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

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): February 10, 2017

BONE BIOLOGICS CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

000-53078
(Commission
File Number)

42-1743430
(IRS Employer
Identification No.)

321 Columbus Ave.
Boston, MA
(Address of principal executive offices)

02116
(Zip Code)

Registrant's telephone number, including area code: **(732) 661-2224**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01. Entry into a Material Definitive Agreement.

On February 10, 2017, pursuant to a Note Purchase Agreement, the Company issued to each of The Musculoskeletal Transplant Foundation (“MTF”) and Hankey Capital, LLC (“Hankey Capital”) a convertible promissory note in the amount of \$1,000,000 (each a “Convertible Note”). The Convertible Note matures on December 31, 2017 (the “Maturity Date”) and bears interest at an annual rate of interest of 8.5% per annum until maturity. Prior to the Maturity Date, each of MTF and Hankey Capital has a right, in its sole discretion, to convert their Convertible Note into shares of the Company’s common stock (the “Conversion Shares”), at a conversion rate equal to \$1.00 per share. In the event of a financing resulting in gross proceeds from non-current stockholders of at least \$5,000,000, the holders of the Convertible Notes will be required to convert their Convertible Notes into the same securities issued in such financing at the same price per share. The Company has granted piggyback registration rights with respect to the Conversion Shares.

Pursuant to the Note Purchase Agreement, the Company may only use the proceeds from the issuance of the Convertible Notes to focus on prioritizing operations on essential research and development activities.

The form of the Convertible Note and the Note Purchase Agreement are attached as Exhibits 10.1 and 10.2 to this Report, and the summary description of the terms of the Convertible Note, contained herein is qualified in its entirety by reference to Exhibits 10.1 and 10.2.

Item 3.02. Unregistered Sales of Equity Securities

The discussion in Item 1.01 is hereby incorporated by reference.

The Convertible Notes will be issued in reliance of Section 4(a)(2) of the Securities Act of 1933, as amended. Such reliance was based upon the fact that (i) the issuance of the Securities did not involve a public offering, (ii) each counterparty represented that they are accredited investors and (iii) each counterparty made certain investment representations.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

There is filed as part of this report the exhibit listed on the accompanying Index to Exhibits, which information is incorporated herein by reference.

Exhibit No.	Description
10.1	Note Purchase Agreement with The Musculoskeletal Transplant Foundation and Hankey Capital, LLC dated as of February 6, 2017.
10.2	Bone Biologics Corporation Convertible Note issued to Hankey Capital on February 10, 2017.
10.3	Bone Biologics Corporation Convertible Note issued to MTF on February 10, 2017.

SIGNATURES

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

Date: February 13, 2017

Bone Biologics Corporation

By: /s/ STEPHEN R. LaNEVE

Name: Stephen R. LaNeve

Title: Chief Executive Officer

NOTE PURCHASE AGREEMENT

This Note Purchase Agreement, dated as of February 6, 2017 (this “**Agreement**”), is entered into by and between Bone Biologics Corporation, a Delaware corporation, (the “**Company**”) and Hankey Capital, LLC (“**HIC**”) and The Musculoskeletal Transplant Foundation (“**MTF**”) (each an “**Investor**” and collectively the “**Investors**”).

RECITALS

A. The Company is offering an aggregate of \$2,000,000 principal amount of its secured convertible promissory notes (each, a “**Note**” and collectively, the “**Notes**”).

B. On the terms and subject to the conditions set forth herein, each Investor is willing to purchase from the Company, and the Company is willing to sell to Investor, a Note in the principal amount of \$1,000,000 (the “**Purchase Price**”).

C. Capitalized terms not otherwise defined herein shall have the meaning set forth in the Note.

AGREEMENT

NOW THEREFORE, in consideration of the foregoing, and the representations, warranties, and conditions set forth below, the parties hereto, intending to be legally bound, hereby agree as follows:

1. The Notes.

(a) Issuance of Notes. Subject to all of the terms and conditions hereof, the Company agrees to issue and sell to each Investor, and each Investor agrees to purchase, a Note in the principal amount of the Purchase Price.

