreement between the parties dated June 1, 2017 for sponsored research in the laboratory of Brunhilde Felding.

1.17 Sublicensee. The term "Sublicensee" shall mean any third party to whom Licensee grants a sublicense or similar rights with respect to the rights conferred upon Licensee under this Agreement, as contemplated by Section 2.3. In addition, "Sublicensee" shall include any and all further third party Sublicensees that may be permitted under Section 2.3.

1.18 Sublicense Revenues. The term "Sublicense Revenue" shall mean all revenues and other consideration paid to Licensee or to an Affiliate in consideration of (a) the

grant of rights that includes a sublicense to the Licensed Patent Rights and/or Licensed Biological Materials, (b) the grant of distribution or marketing rights with respect to Products and/or Licensed Biological Materials, and/or (c) the sale or other transfer of that portion of Licensee's or an Affiliate's business or assets that relates to the rights granted under this Agreement. Without limiting the generality of the foregoing, Sublicense Revenues shall include without limitation all upfront fees, license fees, milestone payments, technology access fees, premiums above the fair market value on sales of debt or equity securities of Licensee or of an Affiliate, annual maintenance fees, and any other payments with respect to such sublicense, distribution or marketing rights or sale or other transfer. Sublicense Revenues include amounts received from a Sublicensee under the terms of the agreement in which the sublicense is granted and under the terms of other agreements entered into between Licensee and Sublicensee as part of the same transaction as the agreement that includes the grant of the sublicense. However, Sublicense Revenues shall exclude: (i) royalties on a Sublicensee's sales of Products, Licensed Services or Licensed Processes; and (ii) payments for debt or equity securities of Licensee or of an Affiliate that are at or below the fair market value of such securities as of the date of receipt of such payments as mutually determined by the parties. Any non-cash Sublicense Revenues received by Licensee or by an Affiliate shall be valued at its fair market value as of the date of receipt as mutually determined by the parties.

1.19 Valid Claim. The term "Valid Claim" shall mean a claim of an issued and unexpired patent within the Licensed Patent Rights that has not been held invalid or unenforceable by a court or other appropriate governmental body of competent jurisdiction in a ruling that is unappealed or unappealable within the time allowed for appeal. The term "Valid Claim" shall also include the claims of a pending patent application within the Licensed Patent Rights which have not been pending for a period of more than seven (7) years from the date of first examination on the merits of that patent application.

2. **Grant of License**.

2.1 Grant of Exclusive License Under Licensed Patent Rights. TSRI hereby grants and Licensee accepts, subject to the terms and conditions of this Agreement, an exclusive (except as specified in Sections 2.5 and 2.6), worldwide, royalty-bearing license, with limited rights to sublicense pursuant to Section 2.3, under the Licensed Patent Rights to make. have made, use, have used, sell, have sold, offer to sell and import Products, Licensed Processes and Licensed Services in the Field.

2.2 Grant of License for Licensed Biological Materials. TSRI hereby grants and Licensee accepts, subject to the terms and conditions of this Agreement a non-exclusive license to the Licensed Biological Materials to make and have made, to use and have used, to sell and have sold, to offer to sell and to import any Licensed Biological Materials in the Field and to create any progeny, mutant, or derivative work thereof. Except for the license and sub-license rights granted pursuant to this Agreement, TSRI shall not grant a license to the Licensed Biological Materials to any party except to other nonprofit or academic institutions, pursuant to Section 2.6, (collectively, the "Research Institutions") solely for research and educational use, *provided that* any such license to the Licensed Biological Materials granted to the Research Institutions shall prohibit the commercialization of such Licensed Biological Materials by such Research Institutions and shall not in any way limit Licensee's commercialization rights under this Agreement.

2.3 Sublicensing. Licensee shall have the right to grant and authorize sublicenses to any party with respect to the rights conferred upon Licensee under this Agreement only with TSRI's prior written consent, which will not be unreasonably withheld. Sublicensees shall not have the right to further sublicense without TSRI's prior written consent, which will not be unreasonably withheld. Any sublicense granted under this Section 2.3 shall be subject in all respects to the applicable provisions contained in this Agreement (including without limitation the provisions regarding governmental interest, reservation of rights, development efforts, reporting, audit rights, indemnity, insurance, Challenges, warranty disclaimer, limitation of liability, confidentiality, and rights upon expiration or termination). In the event of a conflict between this Agreement and the terms of any sublicense, the terms of this Agreement shall control. Licensee shall forward to TSRI a copy of any and all fully executed sublicense agreements within […***…] days of execution. Licensee shall at all times be and remain responsible for the compliance by Sublicensees with the terms and conditions of this Agreement, including without limitation the payment of all amounts that may become due hereunder as a result of any Sublicensees' activities.

2.4 No Other License. This Agreement confers no license or rights by implication, estoppel or otherwise under any patent applications or patents or intellectual property of TSRI other than the Licensed Patent Rights regardless of whether such patent applications, patents or intellectual property are dominant or subordinate to the Licensed Patent Rights.

2.5 Governmental Interest. Licensee and TSRI acknowledge that TSRI has received, and expects to continue to receive, funding from the United States Government in support of TSRI's research activities. Licensee and TSRI acknowledge and agree that their respective rights and obligations under this Agreement shall be subject to the rights of the United States Government, existing and as amended, which may arise or result from TSRI's receipt of research support from the United States Government, including without limitation 37 C.F.R. Part 401, the National Institutes of Health ("NIH") Grants Policy Statement and the NIH Guidelines for Obtaining and Disseminating Biomedical Research Resources.

2.6 Reservation of Rights. Notwithstanding the exclusive license granted under Section 2.1, TSRI reserves the right to use for any internal research and educational purposes any Licensed Patent Rights and/or Licensed Biological Materials licensed hereunder, without TSRI being obligated to pay Licensee any royalties or other compensation or to account to Licensee in any way. In addition, TSRI reserves the right to grant non-exclusive licenses to use the Licensed Patent Rights and/or Licensed Biological Materials for internal research and educational purposes to other nonprofit or academic institutions, without the other nonprofit or academic institution being obligated to pay Licensee any royalties or other compensation or to account to Licensee in any way. With regard the Licensed Biological Materials inside the Field, TSRI reserves the right to grant non-exclusive licenses for internal research and educational purposes to other nonprofit or academic institutions, without the other nonprofit or academic institution being obligated to pay Licensee any royalties or other compensation or to account to Licensee in any way, […***…].

3. **Royalties and Other Payments**.

3.1 License Issue Fee. Licensee shall pay to TSRI a noncreditable, nonrefundable license issue fee in the amount of […***…] within fifteen (15) days of the Effective Date. Failure of Licensee to make this payment shall render this Agreement null and void (*ab initio)*.

3.2 Annual Fee. Licensee shall pay to TSRI a nonrefundable minimum annual fee in the initial amount of fifty thousand U.S. Dollars ($50,000). The first payment is due on June 1, 2018 and on June 1 of each subsequent calendar year until June 1, 2020, at which time the amount of the minimum annual fee shall become one hundred thousand U.S. Dollars ($100,000) and shall remain that amount which will be due on June 1 of each subsequent calendar year during the remaining term of this Agreement. The minimum annual fee shall be credited against running royalties due for that calendar year and Licensee's Royalty Reports shall reflect such a credit. The minimum annual fee shall not be credited against any milestone payments, Sublicense Payments, royalties due for any preceding or subsequent calendar year or against any other amounts due by Licensee under this Agreement.

3.3 Running Royalties. In the Field, Licensee shall pay to TSRI running royalties on a Licensed Product and country-by country basis, on a Licensed Process and country-by country basis, and on a Licensed Service and country-by-country basis, in the amount of (a) […***…] percent ([…***…]%)] of Net Sales of Licensed Products, Licensed Processes and Licensed Services in all countries in which the manufacture, use, sale, offer for sale or import of such Licensed Product, Licensed Process or Licensed Service would, in the absence of the license under the Licensed Patent Rights granted by this Agreement, infringe one or more Valid Claims in that country, or when the Licensed Product, Licensed Process or Licensed Service would not infringe a Valid Claim in the country of sale, but would infringe at least one Valid Claim in any Major Market Country, and (b) Licensee shall pay to TSRI running royalties on a Derivative Product and country-by country basis of Net Sales of Derivative products at […***…]% of the Licensed Product royalty rate set forth in this Section 3.3 (a).

3.4 Royalty Payments. Licensee shall pay to TSRI all royalties required by this Section 3 within […***…] days after the end of each calendar quarter, based upon Net Sales during the immediately preceding calendar quarter. Licensee shall make all such royalty payments itself to TSRI, and/or cause its Affiliates or Sublicensees to pay to TSRI all royalties resulting from Net Sales by its Affiliates or Sublicensees, within the time period specified in the preceding sentence.

3.5 Royalty Credit. If Licensee is required, upon the advice of patent counsel, to obtain a license under patent rights of one or more third parties that would, in the absence of such license, be infringed by Licensee's practice of the inventions claimed by the Licensed Patent Rights in the manufacture, use or sale of a Product, such that the total royalties paid by Licensee to such third parties and to TSRI for that Product exceeds […***…] percent ([…***…]%) of Net Sales of such Product in a particular royalty reporting period, then License shall be entitled to deduct from the royalties due to TSRI under Section 3.3 with respect to sales of that Product up to […***…] percent ([…***…]%) of the royalties Licensee actually paid to such third parties in excess of […***…] percent ([…***…]%) of Net Sales of such Product in that reporting period. The above offset right is subject to the

requirement that (i) the royalties paid to TSRI hereunder with respect to such Product shall not be reduced below […***…] percent ([…***…]%) of the royalties for that Product that would otherwise be due hereunder without such credit, and (ii) all such third parties who license patent rights to Licensee for that Product similarly agree to a royalty stacking credit in their license agreements with Licensee. For clarity, only one of Licensee, its Affiliates or Sublicensees may exercise such right to deduct with respect to a given third-party royalty obligation. Notwithstanding the above, Licensee, its Affiliates or its Sublicensees shall have no right to deduct or offset any royalties or other amounts with respect to a) third party composition of matter IP, b) generic or other competitive products and/or c) any third party technology that is involved in any cross license or similar arrangements (whether in the same or related transactions) where Licensee, its Affiliates or its Sublicensees grant or provide to such third party or agents licenses, options or other rights to existing or future technology, intellectual property, research or development activities or other information or materials. Licensee will give TSRI prior written notice of any third party license that would satisfy the above requirements for a royalty credit sufficiently in advance of deducting such credit from royalties due to TSRI hereunder in order to allow TSRI and Licensee to mutually determine whether the requirements of this Section have been satisfied.

3.6 No Multiple Royalties. No multiple royalties shall be due because any Licensed Product, Licensed Service or Licensed Process is covered by more than one of the Licensed Patent Rights or can be categorized as a Licensed Product and a Derivative Product. In such case, Licensee shall pay only one royalty at the applicable rate pursuant to Section 3.4 above. If both Sections 3.3 (a) and 3.3 (b) are applicable to a given Product, then Licensee shall pay the rate specified in Section 3.3 (a).

3.7 Arms-Length Transactions. On sales of Products, Licensed Services or Licensed Processes which are made in other than an arm's-length transaction, the value of the Net Sales attributed under this Section 3 to such a transaction shall be that which would have been received in an arm's-length transaction, based on sales of like quality and quantity products, services or processes on or about the time of such transaction.

3.8 Payment Increase in the Event of a Challenge.

3.8.1 Increase. Notwithstanding anything to the contrary in this Agreement, in the event Licensee or a Sublicensee directly or indirectly institutes or makes any Challenges, the amount of the minimum annual fee and the milestone payments and the percentage rates for royalties and Sublicense Payments required under Sections 3 and 4 of this Agreement shall be doubled during the pendency of such Challenges from the date the challenging party first institutes or makes such Challenges and during the pendency of such Challenges, and shall continue to apply after the conclusion of such Challenges in the event that at least one (1) Valid Claim that covers a Licensed Product, Licensed Service or Licensed Process is held to be valid and enforceable.

3.8.2 No Right to Recoup. In the event Licensee or a Sublicensee directly or indirectly institutes or makes any Challenges, Licensee shall have no right to recoup, recover, set-off or otherwise get reimbursement of any royalties, annual fees, Sublicense Payments, equity issuances to TSRI, milestone payments, patent costs or other monies paid hereunder to TSRI prior to or during the period of such Challenges. Licensee hereby voluntarily and irrevocably waives any right to seek return of such royalties, annual fees, Sublicense Payments, equity issuances,

milestone payments, patent costs or other monies in the event Licensee or a Sublicensee directly or indirectly institutes or makes any Challenges.

3.8.3 Pre-Challenge Requirements. Licensee will provide written notice to TSRI at least one hundred eighty (180) days prior to Licensee or a Sublicensee instituting or making any Challenges, and Licensee agrees that the challenging party will not institute such Challenge for at least one hundred eighty (180) days after the date of such notice. Licensee will include with such written notice a list of all prior art and a description of the other facts and arguments that support its contention that any of the Licensed Patent Rights are invalid or unenforceable. During such one hundred eighty (180) day period, the parties will discuss the same and attempt in good faith to mutually resolve such issues.

3.8.4 Reasonable Provisions. The parties agree that neither of them is entering into this Agreement with the anticipation that Challenges will be instituted or made by Licensee or any of its Sublicensees against TSRI, and consequently the percentage rates for royalties and Sublicense Payments and the other financial terms and conditions herein reflect that understanding. Licensee and TSRI further agree that if the parties did expect that such Challenges would be made against TSRI, the percentage rates for royalties and Sublicense Payments and the other financial terms and conditions herein would be significantly higher. Accordingly, the parties agree that the provisions for increasing the percentage rates for royalties and Sublicense Payments and the other amounts specified in Section 3.8.1 and the other provisions of this Section 3.8 are reasonable and reflect a mutual adjustment of certain financial provisions of this Agreement to accommodate those situations in which a Challenge is made against TSRI in lieu of increasing the percentage rates for royalties and Sublicense Payments and the other financial terms and conditions of this Agreement as of the Effective Date.

3.9 Duration of Royalty Obligations. The royalty obligations of Licensee as to each Product, Licensed Service or Licensed Process shall continue on a country-by-country basis until (a) the later of (i) the expiration of the last to expire Valid Claim that covers such Licensed Product, Licensed Service or Licensed Process in that country, or when a Licensed Product, Licensed Service or Licensed Process is not covered by a Valid Claim in the country of sale but is covered by at least one Valid Claim in a Major Market Country, upon the expiration of the last to expire Valid Claim that covers such Licensed Product, Licensed Service or Licensed Process in a Major Market Country, and (ii) the fifteenth (15^{th}) anniversary of the first commercial sale of such Product, Licensed Service or Licensed Process in such country, or (b) for a Product, Licensed Service or Licensed Process in any country in which the manufacture, use or sale of such Licensed Product, Licensed Service or Licensed Process is not covered by a Valid Claim but utilizes, is comprised of or incorporates Licensed Biological Materials, is a Derivative Product, or was discovered, developed or made using any Licensed Process or Licensed Biological Material, fifteen (15) years after the date of the first commercial sale of such Product, Licensed Service or Licensed Process in such country.

4. **Additional Consideration**.

4.1 Sublicense Payments. All Sublicense Revenues shall be reported and Sublicense Payments (defined below) paid to TSRI by Licensee within […***…] days of Licensee's receipt of such Sublicense Revenues. Licensee's reports to TSRI regarding Sublicense Revenues shall contain an explanation and calculation of the amount of Sublicense Payments due

to TSRI pursuant to the schedule below. Licensee's obligation to pay Sublicense Payments to TSRI shall continue for as long as royalties are due to TSRI pursuant to Section 3.9. Licensee shall pay to TSRI a non-creditable, non-refundable percentage of Sublicense Revenues according to the following schedule ("Sublicense Payments"):

Date of Agreement with Third Party/Sublicensee	Percent of Sublicense Revenue Payable to TSRI*
Before IND approval of Phase 1 clinical trials of a Product covered by such sublicense	[…***…]%
After IND approval of Phase 1 clinical trials, but prior to first dosing in IND approved study, of a Product covered by such sublicense	[…***…]%
After first dosing in IND approved study of a Product covered by such sublicense	[…***…]%

*In the event that Sublicense is with respect to a Derivative Product, Licensee shall pay to TSRI a reduced percentage of Sublicense Revenue equal to […***…] percent ([…***…]%) of the rates set forth in the table above. For example, if a Sublicense is granted with respect to a Derivative Product prior to IND approval of Phase 1 Clinical Trial for such Derivative Product, Licensee shall pay to TSRI Sublicense Revenues equal to […***…]%.

4.2 Product Development Milestones. Licensee shall pay to TSRI the following non-creditable, non-refundable amounts for the achievement of the following product development milestone events within […***…] days of the first occurrence of each milestone for each Product to meet such milestone as follows:

Milestone	Payment
[…***…]	U.S. $[…***…]
[…***…]	U.S. $[…***…]
[…***…]	U.S. $[…***…]
[…***…]	U.S. $[…***…]
[…***…]	U.S. $[…***…]
[…***…]	U.S. $[…***…]

*In the event that the product development milestone achieved in the Field is with respect to a Derivative Product, Licensee shall pay to TSRI a reduced milestone payment equal to […***…] percent ([…***…]%) of the amounts set forth in the table above. For example, upon Initiation of the Phase 1 Trial for such Derivative Product, Licensee shall pay to TSRI a milestone payment equal to […***…] dollars ($[…***…]).

For purposes of this Section 4.2, the following definitions shall apply:

(a) The term "Initiation" means, with respect to a clinical trial, the first dosing of the first patient in such trial.

(b) The term "Phase 1 Trial" means a human clinical trial that would satisfy the requirements for a Phase 1 study as defined in 21 C.F.R. §312.21(a) (or its successor regulation), or its foreign equivalent.

(c) The term "Phase 2 Trial" means a human clinical trial that would satisfy the requirements for a Phase 2 study as defined in 21 C.F.R. §312.21(b) (or its successor regulation), or its foreign equivalent.

(d) The term "Phase 3 Trial" means a human clinical trial that would satisfy the requirements for a Phase 3 study as defined in 21 C.F.R. §312.21(c) (or its successor regulation), or its foreign equivalent.

5. **Development and Commercialization Activities**.

5.1 Development Plan and Benchmarks. Attached hereto as Exhibit C is Licensee's development plan under which Licensee intends to bring the subject matter of the Licensed Patent Rights to the point of commercial use ("Commercial Development Plan"). Pursuant to the Commercial Development Plan, Licensee shall achieve the Benchmarks specified in Exhibit D within the time periods set forth in Exhibit D ("Benchmarks"). In addition, Licensee shall use commercially reasonable efforts, itself or through its Sublicensees, to develop and obtain regulatory approvals to market and sell Products, Licensed Services and Licensed Processes in the Field as promptly as is reasonably and commercially feasible, and, subject to obtaining necessary regulatory approvals, to produce and sell reasonable quantities of Products, Licensed Services and Licensed Processes sufficient to meet market demands.

5.2 Progress Reports. Licensee shall keep TSRI generally informed as to Licensee's progress with respect to its development of Products, Licensed Services and Licensed Processes, including without limitation its regulatory filings and approvals, marketing, production, sale and its efforts to sublicense the Licensed Patent Rights or Licensed Biological Materials. Licensee shall also provide to TSRI written annual reports on its progress in the development and commercialization of Products, Licensed Services and Licensed Processes in the Field by June 30 of each calendar year. These progress reports shall include without limitation: progress on research and development; status of applications for regulatory approvals; progress towards achieving the

Benchmarks; manufacturing; sublicensing; marketing; importing; sales efforts during the preceding calendar year as well as plans for the present calendar year; and a summary of the results of animal experiments and IND-enabling studies, and the Licensed Product Data from the preceding calendar year and analyses thereof that will provide meaningful understanding of the current status of Licensee's development of Products, Licensed Services and Licensed Processes. If reported progress in these annual reports differs from that projected in the Commercial Development Plan and Benchmarks, Licensee shall explain the reasons for such differences in its annual reports. Licensee agrees to provide any additional information reasonably required by TSRI to evaluate Licensee's performance under this Agreement. Licensee shall also report to TSRI the dates that Licensee or its Sublicensees achieve the events described on Exhibit E attached hereto within […***…] days of such occurrences.

5.3 Commercial Development Obligation. In order to maintain the license granted hereunder in force, Licensee shall […***…] develop Licensed Patent Rights which are licensed hereunder into commercially viable Licensed Products, as promptly as is reasonably and commercially feasible, and thereafter to produce and sell reasonable quantities of Licensed Products. The parties hereto acknowledge and agree that achievement of mutually agreeable milestones shall be evidence of compliance by Licensee with its commercial development obligations hereunder. Notwithstanding the foregoing, if Licensee believes that it cannot, within the exercise of prudent and reasonable business judgment, perform any mutually agreed upon milestones within the time period required therefor, Licensee may request, no more than one time per milestone, an extension of time for the performance date to a date that Licensee believes to be reasonable and prudent and TSRI shall agree to any requested extension which is not more than one (l) year in length from the originally required date and will not unreasonably withhold consent to requests for longer extensions. In the event TSRI has a reasonable basis to believe that Licensee is not using reasonable efforts and due diligence as required hereunder, upon notice by TSRI to Licensee which specifies the basis for such belief, TSRI and Licensee shall negotiate in good faith to attempt to mutually resolve the issue. In the event TSRI and Licensee cannot agree upon any matter related to Licensee's commercial development obligations, the parties agree to utilize an arbitrator mutually agreed to by the parties in order to resolve the matter. If the arbitrator determines that Licensee has not complied with its obligations hereunder, and such default is not cured within sixty (60) days after the arbitrator's decision, TSRI may terminate Licensee's rights under this Agreement.

5.4 Royalty Reports. Licensee shall submit to TSRI, no later than […***…] days after the end of each calendar quarter, a royalty report (the "Royalty Report") setting forth for such quarter at least the following information on a country-by-country and Licensed Product, Derivative Product, Licensed Service and Licensed Process basis:

(a) the number of units of Licensed Products and Derivative Products sold by Licensee and its Sublicensees;

(b) the gross amounts due or invoiced for such Licensed Products and Derivative Products sold by Licensee and its Sublicensees;

(c) the gross amounts due or invoiced for all Licensed Processes and Derivative Products used or sold by Licensee and its Sublicensees;

(d) the gross amounts due or invoiced for all Licensed Services performed by Licensee and its Sublicensees;

(e) a detailed listing of any royalty credits permitted under Section 3.5 and deductions applicable to determine Net Sales of Products, Licensed Services and Licensed Processes pursuant to Section 1.13, and any refunds or reimbursed amounts previously deducted which are deemed Net Sales pursuant to Section 1.13; and

(f) the amount of royalties due under Section 3, or if no royalties are due to TSRI for any reporting period, the statement that no royalties are due and a detailed explanation why they are not due for that quarterly period.

Each Royalty Report shall be certified as correct by an officer of Licensee.

5.5 Payments. Licensee shall pay to TSRI with each Royalty Report the amount of royalties due with respect to such quarter. If multiple technologies are covered by the licenses granted hereunder and Products, Licensed Services or Licensed Processes are based on different technologies, Licensee shall specify which Licensed Patent Rights and Licensed Biological Materials are utilized for each Product, Licensed Service or Licensed Process included in the Royalty Report. All payments due under this Agreement shall be deemed received when funds are credited to TSRI's bank account and shall be payable by check or wire transfer in United States Dollars to an account designated by TSRI.

5.6 Foreign Sales. The remittance of royalties payable on sales outside the United States shall be payable to TSRI in United States Dollar equivalents at the official rate of exchange of the currency of the country from which the royalties are payable, as quoted in The Wall Street Journal for the last business day of the calendar quarter in which the royalties are payable. If the transfer of or the conversion into the United States Dollar equivalents of any such remittance in any such instance is not lawful or possible, the payment of such part of the royalties as is necessary shall be made by the deposit thereof, in the currency of the country where the sale was made on which the royalty was based, to the credit and account of TSRI or its nominee in any commercial bank or trust company designated by TSRI and located in that country, prompt written notice of which shall be given by Licensee to TSRI.

6. **Record Keeping**. Licensee shall keep, and shall require its Affiliates and its Sublicensees to keep, accurate records (together with supporting documentation) of all Products, Licensed Services and Licensed Processes made, used and sold under this Agreement, as appropriate to determine the amount of royalties (including the calculations of royalty credits), product development milestone payments and other monies due to TSRI hereunder, as well as records regarding Sublicense Revenues, Sublicense Payments and Licensee's compliance with this Agreement. Such records shall be retained for at least five (5) years following the end of the reporting period to which such records relate. Such records shall be available, upon prior written notice to Licensee, during normal business hours for examination and copying by TSRI and/or its designated certified public accountant for the purpose of verifying the accuracy of Licensee's reports and payments hereunder and its compliance with this Agreement. In conducting

examinations pursuant to this Section, TSRI and/or its accountant shall have access to, and such accountant may disclose to TSRI, all records which TSRI or its accountant reasonably believes to be relevant to the calculation of royalties and other payments under Section 3, other consideration under Section 4, other financial obligations under this Agreement and to Licensee's compliance with this Agreement. These examinations shall be at TSRI's expense, except that if an examination shows an underreporting or underpayment of […***…] percent ([…***…]%) or more for any […***…] month period, then Licensee shall pay the cost of such examination (including without limitation TSRI's attorney's fees, accountant's fees and other costs), as well as any additional payments that would have been payable to TSRI had Licensee reported correctly, plus interest on such amounts at the rate of […***…] percent ([…***…]%) per month. All payments due hereunder shall be made within thirty (30) days of Licensee's receipt of a copy of the audit report. TSRI may exercise its audit rights under this Section 6 no more frequently than once in any calendar year.

7. **Patent Matters**.

7.1 Patent Prosecution and Maintenance. From and after the date of this Agreement, the provisions of this Section 7 shall control the prosecution of any patent application and maintenance of any patent included within Licensed Patent Rights. TSRI shall (a) direct and control the preparation, filing and prosecution of the United States and foreign patent applications within Licensed Patent Rights (including without limitation any reissues, reexaminations, appeals to appropriate patent offices and/or courts, post-issuance proceedings, interferences and foreign oppositions); and (b) maintain the patents issuing therefrom. TSRI shall have the right, in its sole discretion, to use TSRI's Office of Patent Counsel ("OPC") in lieu of or in addition to outside patent counsel for the patent prosecution and maintenance described herein. The fees and expenses associated with such work done by TSRI's OPC and its outside patent counsel shall be paid by Licensee as set forth below.

7.2 Information to Licensee. TSRI shall keep Licensee timely informed with regard to the patent application and maintenance processes. TSRI shall deliver to Licensee copies of all patent applications, amendments, related correspondence and other related patent documents. Licensee shall have full rights of consultation with TSRI's OPC and with TSRI's outside patent counsel on all matters relating to the prosecution and maintenance of the Licensed Patent Rights.

7.3 Patent Costs. Licensee acknowledges and agrees that the licenses granted hereunder are in partial consideration for Licensee's assumption of patent fees and expenses as described herein. Licensee shall pay to TSRI all fees and expenses for the work referenced in Sections 7.1 and 7.2. In addition, Licensee agrees to reimburse and pay TSRI for all patent fees and expenses previously incurred by TSRI's OPC and its outside patent counsel with respect to the Licensed Patent Rights before the Effective Date. Licensee shall pay to TSRI all such past and future patent fees and expenses associated with the work on the Licensed Patent Rights performed by TSRI's OPC and/or its outside patent counsel within thirty (30) days after Licensee receives an invoice itemizing such expenses. Failure of Licensee to pay patent fees and expenses as set forth in this Section 7.3 shall immediately relieve TSRI from its obligation to incur any further patent fees and expenses. For clarity, if Licensee does not pay any patent fees and expenses due to TSRI (for work performed by TSRI's OPC or by outside patent counsel) within thirty (30) days after Licensee's receipt of an itemized invoice therefor, TSRI shall have the right, in its sole discretion, to cease all patent prosecution and maintenance and allow Licensed Patent Rights to go abandoned.

Such action by TSRI shall not constitute a breach of this Agreement. Licensee may elect with a minimum of […***…] days' prior written notice to TSRI, to discontinue payment for the filing, prosecution and/or maintenance of any patent application and/or patent within Licensed Patent Rights. Licensee shall remain liable for all patent prosecution and maintenance fees and costs incurred prior to the date of such notice of election and during such […***…]-day notice period. Any such patent application or patent so elected shall immediately be excluded from the definition of Licensed Patent Rights and from the scope of the licenses granted under this Agreement, and all rights relating thereto shall revert exclusively to TSRI.

7.4 Ownership. TSRI exclusively owns all right, title and interest in and to the Licensed Patent Rights set forth in Exhibit B Part 1. The Licensed Patent Rights developed under the Research Funding Agreement are jointly owned by TSRI and Licensee as set forth in Exhibit B Part 2 and the Licensed Biological Materials are also jointly owned and set forth in Exhibit A.

7.5 TSRI Right to Pursue Patent. If at any time during the term of this Agreement, Licensee's rights with respect to any of the Licensed Patent Rights are terminated, TSRI has the right, but not the obligation, to take whatever action TSRI deems appropriate to obtain or maintain the corresponding patent protection. If TSRI pursues such patent protection under this Section 7.5, Licensee agrees to cooperate fully, including by providing, at no charge to TSRI, all appropriate technical data and executing all necessary legal documents.

7.6 Infringement Actions.

7.6.1 Prosecution of Infringements. Licensee agrees to promptly notify TSRI in the event that Licensee becomes aware of any infringement or threatened infringement by a third party of any of the Licensed Patent Rights. In order to maintain the licenses granted hereunder in force, Licensee shall prosecute any and all infringements of any Licensed Patent Rights by third parties, unless otherwise agreed in writing by TSRI and Licensee. Licensee may enter into settlements, stipulated judgments or other arrangements respecting such infringement, at its own expense, but only with TSRI's prior written consent if such settlements, stipulated judgments or other arrangements would affect TSRI's business or its rights in the Licensed Patent Rights. Licensee shall hold TSRI harmless from all liabilities and expenses with respect to such infringements. Failure on the part of Licensee to prosecute any such infringement shall be grounds for termination of the licenses granted to Licensee hereunder, with respect to the country in which such infringement occurs, at TSRI's option. If Licensee fails to prosecute any such infringement, Licensee shall promptly notify TSRI in writing. In such events, TSRI will have the right, but not the obligation, to prosecute such infringement itself.

7.6.2 Allocation of Recovery. Any damages, settlements or other recovery from an infringement action undertaken by Licensee pursuant to Section 7.6.1 shall first be used to reimburse the parties for the fees and expenses incurred in such action, and shall thereafter be allocated between and paid to the parties as follows: […***…] percent ([…***…]%) to TSRI, and […***…] percent ([…***…]%) to Licensee. If Licensee fails to prosecute any such action or fails to prosecute such action to completion, and TSRI instead prosecutes such action, then any damages or other recoveries net of the parties' fees and expenses incurred in such infringement action shall be allocated entirely to TSRI.

7.6.3 Defense of Infringements. Licensee shall, at its expense, have the

first right, but not the obligation, to defend any suits against Licensee or Sublicensees alleging infringement of any third party intellectual property right due to Licensee's or its Sublicensee's practice of the Licensed Patent Rights or its development or commercialization of Licensed Products, Licensed Services or Licensed Processes. Licensee shall promptly notify TSRI in writing of such claims, and TSRI and Licensee shall confer with each other and cooperate during the defense of any such action. TSRI shall, at its expense, have the right to retain separate independent counsel to assist in defending any such actions. In no event shall TSRI have any liability whatsoever for any damages, litigation costs or other amounts due to any third party (except for costs of TSRI's own counsel as provided above). If the third party intellectual property right is held not to be infringed or is held unenforceable or invalid, any recovery of damages with respect to such suit shall first be applied to reimburse all litigation fees and expenses of TSRI, next to reimburse all litigation fees and expenses of Licensee, and thereafter Licensee shall be entitled to keep the remaining balance from any such recovery. For clarity, the parties agree that this Section 7.6.3 shall in no way limit Licensee's obligations under Section 8.1 to indemnify, defend and hold harmless Indemnitees (as defined in Section 8.1 below) with respect to third party claims alleging infringement of such third party's intellectual property rights.

8. **Indemnity and Insurance**.

8.1 Indemnity. Licensee hereby agrees to indemnify, defend (by counsel reasonably acceptable to TSRI) and hold harmless TSRI and any parent, subsidiary or other affiliated entity of TSRI and their respective trustees, directors, officers, employees, scientists, agents, students, successors, assigns and other representatives (collectively, the "Indemnitees") from and against all damages, liabilities, losses and other expenses, including without limitation reasonable attorney's fees, expert witness fees and costs incurred by the Indemnitees, with respect to any third party claim, suit or action asserted against any of the Indemnitees, whether or not a lawsuit or other proceeding is filed (collectively "Claims"), that arise out of or relate to (a) Licensee's or any of its Sublicensees' practice of any invention claimed by the Licensed Patent Rights or use of Licensed Biological Materials, (b) alleged defects or other problems with any of the Products, Licensed Services or Licenses Processes manufactured, sold, distributed or rendered by or on behalf of Licensee or any Sublicensee, including without limitation any personal injuries, death or property damages related thereto, (c) the research, development, manufacture, use, marketing, advertising, distribution, sale or importation of any Product, Licensed Service or Licensed Process by or on behalf of Licensee or any of its Sublicensees, (d) the negligent or willful acts or omissions of Licensee or any of its Sublicensees, (e) any allegations that the Products, Licensed Services or Licensed Processes developed, manufactured, sold, distributed or rendered by or on behalf of Licensee or any Sublicensee and/or any trademarks, service marks, logos, symbols, slogans or other materials used in connection with or to market Products, Licensed Services or Licensed Processes violate or infringe upon the trademarks, service marks, trade dress, trade names, copyrights, patents, works of authorship, inventorship rights, trade secrets, database rights, rights under unfair competition laws, rights of publicity, privacy or defamation, or any other intellectual or industrial property right of any third party, (f) Licensee's or any Sublicensee's failure to comply with any applicable laws, rules or regulations, and/or (g) the labeling, packaging or patent marking of any Product or containers thereof by or on behalf of Licensee or any Sublicensee. Licensee shall not enter into any settlement, stipulated judgment or other arrangement with respect to such Claims that (i) imposes any obligation on Indemnitees, (ii) does not unconditionally release Indemnitees from all liability, or (iii) would have an adverse effect on TSRI's reputation or business, without TSRI's prior written consent. Notwithstanding the above,

Indemnitees, at their expense, shall have the right to retain separate independent counsel to assist in defending any such Claims. In the event Licensee fails to promptly indemnify and defend such Claims and/or pay Indemnitees' expenses as provided above, Indemnitees shall have the right, but not the obligation, to defend themselves, and in that case, Licensee shall reimburse Indemnitees for all of their reasonable attorney's fees, costs and damages incurred in settling or defending such Claims within thirty (30) days of each of Indemnitees' written requests. This indemnity shall be a direct payment obligation and not merely a reimbursement obligation of Licensee to Indemnitees.

8.2 Insurance.

8.2.1 TSRI as Additional Insured. Licensee shall name and cause TSRI and Indemnitees to be named as "additional insureds" on any commercial general liability and product liability insurance policies maintained by Licensee, its Affiliates and Sublicensees applicable to the Products, Licensed Services, Licensed Processes and Licensed Biological Materials.

8.2.2 Coverages. Beginning at the initiation of the first clinical trial involving any Product, Licensed Process, Licensed Service or Licensed Biological Material and continuing throughout the time any Product, Licensed Process or Licensed Service is being commercially distributed or sold by Licensee or a Sublicensee, Licensee shall, at its sole expense, procure and maintain commercial general liability insurance with reputable insurers in amounts not less than $10,000,000 per occurrence and $10,000,000 annual aggregate. Prior to the initiation of the first clinical trial involving any Product, Licensed Process, Licensed Service or Licensed Biological Material, Licensee shall, at its sole expense, procure and maintain commercial general liability insurance with reputable insurers in amounts not less than $5,000,000 per occurrence and $5,000,000 annual aggregate. Such commercial general liability insurance shall provide coverage, to the extent available, for: (i) product liability; (ii) completed operations; (iii) clinical trials, as applicable; (iv) broad form property damage; (v) advertising injury; (vi) premises operation; (vii) personal injury; and (viii) contractual liability coverage for Licensee's indemnification and other obligations under this Agreement. If Licensee desires to self insure all or part of the limits described above, such self-insurance program must be approved in advance by TSRI in its sole discretion. The insurance coverage amounts specified herein or the maintenance of such insurance policies shall not in any way limit Licensee's indemnity or other liability under this Agreement.

8.2.3 Waiver of Subrogation. Licensee, on behalf of itself and its insurance carriers, waives any and all claims and rights of recovery against TSRI and the Indemnitees, including without limitation all rights of subrogation, with respect to either party's performance under this Agreement or for any loss of or damage to Licensee or its property or the property of others under its control. Licensee's commercial general liability insurance policy shall also include a waiver of subrogation consistent with this Section in favor of TSRI and the Indemnitees. Licensee shall be responsible for obtaining such waiver of subrogation from its insurance carriers. Licensee's insurance policies shall be primary and not contributory to any insurance carried by its Sublicensees or by TSRI. At the time when Licensee sends its annual progress report to TSRI under Section 5.2 and upon TSRI's additional request, Licensee shall deliver to TSRI copies of insurance certificates and endorsements that comply with the requirements of this Section 8.2.

8.2.4 Cancellation/Changes in Coverages. Licensee shall, to the extent possible, provide TSRI with written notice at least […***…] days prior to the cancellation, non-renewal or material change in any insurance required by this Section 8.2. If Licensee does not obtain replacement insurance providing comparable coverage within such […***…] day period (or prior to the cancellation, non-renewal or material change in the existing policy), TSRI shall have the right to terminate this Agreement if Licensee fails to cure within […***…] days of TSRI's written notice of intent to terminate.

8.2.5 Continuation of Coverage. Licensee shall maintain such commercial general liability and product liability insurance beyond the expiration or termination of this Agreement during (a) the period that any Product, Licensed Process or Licensed Service is being commercially distributed or sold by or on behalf of Licensee or a Sublicensee; and (b) a reasonable period after the period referred to in sub-clause (a) above, which in no event shall be less than fifteen (15) years.

9. **Disclaimer and Limitation of Liability**.

9.1 Disclaimer. TSRI MAKES NO WARRANTIES OR REPRESENTATIONS CONCERNING LICENSED PATENT RIGHTS, LICENSED BIOLOGICAL MATERIALS OR ANY OTHER MATTER WHATSOEVER, INCLUDING WITHOUT LIMITATION ANY EXPRESS, IMPLIED OR STATUTORY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS, TITLE, ACCURACY OR ARISING OUT OF COURSE OF CONDUCT OR TRADE CUSTOM OR USAGE, AND DISCLAIMS ALL SUCH EXPRESS, IMPLIED OR STATUTORY WARRANTIES. TSRI MAKES NO WARRANTY OR REPRESENTATION AS TO THE VALIDITY, SCOPE OR ENFORCEABILITY OF ANY OF THE LICENSED PATENT RIGHTS OR LICENSED BIOLOGICAL MATERIALS, OR THAT ANY PRODUCT, LICENSED PROCESS, LICENSED SERVICE, LICENSED PATENT RIGHTS OR LICENSED BIOLOGICAL MATERIALS WILL NOT INFRINGE ANY THIRD PARTY RIGHTS, OR THAT NO THIRD PARTY IS IN ANY WAY INFRINGING UPON OR MAY INFRINGE UPON ANY LICENSED PATENT RIGHTS OR LICENSED BIOLOGICAL MATERIALS COVERED BY THIS AGREEMENT. FURTHER, TSRI HAS MADE NO INVESTIGATION AND MAKES NO REPRESENTATION OR WARRANTY THAT THE LICENSED PATENT RIGHTS OR LICENSED BIOLOGICAL MATERIALS ARE SUITABLE FOR LICENSEE'S PURPOSES.

9.2 Limitation of Liability. IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, EXEMPLARY OR CONSEQUENTIAL DAMAGES (INCLUDING WITHOUT LIMITATION DAMAGES FOR LOST PROFITS OR EXPECTED SAVINGS) ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR ITS SUBJECT MATTER, EXCEPT WITH RESPECT TO LICENSEE'S INDEMNITY OBLIGATIONS UNDER SECTION 8.1. TSRI'S AGGREGATE LIABILITY, IF ANY, FOR ALL DAMAGES OR OTHER RELIEF OF ANY KIND RELATING TO THIS AGREEMENT OR ITS SUBJECT MATTER SHALL NOT EXCEED THE AMOUNT PAID BY LICENSEE TO TSRI UNDER THIS AGREEMENT. THE FOREGOING EXCLUSIONS AND LIMITATIONS SHALL APPLY TO ALL CLAIMS AND ACTIONS OF ANY KIND AND ON ANY THEORY OF LIABILITY, WHETHER BASED ON CONTRACT, TORT (INCLUDING WITHOUT LIMITATION NEGLIGENCE OR STRICT LIABILITY), OR

ANY OTHER GROUNDS, AND REGARDLESS OF WHETHER A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY. THE PARTIES FURTHER AGREE THAT EACH WARRANTY DISCLAIMER, EXCLUSION OF DAMAGES OR OTHER LIMITATION OF LIABILITY HEREIN IS INTENDED TO BE SEVERABLE AND INDEPENDENT OF THE OTHER PROVISIONS BECAUSE THEY EACH REPRESENT SEPARATE ELEMENTS OF RISK ALLOCATION BETWEEN THE PARTIES.

10. **Confidentiality and Publicity**.

10.1 Treatment of Confidential Information. The parties agree that during the term of this Agreement, and for a period of five (5) years after this Agreement terminates, a party receiving Confidential Information of the other party will (a) maintain in confidence such Confidential Information to the same extent such party maintains its own proprietary information, but with no less than a reasonable degree of care; (b) not disclose such Confidential Information to any third party without the other party's prior written consent; and (c) not use such Confidential Information for any purpose except those permitted by this Agreement. Notwithstanding the foregoing, if a party is required by law, regulation or court order to disclose Confidential Information of the other party, the party required to make such disclosure shall (i) promptly send a copy of the order or notice to the other party not less than ten (10) days before the proposed disclosure (or such shorter period of time as may be reasonably practical under the circumstances); (ii) reasonably cooperate with the other party if the other party wishes to object or condition such disclosure through a protective order or otherwise; (iii) limit the extent of such disclosure to the minimum required to comply with the order or notice; and (iv) use reasonable efforts to seek confidential treatment (i.e., filing "under seal") for that disclosure. In addition, a party may disclose Confidential Information of the other party to its Affiliates and employees, to Sublicensees and potential Sublicensees, to investors or potential investors of a party in connection with due diligence or similar investigations or in confidential financing documents, to an organization to whom TSRI intends to assign or transfer or does assign or transfer this Agreement or the payment obligations due hereunder to TSRI, or to TSRI's Assignee, in each case, that any such agrees in writing to be bound by terms of confidentiality and non-use at least as stringent as those set forth in this Section 10.1, but with no further right to disclose or otherwise distribute the other party's Confidential Information.

10.2 Publications. Licensee agrees that TSRI shall have the right to publish in accordance with its general policies, and that this Agreement shall not restrict, in any fashion, TSRI's right to publish. Notwithstanding the foregoing, TSRI agrees to provide Licensee a copy of any proposed publication that uses material provided to TSRI under the Material Transfer Agreement between TSRI and ChromaDex corporation dated June 13, 2013 ("Material Transfer Agreement"), pursuant to the terms set forth in Section 4.1 of the Material Transfer Agreement.

10.3 Publicity. Except as otherwise required by law, no party shall originate or distribute any publication, news release or other public announcement, written or oral, whether in the public press, stockholders' reports or otherwise, relating to this Agreement or to any sublicense hereunder, or to the performance hereunder or under any such sublicense agreements, without the prior written approval of the other party, which approval shall not be unreasonably withheld. Scientific publications published in accordance with Section 10.2 of this Agreement shall not be construed as publicity governed by this Section 10.3.

11. **Term and Termination**.

11.1 Term. Unless terminated sooner in accordance with the terms set forth herein, this Agreement shall expire upon such time that no further royalties are due to TSRI pursuant to Section 3.9.

11.2 Termination Upon Mutual Agreement. This Agreement may be terminated by mutual written consent of both parties.

11.3 Termination by TSRI. TSRI has the right to immediately terminate this Agreement as follows (unless a further cure period is provided below):

(a) If Licensee does not make a payment due hereunder and fails to cure such non-payment (including the payment of interest in accordance with Section 13.2) within thirty (30) days after the date of TSRI's written notice of such non-payment;

(b) If Licensee defaults upon its indemnification or insurance obligations under Section 8;

(c) As provided in Section 5.3;

(d) Upon TSRI's written notice to Licensee in the event Licensee becomes insolvent, has a petition in bankruptcy filed for or against it, has a receiver appointed over any of Licensee's assets, makes an assignment for the benefit of creditors, or has any other proceedings filed against Licensee under any bankruptcy or insolvency laws;

(e) If Licensee is convicted of a felony relating to the development, manufacture, use, marketing, distribution or sale of Products, Licensed Services, Licensed Processes or Licensed Biological Materials;

(f) In the event Licensee or a Sublicensee directly or indirectly institutes or makes any Challenges;

(g) In the event Licensee does not cure any defaults in its payments as set forth in the Research Funding Agreement; or

(h) Except as provided in subparagphs (a) – (h) above, if Licensee defaults in the performance of any other obligations under this Agreement and the default has not been remedied within thirty (30) days after the date of TSRI's written notice of such default.

11.4 Rights Upon Expiration. Upon the expiration of this Agreement, neither party shall have any further rights or obligations, other than the obligation of Licensee to make any and all reports and payments due under Sections 3, 4, 7 and 11.8 with respect to events that occurred prior to such expiration in accordance with Sections 3.4, 4, 5.4, 5.5, 5.6 and 7.3 (all

of which Sections referenced in this sentence shall survive such expiration for such purposes). Notwithstanding the above, Sections 1, 2.4, 2.5, 2.6, 6, 7.4, 8, 9, 10, 11.5, 12.2 and 13 shall also survive the expiration of this Agreement.

11.5 Rights Upon Termination. Notwithstanding any other provision of this Agreement, upon any termination of this Agreement prior to the regularly scheduled expiration date of this Agreement, the licenses granted hereunder shall terminate and revert to TSRI, and all sublicenses granted by Licensee shall also automatically terminate. Except as otherwise provided in Section 11.7 of this Agreement with respect to work-in-progress, upon such termination, Licensee and its Sublicensees shall have no further right to develop, manufacture, market, distribute or sell any Product, Licensed Service, Licensed Process, or to otherwise practice or use any Licensed Patent Rights or Licensed Biological Materials. Upon any such termination, Licensee shall promptly return all materials, samples, documents, information and other items which embody or disclose any Licensed Patent Rights or Licensed Biological Materials; provided, however, that Licensee shall not be obligated to provide TSRI with Licensee's proprietary information which Licensee can show that it independently developed, other than the Licensed Product Data or that which is jointly owned in accordance with the Research Funding Agreement. Upon any termination of this Agreement, TSRI shall have the right, and Licensee hereby grants to TSRI upon such termination, a non-exclusive, worldwide, fully paid-up license, with the right to sublicense, to use the Licensed Product Data in order to research, have researched, develop, have developed, make, have made, use, have used, sell, have sold, offer to sell, import and have imported Products, Licensed Services, Licensed Processes and/or Licensed Biological Materials in the Field, and the right to reference any Licensed Product Data contained in any of Licensee's regulatory filings with the FDA (as defined in Section 4.3) or with any equivalent foreign agency or governmental authority with respect to TSRI's or its sublicensees' development or commercialization activities. Any such termination shall not relieve either party from any obligations accrued to the date of such termination, including without limitation the obligation of Licensee to make any and all reports and payments due under Sections 3, 4, 7 and 11.8 with respect to events that occurred prior to such termination or as provided in Section 11.7, in accordance with Sections 3.6, 4, 5.4, 5.5, 5.6 and 7.3 (all of which Sections referenced in this sentence shall survive such termination for such purposes). In addition, Sections 1, 2.4, 2.5, 2.6, 3.2, 6, 7.4, 8, 9, 10, 11.6, 11.7, 12.2 and 13 shall also survive the termination of this Agreement.

11.6 Work-in-Progress. Upon any early termination of the licenses granted hereunder, Licensee shall be entitled to finish any work-in-progress and to sell any completed inventory of Products which remain on hand as of the termination date, so long as Licensee sells such inventory in the normal course of business and at regular selling prices and pays to TSRI the royalties applicable to such subsequent sales in accordance with the provisions of this Agreement, provided that no such sales shall be permitted following the date that is six (6) months after the termination date.

11.7 Final Royalty Report. Upon termination or expiration of this Agreement, Licensee shall promptly submit a final report to TSRI, and any payments due to TSRI under this Agreement that accrued prior to such termination or expiration shall be paid by Licensee to TSRI at the time of delivery of the final report.

12. **Assignment; Successors**.

12.1 Assignment. Any and all assignments of this Agreement or any rights granted hereunder by Licensee without TSRI's prior written consent are void.

12.2 Binding Upon Successors and Assigns. Subject to the limitations on assignment in Section 12.1, this Agreement shall be binding upon and inure to the benefit of any successors in interest and assigns of TSRI and Licensee. Any successor or assignee of Licensee's interest shall expressly assume in writing the performance of all the terms and conditions of this Agreement to be performed by Licensee and such written assumption shall be delivered to TSRI as a condition to TSRI's agreement to consent to any such assignment.

13. **General Provisions**.

13.1 Independent Contractors. The relationship between TSRI and Licensee is that of independent contractors. TSRI and Licensee are not joint venturers, partners, principal and agent, master and servant, employer and employee, and have no other relationship other than independent contracting parties. TSRI and Licensee shall have no power to bind or obligate each other in any manner, other than as is expressly set forth in this Agreement.

13.2 Late Payments. Late payments of any and all amounts due hereunder shall bear interest from the due date until the date paid at a rate of one percent (1%) per month, or Two Hundred Fifty Dollars ($250), whichever is greater.

13.3 Governmental Approvals and Compliance. Licensee shall, at its expense, be responsible for obtaining all necessary governmental approvals for the development, production, distribution, performance, sale and use of any Product, Licensed Service or Licensed Process, and shall comply with all applicable laws, rules and regulations in conducting its activities under this Agreement. Licensee shall, at its expense, also be responsible for any warning labels, packaging and instructions produced or distributed with respect to the use of Products, Licensed Services or Licensed Processes and for the quality control for any Products, Licensed Services or Licensed Processes.

13.4 Patent Marking. To the extent required by applicable law, Licensee and its Sublicensees shall properly mark all Products or their containers in accordance with the applicable patent marking laws. Upon TSRI's request, Licensee shall provide to TSRI copies of its patent marking of all Products. To the extent Licensee or a Sublicensee marks any Licensed Products by referencing the Licensed Patent Rights thereon, Licensee represents and warrants that such Licensed Products are covered by a claim of the applicable referenced Licensed Patent Rights.

13.5 No Use of Name. The use of the name "The Scripps Research Institute", "Scripps", "TSRI" or any variation thereof in connection with the marketing, advertising, distribution, sale or performance of Products, Licensed Services or Licensed Processes is expressly prohibited.

13.6 U.S. Manufacture. To the extent commercially practicable, Licensee agrees that it and its Sublicensees will abide by the Preference for United States Industry

as set forth in 37 C.F.R. Section 401.14 (I), which requires that any Product or Licensed Process sold in the United States shall be manufactured substantially in the United States.

13.7 Foreign Registration. Licensee agrees, at its expense, to register this Agreement with any foreign governmental agency which requires such registration.

13.8 Use of Biological Materials. Licensee agrees that its and its Sublicensees' use of any Licensed Biological Materials shall comply with all applicable laws, rules, regulations and guidelines. Licensee agrees that the Licensed Biological Materials will not be used for research involving human subjects or clinical trials in the United States without complying with 21 C.F.R. Part 50 and 45 C.F.R. Part 46. Licensee agrees that the Licensed Biological Materials will not be used for research involving human subjects or clinical trials outside of the United States without complying with the applicable foreign laws, rules and regulations.

13.9 Dispute Resolution. Any dispute or claim between the parties arising out of or relating to this Agreement, including without limitation the breach thereof, shall be resolved according to the following dispute resolution procedures:

(a) Such dispute shall be first addressed by the representatives of TSRI and Licensee who have primary responsibility for managing this Agreement.

(b) If the dispute is not resolved by such representatives within fifteen (15) days after the date either party gives written notice that such dispute exists, then the dispute shall be referred to and addressed by the senior management of each party.

(c) If such dispute is not resolved by the parties' senior management within thirty (30) days after the date the dispute is referred to them, then the dispute shall be submitted to mediation. The mediator shall be a retired judge or other neutral third party mutually selected by TSRI and Licensee who has at least ten (10) years experience in mediating or arbitrating cases in the bio-pharmaceutical industry and regarding the same or substantially similar subject matter as the dispute between Licensee and TSRI. If the parties are unable to agree on such mediator within twenty (20) days after they exchange initial lists of potential mediators, a mediator with the same qualifications will be selected by the JAMS office in San Diego located at 401 B Street, San Diego, CA 92101 (after consultation with the parties).

(d) The location of the mediation shall be in the County of San Diego, California. TSRI and Licensee hereby irrevocably submit to the exclusive jurisdiction and venue of the mediator mutually selected by the parties or to the neutral mediator selected by JAMS of San Diego for purposes of the mediation, and to the exclusive jurisdiction and venue of the federal and state courts located in San Diego County, California for any action or proceeding regarding this Agreement in the event mediation is unsuccessful as provided in sub-clause (e) below, or as provided in sub-clause (f) below, and waive any right to contest or otherwise object to such exclusive jurisdiction or venue, including without limitation any claim that such exclusive venue is not a convenient forum.

(e) If the dispute is not resolved through mediation, either party may

refer the dispute to a court of competent jurisdiction in San Diego County, California.

(f) Notwithstanding anything to the contrary in this Agreement, prior to or while a mediation proceeding is pending, either party has the right to seek and obtain injunctive and other equitable relief from a court of competent jurisdiction to enforce that party's rights hereunder.

13.10 Entire Agreement; Modification. This Agreement and all of the attached Exhibits (which are incorporated herein) set forth the entire agreement between the parties as to the subject matter hereof, and supersede all prior or contemporaneous agreements or understandings, whether oral or written, regarding this subject matter. This Agreement cannot be amended except by a written instrument signed by both parties.

13.11 California Law. This Agreement shall be construed and enforced according to the laws of the State of California without regard to its conflicts or choice of law rules.

13.12 Headings. The headings for each Section in this Agreement have been inserted for convenience of reference only and are not intended to limit or expand on the meaning of the language contained in the particular Section.

13.13 Severability. If any provision of this Agreement is judicially determined to be invalid, void or unenforceable, the remaining provisions shall remain in full force and effect, and the stricken provision shall be revised in a manner that best reflects the original intent of the parties.

13.14 No Waiver. The failure of a party to enforce any of its rights hereunder or at law or in equity shall not be deemed a waiver or a continuing waiver of any of its rights or remedies against the other party, unless such waiver is in writing and signed by the waiving party.

13.15 Name. Whenever there has been an assignment by Licensee as permitted by this Agreement, the term "Licensee" as used in this Agreement shall also include and refer to, if appropriate, such assignee.

13.16 Attorneys' Fees.. In the event of a dispute between the parties or any default hereunder, the party prevailing in the resolution of such dispute or default shall be entitled to recover its reasonable attorneys' fees and other costs incurred in connection with resolving such dispute or default, in addition to any other relief to which it is entitled. Notwithstanding anything to the contrary herein, the parties agree that this Section 13.16 shall not apply and attorney's fees and costs shall not be awarded to either party with respect to any Challenge or any action where Licensee or a Sublicensee alleges that it is not required to comply with or perform some or all of the provisions of this Agreement based upon a good faith claim that any of the Licensed Patent Rights are invalid or unenforceable. TSRI and Licensee each represent that it has been represented by its own counsel in the negotiation and execution of this Agreement. Each party further represents that it has relied solely on the advice and representation of its respective counsel in agreeing to this Section 14.16 and all of the other provisions of this Agreement.

13.17 Notices. Any notices required or permitted by this Agreement shall be in writing and shall be delivered as follows, with notice deemed given as indicated: (a) by personal delivery, when received; (b) by overnight courier guaranteeing next-day delivery, upon the next business day immediately following delivery to such overnight courier; or (c) by registered or certified mail, return receipt requested and postage prepaid, upon verification of receipt. Notices shall be sent to the respective addresses set forth below, unless subsequently changed by written notice to the other party:

For TSRI:	The Scripps Research Institute 10550 North Torrey Pines Road, TPC-9 La Jolla, California 92037 Attention: Vice President, Business Development
with a copy to:	The Scripps Research Institute 10550 North Torrey Pines Road, TPC-8 La Jolla, California 92037 Attention: Chief Business Counsel
For Licensee:	ChromaPharma, Inc. 10005 Muirlands Blvd, Suite G Irvine, California 92618 Attention: Chief Financial Officer

13.18 Counterparts. This Agreement may be executed in several counterparts that together shall constitute originals and one and the same instrument.

13.19 Cumulative Remedies. The rights and remedies stated in this Agreement shall be cumulative and in addition to any other rights and remedies the parties may have at law or in equity.

IN WITNESS WHEREOF, the parties have executed this Agreement by their duly authorized representatives as of the Effective Date.

TSRI:	LICENSEE:
THE SCRIPPS RESEARCH INSTITUTE	ChromaPharma, Inc.
By: /s/ Matt Tremblay	By: /s/ Tom Varvaro Tom Varvaro
Title: Vice President, Business Development	Title: CFO 6/9/2017

EXHIBIT A

LICENSED BIOLOGICAL MATERIALS

None.

EXHIBIT B

LICENSED PATENT RIGHTS

[…***…]

EXHIBIT C

COMMERCIAL DEVELOPMENT PLAN

None.

EXHIBIT D

BENCHMARKS

[…***…]

EXHIBIT E

REPORTING EVENTS

Licensee shall notify TSRI in writing of each of the following events with respect to each Product, Licensed Service and Licensed Process in a Major Market Country within […***…] days of such occurrence:

1. […***…];

2. […***…];

3. […***…]; and

4. […***…].

*****Confidential Treatment Requested**

Exhibit 10.6

*****Text Omitted and Filed Separately**
with the Securities and Exchange Commission.
Confidential Treatment Requested
Under 17 C.F.R. Sections 200.80(b)(4)
and 240.24b-2

RESEARCH FUNDING AGREEMENT

by and between

THE SCRIPPS RESEARCH INSTITUTE
a California nonprofit
public benefit corporation

and

ChromaPharma, Inc.
A Nevada corporation

RESEARCH FUNDING AGREEMENT

This Agreement is entered into this 5th day of June, 2017 (the "Effective Date"), by and between The Scripps Research Institute, a California nonprofit public benefit corporation located at 10550 North Torrey Pines Road, La Jolla, California 92037 ("TSRI"), and ChromaPharma, Inc., a Nevada for-profit corporation located at 10005 Muirlands Blvd., Suite G, Irvine, CA 92618 USA ("Sponsor"), with respect to the facts set forth below.

RECITALS

A. TSRI is engaged in fundamental scientific biomedical and biochemical research including research relating to breast cancer, as more particularly described herein.

B. Sponsor is engaged in research and development of proprietary health, wellness and nutritional ingredients, that creates science-based solutions to dietary supplement, food and beverage, skin care, sports nutrition, and pharmaceutical products.

C. Sponsor desires to provide certain funding as part of TSRI's research activities described above.

D. Subject to any non-exclusive rights of the U.S. Government, TSRI is granting to Sponsor an exclusive license to certain intellectual property arising from the Research Program, in accordance with a separate License Agreement between the parties, with an Effective Date of June 1, 2017.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and conditions outlined herein, TSRI and Sponsor hereby agree as follows:

1. DEFINITIONS.

1.1 Affiliate. The term "Affiliate" shall mean any entity which directly or indirectly controls, or is controlled by Sponsor. The term "control" as used herein means (a) in the case of corporate entities, direct or indirect ownership of at least fifty percent (50%) of the stock or shares entitled to vote for the election of directors; or (b) in the case of non-corporate entities, direct or indirect ownership of at least fifty percent (50%) of the equity interest with the power to direct the management and policies of such non-corporate entities. Unless otherwise specified, the term Sponsor includes Affiliates.

1.2 Agreement Number. This Agreement is TSRI number SFP-2235.

1 . 3 Biological Materials. The term “Biological Materials” shall mean any Technology in the form of tangible materials together with any progeny, mutants, or derivatives thereof developed in performance of the Research Program.

1.4 Confidential Information. The term "Confidential Information" shall mean any and all proprietary information of TSRI or Sponsor which may be exchanged between the parties at any time and from time to time during the term hereof. The fact that a party may have marked or identified as confidential or proprietary any specific information shall be indicative that such party believes such information to be confidential or proprietary, but the failure to so mark information shall not conclusively determine that such information was or was not considered confidential information by such party. Confidential Information shall also include any information which, given the circumstances surrounding the disclosure, would be considered confidential by the disclosing party. Information shall not be considered confidential to the extent that it:

a. Is publicly disclosed through no fault of any party hereto, either before or after it becomes known to the receiving party; or

b. Was known to the receiving party prior to the Effective Date, which knowledge was acquired independently and not from the other party hereto (including such party's employees); or

c. Is subsequently disclosed to the receiving party in good faith by a third party who has a right to make such disclosure; or

d. Has been published by a third party as a matter of right.

1.5 Patent Rights. The term “Patent Rights” shall mean:

(a) U.S. patents or patent application(s) directed to the Technology;

(b) Foreign counterpart patents or patent applications claiming and entitled to the priority date of the respective patents and patent application(s) referenced in sub-clause (a) above;

(c) Divisionals and continuations of any patents or patent applications referenced in sub-clauses (a) and (b) above;

(d) Any claim(s) of a continuation-in-part claiming and entitled to the priority date of the respective patents and patent application(s) referenced in sub-clause (a) above; and

(e) Reissues, reexaminations, renewals and patent term extensions of the patents referenced in sub-clauses (a) - (d) above.

1.6 Principal Investigator. The term "Principal Investigator" shall mean […***…], together with such replacement persons selected in accordance with the provisions of Section 2.2 hereof.

1.7 Research Program. The term "Research Program" shall mean the research program to be undertaken by TSRI under the direction and control of the Principal Investigator as expressly set forth on Exhibit A hereto.

1.8 Research Tool. The term "Research Tool" shall mean any Technology which is designed or utilized for basic research purposes or internal drug discovery purposes and which is not utilized to produce, or incorporated into, a product.

1.9 Technology. The term "Technology" shall mean any invention, discovery, know-how, Biological Material, software, information and data, whether patentable or not, conceived and reduced to practice during the performance of the Research Program.

2. CONDUCT OF RESEARCH PROGRAM.

2.1 Conduct of Research Program. TSRI hereby agrees to use reasonable efforts to perform the Research Program subject to the provisions of this Agreement. Notwithstanding the foregoing, TSRI makes no warranties or representations regarding its ability to achieve, nor shall it be bound to accomplish, any particular research objective or results.

2.2 Supervision of Research Program. TSRI agrees that the Research Program at TSRI shall be conducted by or under the direct supervision of the Principal Investigator. In the event that the Principal Investigator leaves TSRI, or terminates his/her involvement in the Research Program, TSRI shall use its best efforts to find a replacement Principal Investigator acceptable to Sponsor, which acceptance shall not be unreasonably withheld. In the event that TSRI shall fail to appoint a replacement Principal Investigator reasonably acceptable to Sponsor, Sponsor shall have a right to terminate this Agreement upon delivery to TSRI of written notice of intent to terminate pursuant to this Section 2.2, which notice must be delivered to TSRI not less than […***…] days nor more than […***…] days after delivery by TSRI to Sponsor of the name of the replacement Principal Investigator.

2.3 Reports. TSRI agrees that within […***…] days following the last day of each calendar year during the term of this Agreement, TSRI shall furnish Sponsor with a written report summarizing the results of the research included within the scope of the Research Program conducted by TSRI, during the immediately preceding calendar year, including but not limited to all data, conclusions, results, observations and a detailed description of all procedures. All such reports shall be treated as Confidential Information by Sponsor. TSRI further agrees to furnish Sponsor with written milestone updates every […***…] months.

2.4 Financial and Staffing Obligations

(a) Contributions of Parties to Research Program. Contributions in the form of financial support, equipment, personnel, technology and other necessary components for the conduct of the Research Program shall be made by the parties in accordance with the terms set forth on Exhibit B. All payments due to TSRI by Sponsor shall be payable in U.S. Dollars in quarterly installments in advance, within […***…] days of the dates set forth in the following payment schedule:

1st payment: $[…***…] (USD)	due: within (10) days of the Effective Date
2nd payment: $[…***…] (USD)	due: January 1, 2018
3rd payment: $[…***…] (USD)	due: upon completion of Year 1 Milestones as described in Exhibit A and a technical review by ChromaDex with a decision to fund year 2
4th payment $[…***…]	due six months after the 3rd payment
5th payment: $[…***…] (USD)	due: upon completion of Year 2 Milestones as described in Exhibit A and a technical review by ChromaDex with a decision to fund year 3
6th payment $[…***…]	due six months after payment 5

Each payment must reference the Research Project title, Agreement Number and Principal Investigator for purposes of identification. Payments under this Section 2.4.a shall be sent to:

The Scripps Research Institute
10550 North Torrey Pines Road, TPC-7
La Jolla, California 92037
Attn: Vice President, Sponsored Programs
Fax No.: (858) 784-8037

With a copy to:

The Scripps Research Institute
10550 North Torrey Pines Road, TPC-9
La Jolla, California 92037
Attn: Director, Technology Development
Fax No.: (858) 784-9910

TSRI shall not be obligated to perform any of the research specified herein or to take any other action required under this Agreement if the funding is not provided as set forth in Exhibit B and

in accordance with the payment schedule as set forth in this Section 2.4(a). Furthermore, should Sponsor fail to make the first payment to TSRI in accordance with this Section 2.4(a), TSRI shall have the right to immediately terminate this Agreement and this Agreement shall be null and void *ab initio*.

(b) Capital Equipment. Equipment purchased by TSRI with funds provided by Sponsor shall be the property of TSRI. All capital equipment provided under this Agreement by Sponsor for the use of TSRI remains the property of the Sponsor unless other disposition is mutually agreed upon in writing by the parties. If title to this equipment remains with the Sponsor, Sponsor is responsible for maintenance and repair of the equipment, insuring the equipment against damage or loss, and the costs of its transportation to and from the site where it will be used.

(c) Indirect Cost Adjustment. TSRI shall have the right to adjust the payment amounts referenced above to reflect changes in the indirect cost rate negotiated between TSRI and the U.S. Government and that will be in effect during the quarter that the work is performed. TSRI will notify Sponsor in writing of any change in the indirect cost rate before the effective date of such change. The corresponding direct costs will remain fixed as specified in Exhibit B.

3. TECHNOLOGY DISCLOSURE AND GRANT OF LICENSE.

3.1 Disclosure of Technology. After Principal Investigator submits an invention disclosure covering any Technology to TSRI's Office of Technology Development, TSRI shall disclose such Technology in writing to Sponsor (the "Technology Disclosure"). TSRI shall use reasonable efforts to provide a Technology Disclosure that contains sufficient detail to enable Sponsor to evaluate the advisability of exercising the option granted hereunder with respect to such Technology. All such Technology Disclosures shall be maintained in confidence by Sponsor.

3.2 Option. Sponsor shall have a period of […***…] days from receipt of the Technology Disclosure from TSRI (the "Option Period") within which to exercise its Option with respect to TSRI's rights to the particular Technology disclosed therein. Upon delivery of written notice that Sponsor waives its Option, or upon the failure of Sponsor to exercise its Option in writing during the Option Period, either party may license the Technology to third parties as it sees fit.

3.3 Exercise of Option. Sponsor shall exercise its Option by delivering to TSRI a written notice within the Option Period which specifies the particular Technology for which the Option is being exercised. Upon such notification, TSRI and Sponsor shall amend the license agreement between the parties with an Effective Date of June 1, 2017 ("License Agreement"), in writing (to update and replace the applicable exhibits of the License Agreement), to include Technology, at the same terms and conditions as the License Agreement and for no additional consideration payable to TSRI.

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4. INTERESTS AND RIGHTS IN INTELLECTUAL PROPERTY.

4.1 Title. TSRI shall retain sole ownership and title to TSRI Technology and to all intellectual property rights related thereto. TSRI shall, in the good faith exercise of its discretion, undertake reasonable efforts to preserve and maintain its ownership and title as TSRI deems appropriate. Ownership of and title to Technology shall be vested jointly in TSRI and Sponsor, with each owning an undivided interest therein.

4.2 Governmental Interest. TSRI and Sponsor acknowledge that TSRI has received, and expects to continue to receive, funding from the United States Government in support of TSRI's research activities. TSRI and Sponsor acknowledge and agree that their respective rights and obligations pursuant to this Agreement shall be subject to the rights of the United States Government, existing and as amended, which may arise or result from TSRI's receipt of research support from the United States Government, including but not limited to, 37 CFR 401, the NIH Grants Policy Statement and the NIH Guidelines for Obtaining and Disseminating Biomedical Research Resources.

4.3 Reservation of Rights. TSRI reserves the right to use for any research or educational purposes any Patent Rights, Biological Materials, or Research Tools, without TSRI being obligated to pay Sponsor any royalties or other compensation.

5. CONFIDENTIALITY AND PUBLICATION.

5.1 Treatment of Confidential Information. The parties agree that during the term of this Agreement, and for a period of five (5) years after this Agreement terminates, a party receiving Confidential Information of the other party will (a) maintain in confidence such Confidential Information to the same extent such party maintains its own proprietary information; (b) not disclose such Confidential Information to any third party without the prior written consent of the other party; and (c) not use such Confidential Information for any purpose except those permitted by this Agreement.

If Confidential Information is required to be disclosed by law or court order, the Party required to make such disclosure shall limit the same to the minimum required to comply with the law or court order, and shall use reasonable efforts to attempt to seek confidential treatment for that disclosure, and prior to making such disclosure that Party shall notify the other party, not later than ten (10) days (or such shorter period of time as may be reasonably practicable under the circumstances) before the disclosure in order to allow that other Party to comment and/or to obtain a protective or other order, including extensions of time and the like, with respect to such disclosure.

5.2 Publications. Sponsor acknowledges that it is the general policy of TSRI to encourage publication of research results in technical or scientific journals; and Sponsor agrees that TSRI shall have a right to publish in accordance with its general policy. TSRI shall submit to Sponsor copies of proposed publications which describe Technology and afford Sponsor a period of thirty (30) days to review the publication to (i) ascertain whether Sponsor's Confidential Information would be disclosed by the publication; and (ii) ascertain whether or not the

publication discloses any Technology to which Sponsor wishes to exercise its Option. If such publication discloses Sponsor's Confidential Information and upon Sponsor's written request, TSRI shall remove such Confidential Information or delay publication for up to an additional sixty (60) days to allow Sponsor to protect its Confidential Information by filing a patent application(s). In the event that Sponsor identifies any Technology to which it wishes to exercise its Option, Sponsor shall notify TSRI of such in writing. Upon such notification, TSRI shall (i) file any patent applications necessary to protect the proprietary positions of both parties in the Technology at Sponsor's sole expense; and (ii) provide Sponsor with a Technology Disclosure in accordance with Section 3.2. Absent receipt by TSRI of any written instruction by Sponsor within the thirty (30) day period, TSRI shall be free to publish the proposed publication.

5.3 Publicity. Except as otherwise provided herein or required by law, no party shall originate any publication, news release or other public announcement, written or oral, whether in the public press, stockholders' reports, or otherwise, relating to this Agreement or to the performance hereunder without the prior written approval of the other party, which approval shall not be unreasonably withheld. Scientific publications published in accordance with Section 5.2 of this Agreement shall not be construed as publicity governed by this Section 5.3.

6. WARRANTY AND DISCLAIMER.

TSRI hereby represents and warrants that it has full right and power to enter into this Agreement. TSRI MAKES NO OTHER WARRANTIES CONCERNING PATENT RIGHTS, TECHNOLOGY, RESEARCH TOOLS, BIOLOGICAL MATERIALS OR ANY OTHER MATTER WHATSOEVER, INCLUDING WITHOUT LIMITATION, ANY EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR ARISING OUT OF COURSE OF CONDUCT OR TRADE CUSTOM OR USAGE, AND TSRI DISCLAIMS ALL SUCH EXPRESS OR IMPLIED WARRANTIES. TSRI MAKES NO WARRANTY OR REPRESENTATION AS TO THE VALIDITY OR SCOPE OF PATENT RIGHTS, OR THAT ANY PRODUCT, PROCESS, SERVICE, BIOLOGICAL MATERIAL, OR RESEARCH TOOL WILL BE FREE FROM AN INFRINGEMENT ON PATENTS OR OTHER INTELLECTUAL PROPERTY RIGHTS OF THIRD PARTIES, OR THAT NO THIRD PARTIES ARE IN ANY WAY INFRINGING UPON ANY PATENT RIGHTS, TECHNOLOGY , RESEARCH TOOLS OR BIOLOGICAL MATERIALS COVERED BY THIS AGREEMENT. FURTHER, TSRI HAS MADE NO INVESTIGATION AND MAKES NO REPRESENTATION THAT THE PATENT RIGHTS, RESEARCH TOOLS OR BIOLOGICAL MATERIALS ARE SUITABLE FOR SPONSOR'S PURPOSES.

IN NO EVENT SHALL TSRI BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, EXEMPLARY OR CONSEQUENTIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOSS OF PROFITS OR EXPECTED SAVINGS OR OTHER ECONOMIC LOSSES, OR FOR INJURY TO PERSONS OR PROPERTY) ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR ITS SUBJECT MATTER. TSRI'S AGGREGATE LIABILITY, IF ANY, FOR ALL DAMAGES OF ANY KIND RELATING TO THIS AGREEMENT OR ITS SUBJECT MATTER SHALL NOT EXCEED THE AMOUNT PAID BY SPONSOR TO TSRI UNDER THIS AGREEMENT. THE FOREGOING EXCLUSIONS AND LIMITATIONS SHALL APPLY TO ALL CLAIMS AND ACTIONS OF ANY KIND AND ON ANY THEORY OF LIABILITY, WHETHER BASED ON CONTRACT, TORT (INCLUDING, BUT NOT LIMITED TO NEGLIGENCE OR STRICT LIABILITY), OR ANY OTHER GROUNDS, AND REGARDLESS OF WHETHER TSRI HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING ANY FAILURE OF ESSENTIAL

PURPOSE OF ANY LIMITED REMEDY. THE PARTIES FURTHER AGREE THAT EACH WARRANTY DISCLAIMER, EXCLUSION OF DAMAGES OR OTHER LIMITATION OF LIABILITY HEREIN IS INTENDED TO BE SEVERABLE AND INDEPENDENT OF THE OTHER PROVISIONS SINCE THEY EACH REPRESENT SEPARATE ELEMENTS OF RISK ALLOCATION BETWEEN THE PARTIES.

7. TERM AND TERMINATION.

7 . 1 Term. Unless terminated sooner, the initial term of this Agreement shall commence on the Effective Date and shall continue for three years.

7 . 2 Termination by Sponsor. Sponsor may terminate this Agreement by giving ninety (90) days advance written notice of termination to TSRI.

7.3 Termination Upon Default. Except as specified in Section 7.5, the failure of a party to perform any obligation required of it to be performed hereunder, including payment obligations under Section 2.4(a), and the failure to cure within sixty (60) days after receipt of notice from the other party specifying in reasonable detail the nature of such default, shall constitute an event of default hereunder. For clarity, TSRI shall not be obligated to perform any of the research specified herein or to take any other action required under this Agreement if the funding is not provided as set forth in Exhibit B. Upon the occurrence of an event of default, the non-defaulting party may deliver to the defaulting party written notice of intent to terminate, such termination to be effective upon the date set forth in such notice. Such termination rights shall be in addition to and not in substitution for any other remedies that may be available to the non-defaulting party serving such notice against the defaulting party. Termination pursuant to this Section 7.4 shall not relieve the defaulting party of liability and damages to the non-defaulting party for breach of this Agreement. Waiver by any party of a single default or a succession of defaults shall not deprive such party of any right to terminate this Agreement arising by reason of any subsequent default.

7 . 4 Termination Upon Insolvency. This Agreement may be terminated as to any party ("Insolvent Party") by another party giving written notice of termination to the Insolvent Party upon the filing of bankruptcy or bankruptcy of the Insolvent Party or the appointment of a receiver of any of the Insolvent Party's assets, or the making by the Insolvent Party of any assignment for the benefit of creditors, or the institution of any proceedings against the Insolvent Party under any bankruptcy law. Termination shall be effective upon the date specified in this notice.

7.5 Effect of Expiration or Termination.

a. Termination Upon Default of Sponsor. Upon the termination of this Agreement by reason of a default by Sponsor, neither party shall have any further rights or obligations with respect to this Agreement, other than the obligation of Sponsor to make any and all final payments accrued prior to the date of termination, the obligation of the parties to make all reports required hereunder, and except as provided below. Upon such termination of this Agreement, the parties shall continue to abide by their non-disclosure obligations as described in Section 5.1 and each party hereto shall fulfill any other obligations incurred prior to such

termination. Any such termination of this Agreement shall not constitute the termination of any license or any other agreements between the parties which are then in effect except as expressly provided therein. In addition, upon such termination, Sections 4, 6, 7 and 9 shall survive any such termination.

b . Expiration or Termination upon Default of TSRI. Upon the expiration of this Agreement at its regularly scheduled expiration date, or upon a termination of this Agreement on account of a default by TSRI, then TSRI shall make the disclosures required by Section 3.2 for TSRI Technology conceived or reduced to practice up to the date of said expiration or termination;[…***…]. Additionally, each party shall perform all other obligations up to the date of said expiration or termination; and the parties shall continue to abide by their non-disclosure obligations described in Section 5.1; and any previously existing license agreements or other agreements between the parties shall continue in effect. In addition, upon such expiration or termination, Sections 4, 6, 7 and 9 shall survive.

8. ASSIGNMENT; SUCCESSORS.

8 . 1 Assignment. Any and all assignments of this Agreement or any rights granted hereunder by Sponsor without the prior written consent of TSRI are void except a) to an Affiliate of Sponsor; and b) Sponsor may assign this Agreement and its rights and obligations hereunder in connection with the transfer or sale of all or substantially all of Sponsor's business or assets to a third party, whether by merger, sale of stock, sale of assets or otherwise, subject to Section 8.2 hereof.

8 .2 Binding Upon Successors and Assigns. Subject to the limitations on assignment set forth herein, this Agreement shall be binding upon and inure to the benefit of any successors in interest and assigns of TSRI and Sponsor. Any such successor to or assignee of a party's interest shall expressly assume in writing the performance of all the terms and conditions of this Agreement to be performed by such party and such written assumption shall be delivered to the other Party.

9.0 GENERAL PROVISIONS.

9 . 1 Independent Contractors. The relationship between TSRI and Sponsor is that of independent contractors. TSRI and Sponsor are not joint venturers, partners, principal and agent, master and servant, employer or employee, and have no other relationship other than independent contracting parties. TSRI and Sponsor shall have no power to bind or obligate each other in any manner, other than as is expressly set forth in this Agreement.

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9 . 2 Dispute Resolution. Any dispute or claim between the parties arising out of or relating to this Agreement, including without limitation the breach thereof, shall be resolved according to the following dispute resolution procedures:

(a) Such dispute shall be first addressed by the representatives of TSRI and Sponsor who have primary responsibility for managing this Agreement.

(b) If the dispute is not resolved by such representatives within [**…*****…**] days after the date either party gives written notice that such dispute exists, then the dispute shall be referred to and addressed by the senior management of each party.

(c) If such dispute is not resolved by the parties' senior management within thirty (30) days after the date the dispute is referred to them, then the dispute shall be submitted to mediation. The mediator shall be a retired judge or other neutral third party mutually selected by TSRI and Sponsor who has at least ten (10) years experience in mediating or arbitrating cases in the bio-pharmaceutical industry and regarding the same or substantially similar subject matter as the dispute between Sponsor and TSRI. If the parties are unable to agree on such mediator within [**…*****…**] days after they exchange initial lists of potential mediators, a mediator with the same qualifications will be selected by the JAMS office in San Diego located at 401 B Street, San Diego, CA 92101 (after consultation with the parties).

(d) The location of the mediation shall be in the County of San Diego, California. TSRI and Sponsor hereby irrevocably submit to the exclusive jurisdiction and venue of the mediator mutually selected by the parties or to the neutral mediator selected by JAMS of San Diego for purposes of the mediation, and to the exclusive jurisdiction and venue of the federal and state courts located in San Diego County, California for any action or proceeding regarding this Agreement in the event mediation is unsuccessful as provided in sub-clause (e) below, or as provided in sub-clause (f) below, and waive any right to contest or otherwise object to such exclusive jurisdiction or venue, including without limitation any claim that such exclusive venue is not a convenient forum.

(e) If the dispute is not resolved through mediation, either party may refer the dispute to a court of competent jurisdiction in San Diego County, California.

(f) Notwithstanding anything to the contrary in this Agreement, prior to or while a mediation proceeding is pending, either party has the right to seek and obtain injunctive and other equitable relief from a court of competent jurisdiction to enforce that party's rights hereunder.

9 . 3 Entire Agreement; Modification. This Agreement and all of the attached Exhibits set forth the entire agreement and understanding between the parties as to the subject matter hereof, and supersede all prior or contemporaneous written or oral agreements. There shall be no amendments or modifications to this Agreement, except by a written document which is signed by both parties.

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9.4 California Law. This Agreement shall be construed and enforced in accordance with the laws of the State of California notwithstanding any conflicts or choice of laws provisions.

9.5 No Use of Name. The use of the name "The Scripps Research Institute", "Scripps", "TSRI" or any variation thereof in connection with the advertising, sale or performance of Products, Processes, Services, Biological Materials or Research Tools is expressly prohibited.

9.6 Headings. The headings for each article and section in this Agreement have been inserted for the convenience of reference only and are not intended to limit or expand on the meaning of the language contained in the particular article or section.

9.7 Severability. Should any one or more of the provisions of this Agreement be held invalid or unenforceable by a court of competent jurisdiction, it shall be considered severed from this Agreement and shall not serve to invalidate the remaining provisions thereof. The parties shall make a good faith effort to replace any invalid or unenforceable provision with a valid and enforceable one such that the objectives contemplated by them when entering this Agreement may be realized.

9.8 No Waiver. Any delay in enforcing a party's rights under this Agreement or any waiver as to a particular default or other matter shall not constitute a waiver of such party's rights to the future enforcement of its rights under this Agreement, excepting only as to an express written and signed waiver as to a particular matter for a particular period of time.

9.9 Attorneys' Fees. In the event of a dispute among the parties hereto or in the event of any default hereunder, the party prevailing in the resolution of any such dispute or default shall be entitled to recover its reasonable attorneys' fees and other costs incurred in connection with resolving such dispute or default.

9.10 Notices. Any notices required by this Agreement shall be in writing, shall specifically refer to this Agreement and shall be sent by registered or certified airmail, postage prepaid, or by telefax, telex or cable, charges prepaid, or by overnight courier, postage prepaid, and shall be forwarded to the respective addresses set forth below unless subsequently changed by written notice to the other party:

FOR TSRI:

The Scripps Research Institute
10550 North Torrey Pines Road, TPC-9
La Jolla, California 92037
Attn: Director, Technology Development
Fax No.: (858) 784-9910

With a copy to: The Scripps Research Institute
10550 North Torrey Pines Road, TPC-8
La Jolla, California 92037
Attention: Chief Business Counsel
Fax No.: (858) 784-9910

FOR SPONSOR:

ChromaPharma, Inc.
10005 Muirlands Blvd, Ste G
Irvine, CA 92618, USA
Attention: Tom Varvaro
Fax No.: (949) 419-0288
Email: tom.varvaro@chromadex.com

Notices shall be deemed delivered upon the earlier of (i) when received; (ii) three (3) days after deposit into the U.S. mail; (iii) the date notice is sent via telefax, telex or cable; or (iv) the day immediately following delivery to an overnight courier guaranteeing next-day delivery (except Sunday and holidays).

9.11 Compliance with U.S. Laws. Nothing contained in this Agreement shall require or permit TSRI or Sponsor to do any act inconsistent with the requirements of any United States law, regulation or executive order as the same may be in effect from time to time.

9.12 Indemnity. Sponsor shall indemnify, defend (by counsel reasonably acceptable to TSRI) and hold harmless TSRI and any parent, subsidiary or other affiliated entity of TSRI and their trustees, directors, officers, employees, scientists, agents, successors, assigns and other representatives (collectively, the "Indemnitees") from and against all claims, suits, actions, damages, liabilities, losses and other expenses, including without limitation reasonable attorney's fees, expert witness fees and costs incurred by or asserted against the Indemnitees, whether or not a lawsuit or other proceeding is filed (collectively "Claim"), that arise out of or relate to any allegations regarding Sponsor's use of the Technology or the exercise of its non-exclusive license rights under Section 3.1(b). Sponsor shall not enter into any settlement of such Claims that imposes any obligation on TSRI, that does not unconditionally release TSRI from all liability or that would have an adverse effect on TSRI's reputation or business without TSRI's prior written consent. Notwithstanding the above, Indemnitees, at their expense, shall have the right to retain separate independent counsel to assist in defending any such Claims. In the event Sponsor fails to promptly indemnify and defend such Claims and/or pay Indemnitees' expenses as provided above, Indemnitees shall have the right to defend themselves, and in that case, Sponsor shall reimburse Indemnitees for all of their reasonable attorney's fees, costs and damages incurred in settling or defending such Claims within thirty (30) days of each of Indemnitees' written requests. This indemnity shall be a direct payment obligation and not merely a reimbursement obligation of Sponsor to Indemnitees.

IN WITNESS WHEREOF, the parties have executed this Agreement by their duly authorized representatives as of the date set forth above.

TSRI:	SPONSOR:
THE SCRIPPS RESEARCH INSTITUTE	CHROMAPHARMA, INC.
By: /s/ Matt Tremblay	By: /s/ Tom Varvaro
Title: Vice President, Business Development	Title: CFO 6/9/17

EXHIBIT A

RESEARCH PROGRAM

"NICOTINAMIDE RIBOSIDE FOR ENHANCEMENT OF ENDOCRINE THERAPY AND PREVENTION OF RELAPSE IN BREAST CANCER"

Milestones and Tranched Research Funding by Year

Yr	Specific Aims and Milestones	Research Payment
1	[…***…]	$[…***…]
2	[…***…]	$[…***…]
3	[…***…]	$[…***…]

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	[…***…]	

*****Confidential Treatment Requested**

EXHIBIT B

BUDGET

[…***…]

***Confidential Treatment Requested

Exhibit 10.7

FOURTH BUSINESS FINANCING MODIFICATION AGREEMENT

This Fourth Business Financing Modification Agreement (this "Agreement") is entered into as of July 13, 2017, by and among CHROMADEX CORPORATION, a Delaware corporation, CHROMADEX, INC., a California corporation, CHROMADEX ANALYTICS, INC., a Nevada corporation and HEALTHSPAN RESEARCH LLC, a Delaware limited liability company (each, a "Borrower" and collectively, "Borrowers"), and WESTERN ALLIANCE BANK, an Arizona corporation ("Lender").

1. DESCRIPTION OF EXISTING INDEBTEDNESS: Among other indebtedness which may be owing by Borrowers to Lender, Borrowers are indebted to Lender pursuant to, among other documents, a Business Financing Agreement, dated November 4, 2016, by and among Borrowers and Lender, as may be amended from time to time, including, without limitation, by that certain First Business Financing Modification Agreement dated as of February 16, 2017, and that certain Second Business Financing Modification Agreement dated as of March 12, 2017 and that certain Third Business Financing Modification Agreement dated as of April 19, 2017 (the "Business Financing Agreement"). Capitalized terms used without definition herein shall have the meanings assigned to them in the Business Financing Agreement.

Hereinafter, all indebtedness owing by Borrowers to Lender under the Existing Documents (defined herein) shall be referred to as the "Obligations" and the Business Financing Agreement and any and all other Loan Documents executed by Borrowers in favor of Lender in connection therewith shall be referred to as the "Existing Documents."

2. DESCRIPTION OF CHANGE IN TERMS.

A. Modifications to Business Financing Agreement and all Existing Documents:

(i) Section 4.13 of the Business Financing Agreement hereby is amended and restated in its entirety and replaced with the following:

"**4.13** Not make or contract to make, without Lender's prior written consent, capital expenditures, including leasehold improvements, in any fiscal year in excess of $750,000 or incur liability for rentals of personal property (but excluding real property leases) in an amount which, together with capital expenditures, shall in any fiscal year exceed such sum."

(ii) Section 12.1 of the Business Financing Agreement hereby is amended by amending and restating clause (c) of the definition of "Permitted Indebtedness" in its entirety to read as follows:

"(c) Purchase money indebtedness (including capital leases) incurred to acquire capital assets in ordinary course of business and not exceeding $750,000"

3. CONSISTENT CHANGES. The Existing Documents are each hereby amended wherever necessary to reflect the changes described above.

4. PAYMENT OF DOCUMENTATION FEE. Borrowers shall pay Lender all out-of-pocket expenses (including but not limited to reasonable legal fees and due diligence fees (if any)) incurred by Lender in connection with the execution of this Agreement.

5. NO DEFENSES OF BORROWERS/GENERAL RELEASE. Each Borrower agrees that, as of this date, it has no defenses against the obligations to pay any amounts presently due under the Obligations. Each Borrower (each, a "Releasing Party") acknowledges that Lender would not enter into this Agreement without Releasing Party's assurance that it has no claims against Lender or any of Lender's officers, directors, employees or agents. Except for the obligations arising hereafter under this Agreement, each Releasing Party releases Lender, and each of Lender's and entity's officers, directors and employees from any known or unknown claims that Releasing Party now has against Lender of any nature, including any claims that Releasing Party, its successors, counsel, and advisors may in the future discover they would have now had if they had known facts not now known to them, whether founded in contract, in tort or pursuant to any other theory of liability, including but not limited to any claims arising out of or related to the Agreement or the transactions contemplated thereby. Releasing Party waives the provisions of California Civil Code section 1542, which states:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER, MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

The provisions, waivers and releases set forth in this section are binding upon each Releasing Party and its shareholders, agents, employees, assigns and successors in interest. The provisions, waivers and releases of this section shall inure to the benefit of Lender and its agents, employees, officers, directors, assigns and successors in interest. The provisions of this section shall survive payment in full of the Obligations, full performance of all the terms of this Agreement and the Business Financing Agreement, and/or Lender's actions to exercise any remedy available under the Business Financing Agreement or otherwise.

6. CONTINUING VALIDITY. Borrowers understand and agree that in modifying the existing Business Financing Agreement, Lender is relying upon Borrowers' representations, warranties, and agreements, as set forth in the Existing Documents. Except as expressly modified pursuant to this Agreement, the terms of the Existing Documents remain unchanged and in full force and effect. Lender's agreement to modifications to the existing Business Financing Agreement pursuant to this Agreement in no way shall obligate Lender to make any future modifications to the Business Financing Agreement. Nothing in this Agreement shall constitute a satisfaction of the Obligations. It is the intention of Lender and Borrowers to retain as liable parties all makers and endorsers of Existing Documents, unless the party is expressly released by Lender in writing. No maker, endorser, or guarantor will be released by virtue of this Agreement except in accordance with the terms of this Agreement. The terms of this paragraph apply not only to this Agreement, but also to any subsequent Business Financing modification agreements.

7. REFERENCE PROVISION.

A. In the event the Jury Trial waiver is not enforceable, the parties elect to proceed under this Judicial Reference Provision.

B. With the exception of the items specified in Section 8(c) below, any controversy, dispute or claim (each, a "Claim") between the parties arising out of or relating to this Agreement or any other document, instrument or agreement between the undersigned parties (collectively in this Section, the "Loan Documents"), will be resolved by a reference proceeding in California in accordance with the provisions of Sections 638 et seq. of the California Code of Civil Procedure ("CCP"), or their successor sections, which shall constitute the exclusive remedy for the resolution of any Claim, including whether the Claim is subject to the reference proceeding. Except as otherwise provided in the Loan Documents, venue for the reference proceeding will be in the state or federal court in the county or district where the real property involved in the action, if any, is located or in the state or federal court in the county or district where venue is otherwise appropriate under applicable law (the "Court").

C. The matters that shall not be subject to a reference are the following: (i) nonjudicial foreclosure of any security interests in real or personal property, (ii) exercise of self-help remedies (including, without limitation, set-off), (iii) appointment of a receiver and (iv) temporary, provisional or ancillary remedies (including, without limitation, writs of attachment, writs of possession, temporary restraining orders or preliminary injunctions). This reference provision does not limit the right of any party to exercise or oppose any of the rights and remedies described in clauses (i) and (ii) or to seek or oppose from a court of competent jurisdiction any of the items described in clauses (iii) and (iv). The exercise of, or opposition to, any of those items does not waive the right of any party to a reference pursuant to this reference provision as provided herein.

D. The referee shall be a retired judge or justice selected by mutual written agreement of the parties. If the parties do not agree within ten (10) days of a written request to do so by any party, then, upon request of any party, the referee shall be selected by the Presiding Judge of the Court (or his or her representative). A request for appointment of a referee may be heard on an ex parte or expedited basis, and the parties agree that irreparable harm would result if ex parte relief is not granted. Pursuant to CCP Sec. 170.6, each party shall have one peremptory challenge to the referee selected by the Presiding Judge of the Court (or his or her representative).

E. The parties agree that time is of the essence in conducting the reference proceedings. Accordingly, the referee shall be requested, subject to change in the time periods specified herein for good cause shown, to (i) set the matter for a status and trial-setting conference within fifteen (15) days after the date of selection of the referee, (ii) if practicable, try all issues of law or fact within one hundred twenty (120) days after the date of the conference and (iii) report a statement of decision within twenty (20) days after the matter has been submitted for decision.

F. The referee will have power to expand or limit the amount and duration of discovery. The referee may set or extend discovery deadlines or cutoffs for good cause, including a party's failure to provide requested discovery for any reason whatsoever. Unless otherwise ordered based upon good cause shown, no party shall be entitled to "priority" in conducting discovery, depositions may be taken by either party upon seven (7) days written notice, and all other discovery shall be responded to within fifteen (15) days after service. All disputes relating to discovery which cannot be resolved by the parties shall be submitted to the referee whose decision shall be final and binding.

G. Except as expressly set forth herein, the referee shall determine the manner in which the reference proceeding is conducted including the time and place of hearings, the order of presentation of evidence, and all other questions that arise with respect to the course of the reference proceeding. All proceedings and hearings conducted before the referee, except for trial, shall be conducted without a court reporter, except that when any party so requests, a court reporter will be used at any hearing conducted before the referee, and the referee will be provided a courtesy copy of the transcript. The party making such a request shall have the obligation to arrange for and pay the court reporter. Subject to the referee's power to award costs to the prevailing party, the parties will equally share the cost of the referee and the court reporter at trial.

H. The referee shall be required to determine all issues in accordance with existing case law and the statutory laws of the State of California. The rules of evidence applicable to proceedings at law in the State of California will be applicable to the reference proceeding. The referee shall be empowered to enter equitable as well as legal relief, enter equitable orders that will be binding on the parties and rule on any motion which would be authorized in a court proceeding, including without limitation motions for summary judgment or summary adjudication. The referee shall issue a decision at the close of the reference proceeding which disposes of all claims of the parties that are the subject of the reference. Pursuant to CCP Sec. 644, such decision shall be entered by the Court as a judgment or an order in the same manner as if the action had been tried by the Court and any such decision will be final, binding and conclusive. The parties reserve the right to appeal from the final judgment or order or from any appealable decision or order entered by the referee. The parties reserve the right to findings of fact, conclusions of laws, a written statement of decision, and the right to move for a new trial or a different judgment, which new trial, if granted, is also to be a reference proceeding under this provision.

I. If the enabling legislation which provides for appointment of a referee is repealed (and no successor statute is enacted), any dispute between the parties that would otherwise be determined by reference procedure will be resolved and determined by arbitration. The arbitration will be conducted by a retired judge or justice, in accordance with the California Arbitration Act Sec.1280 through Sec.1294.2 of the CCP as amended from time to time. The limitations with respect to discovery set forth above shall apply to any such arbitration proceeding.

J. THE PARTIES RECOGNIZE AND AGREE THAT ALL CONTROVERSIES, DISPUTES AND CLAIMS RESOLVED UNDER THIS REFERENCE PROVISION WILL BE DECIDED BY A REFEREE AND NOT BY A JURY. AFTER CONSULTING (OR HAVING HAD THE OPPORTUNITY TO CONSULT) WITH COUNSEL OF ITS, HIS OR HER OWN CHOICE, EACH PARTY KNOWINGLY AND VOLUNTARILY, AND FOR THE MUTUAL BENEFIT OF ALL PARTIES, AGREES THAT THIS REFERENCE PROVISION WILL APPLY TO ANY CONTROVERSY, DISPUTE OR CLAIM BETWEEN OR AMONG THEM ARISING OUT OF OR IN ANY WAY RELATED TO, THIS AGREEMENT OR THE OTHER LOAN DOCUMENTS.

8. CONDITIONS. The effectiveness of this Agreement is conditioned upon Lender's receipt of the following, in form and substance satisfactory to Lender:

(a) this Agreement, duly executed by Borrowers;

(b) payment of all reasonable expenses incurred by Lender in connection with the execution hereof, which may be debited from any of Borrowers' accounts; and

(c) such other documents, and completion of such other matters, as Lender may reasonably deem necessary or appropriate.

9. NOTICE OF FINAL AGREEMENT. BY SIGNING THIS DOCUMENT EACH PARTY REPRESENTS AND AGREES THAT: (A) THIS WRITTEN AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES, (B) THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES, AND (C) THIS WRITTEN AGREEMENT MAY NOT BE CONTRADICTED BY EVIDENCE OF ANY PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OR UNDERSTANDINGS OF THE PARTIES.

10. COUNTERSIGNATURE. This Agreement shall become effective only when executed by Lender and Borrowers.

[*Balance of Page Intentionally Left Blank*]

IN WITNESS WHEREOF, Borrowers and Lender have executed this Agreement on the date and year above written.

BORROWERS:

CHROMADEX CORPORATION,
a Delaware corporation

By: /s/ Thomas C. Varvaro
Name: Thomas C. Varvaro
Title: CFO

CHROMADEX, INC.,
a California corporation

By: /s/ Thomas C. Varvaro
Name: Thomas C. Varvaro
Title: CFO

CHROMADEX ANALYTICS, INC.,
a Nevada corporation

By: /s/ Thomas C. Varvaro
Name: Thomas C. Varvaro
Title: CFO

HEALTHSPAN RESEARCH LLC,
a Delaware limited liability company

By: /s/ Thomas C. Varvaro
Name: Thomas C. Varvaro
Title: CFO

[*Signature Page to Fourth Business Financing Modification Agreement*]

[*Signatures continued on the next page*]

IN WITNESS WHEREOF, Borrowers and Lender have executed this Agreement on the date and year above written.

LENDER:

WESTERN ALLIANCE BANK,
an Arizona corporation

By: /s/ Grant Simon
Name: Grant Simon
Title: AVP

[*Signature Page to Fourth Business Financing Modification Agreement*]

EXHIBIT 10.8

CHROMADEX CORPORATION
AMENDED AND RESTATED NON-EMPLOYEE DIRECTOR COMPENSATION POLICY
ADOPTED: NOVEMBER 8, 2016
AMENDED AND RESTATED: NOVEMBER 16, 2016
AMENDED AND RESTATED: APRIL 6, 2017
EFFECTIVE DATE: JULY 3, 2016

Each member of the Board of Directors (the "***Board***") who is a member as of November 8, 2016 or thereafter and who is not also serving as an employee of ChromaDex Corporation ("***ChromaDex***") or any of its subsidiaries (each such member, an "***Eligible Director***") will receive the compensation described in this Amended and Restated Non-Employee Director Compensation Policy (the "***Director Compensation Policy***") for his or her Board service.

The Director Compensation Policy may be amended at any time in the sole discretion of the Board or the Compensation Committee of the Board.

Annual Cash Compensation

Effective July 3, 2016, the annual cash compensation amount set forth below is payable in equal quarterly installments, payable in arrears in the week following the last day of each fiscal quarter in which the service occurred. If an Eligible Director joins the Board or a committee of the Board ("***Committee***") at a time other than effective as of the first day of a fiscal quarter, each annual retainer set forth below will be pro-rated based on days served in the applicable fiscal year, with the pro-rated amount paid for the first fiscal quarter in which the Eligible Director provides the service, and regular full quarterly payments thereafter. All annual cash retainer fees are vested upon payment.

1. Annual Board Service Retainer:
   a. Eligible Directors other than the Chairman: $30,000
   b. Chairman: $60,000

2. Annual Committee Chair Service Retainer:
   a. Chairman of the Audit Committee: $20,000
   b. Chairman of the Compensation Committee: $15,000
   c. Chairman of the Nominating & Corporate Governance Committee: $10,000

3. Annual Committee Member Service Retainer:
   a. Non-Chairman Member of the Audit Committee: $10,000
   b. Non-Chairman Member of the Compensation Committee: $7,500
   c. Non-Chairman Member of the Nominating & Corporate Governance Committee: $5,000

Equity Compensation

The equity compensation set forth below will be granted under ChromaDex's 2017 Equity Incentive Plan (the "***Plan***"), and will be documented on the applicable form of equity award agreement most recently approved for use by the Board (or a duly authorized committee thereof) for Eligible Directors. All stock options granted under the Director Compensation Policy will be nonstatutory stock options, with an exercise price per share equal to 100% of the Fair Market Value (as defined in the Plan) of the underlying Common Stock on the date of grant, and a term of ten years from the date of grant (subject to earlier termination in connection with a termination of service as provided in the Plan).

1. Initial Option Grant: Unless otherwise determined by the Board, on the date of the Eligible Director's initial election or appointment to the Board (or, if such date is not a market trading day, the first market trading day thereafter), the Eligible Director automatically will be granted, without further action by the Board or Compensation Committee of the Board, a stock option to purchase 40,000 shares of Common Stock (subject to Section [9(a)] of the Plan relating to Capitalization Adjustments (as defined in the Plan) after the adoption date of the Director Compensation Policy) (the "***Initial Option Grant***"). The Initial Option Grant will vest in a series of three substantially equal annual installments after the date of grant, such that the Initial Option Grant will be fully vested on the third anniversary of the date of grant, subject to the Eligible Director's Continuous Service (as defined in the Plan) on each applicable vesting date.

2. Annual Option Grant: Unless otherwise determined by the Board, on the date of each ChromaDex annual stockholder meeting, each Eligible Director automatically, and without further action by the Board or Compensation Committee of the Board, will be granted a stock option to purchase 20,000 shares of Common Stock (subject to Section [9(a)] of the Plan relating to Capitalization Adjustments after the adoption date of the Director Compensation Policy) (the "***Annual Option Grant***"). The Annual Option Grant will become fully vested on the first anniversary of the date of grant, subject to the Eligible Director's Continuous Service (as defined in the Plan) on that vesting date. For fiscal year 2016, the Annual Option Grant will be granted on November 16, 2016 to each Eligible Director that has provided Continuous Service (as defined in the Plan) since July 3, 2016.

Expenses

The Company will reimburse Eligible Directors for ordinary, necessary and reasonable out-of-pocket travel expenses to cover in-person attendance at and participation in Board and/or Committee meetings; *provided*, that Eligible Directors timely submit to the Company appropriate documentation substantiating such expenses in accordance with the Company's travel and expense policy, as in effect from time to time.

Exhibit 31.1

Certification of the Chief Executive Officer
Pursuant to
Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended,
as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Frank L. Jaksch, Jr., certify that:

1. I have reviewed this Quarterly Report on Form 10−Q of ChromaDex Corporation;

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.

Date: August 10, 2017

/s/ FRANK L. JAKSCH, JR.
Frank L. Jaksch, Jr.
Chief Executive Officer

Exhibit 31.2

Certification of the Chief Financial Officer
Pursuant to
Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended,
as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Thomas C. Varvaro, certify that:

1. I have reviewed this Quarterly Report on Form 10−Q of ChromaDex Corporation;

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.

Date: August 10, 2017

/s/ THOMAS C. VARVARO
Thomas C. Varvaro
Chief Financial Officer

Exhibit 32.1

Certification Pursuant to 18 U.S.C. Section 1350
(as adopted pursuant to Section 906 of the Sarbanes–Oxley Act of 2002)

In connection with this Quarterly Report of ChromaDex Corporation (the "Company") on Form 10–Q for the quarter ended July 1, 2017 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), we, Frank L. Jaksch, Jr., Chief Executive Officer of the Company, and Thomas C. Varvaro, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes–Oxley Act of 2002, that, to our knowledge:

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

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

Date: August 10, 2017

/s/ FRANK L. JAKSCH, JR.
Frank L. Jaksch, Jr.
Chief Executive Officer

/s/ THOMAS C. VARVARO
Thomas C. Varvaro
Chief Financial Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.