(b) Delivery. The sale and purchase of the Note shall take place at a closing (the “**Closing**”) to be held at such place and time as the Company and the Investors may determine following satisfaction or waiver of the conditions set forth herein (the “**Closing Date**”). At the Closing, the Company will deliver to each Investor a Note against receipt by the Company of the Purchase Price in immediately available funds.

(c) Use of Proceeds. The proceeds of the sale and issuance of the Notes shall be used to focus on prioritizing operations on essential research and development activities. For avoidance of doubt, no cash payments may be made pursuant to those certain Professional Service Agreements between the Company and each of Chia Soo, Kang Ting and Ben Wu (the “**Founders**”).

(d) Payments. The Company will make all cash payments due under the Notes in immediately available funds by 1:00 p.m. eastern time on the date such payments are due.

2. Representations and Warranties of the Company. The Company represents and warrants to each Investor that:

(a) Due Incorporation, Qualification, etc. The Company (i) is a corporation duly incorporated, and is validly existing under, the laws of the state of Delaware; (ii) has the power and authority to own, lease and operate its properties and carry on its business as now conducted; and (iii) is duly qualified, licensed to do business and in good standing as a foreign entity in each jurisdiction where the failure to be so qualified or licensed could reasonably be expected to have a material adverse effect on the Company.

(b) Authority. The execution, delivery and performance by the Company of this Agreement and the Notes (collectively, the “**Loan Documents**”) and the consummation of the transactions contemplated thereby (i) are within the power of the Company and (ii) have been duly authorized by all necessary actions on the part of the Company.

(c) Enforceability. The Loan Documents have been duly executed and delivered by the Company and constitute, or will constitute, a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with their terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors’ rights generally and general principles of equity.

(d) Non-Contravention. The execution and delivery by the Company of the Loan Documents and the performance and consummation of the transactions contemplated thereby do not and will not (i) violate the Company’s Certificate of Incorporation or By-Laws (as amended, the “**Charter Documents**”) or any material judgment, order, writ, decree, statute, rule or regulation applicable to the Company; (ii) violate any provision of, or result in the breach or the acceleration of, or entitle any other Person to accelerate (whether after the giving of notice or lapse of time or both), any material mortgage, indenture, agreement, instrument or contract to which the Company is a party or by which it is bound; or (iii) other than the security interest created upon issuance of the Notes, result in the creation or imposition of any lien upon any property, asset or revenue of the Company or the suspension, revocation, impairment, forfeiture, or nonrenewal of any material permit, license, authorization or approval applicable to the Company, its business or operations, or any of its assets or properties.

(e) Approvals. No consent, approval, order or authorization of, or registration, declaration or filing with, any governmental authority or other Person is required in connection with the execution and delivery of this Agreement or the Notes and the performance and consummation of the transactions contemplated thereby, other than such as have been obtained and remain in full force and effect and other than such qualifications or filings under applicable securities laws as may be required in connection with the transactions contemplated by this Agreement.

(f) No Violation or Default. To the knowledge of the Company, it is not in violation of or in default with respect to (i) its Charter Documents or any material judgment, order, writ, decree, statute, rule or regulation applicable to it; or (ii) any material mortgage, indenture, agreement, instrument or contract to which the Company is a party or by which it is bound (nor is there any waiver in effect which, if not in effect, would result in such a violation or default), where, in each case, such violation or default, individually, or together with all such violations or defaults, could reasonably be expected to have a material adverse effect on the Company.

(g) Intellectual Property. To its knowledge, the Company owns or possesses (or can obtain on commercially reasonable terms) sufficient legal rights to all patents, trademarks, service marks, trade names, copyrights, trade secrets, licenses, information, processes and other intellectual property rights necessary for its business as now conducted and as proposed to be conducted, without any conflict with, or infringement of the rights of, others.

(h) Accuracy of Information Furnished. The Company has given Investor access to the corporate records and accounts of the Company and to all information in its possession relating to the Company, has made its officers and representatives available for interview by the Investor, and has furnished such Investor with all documents and other information required for the Investor to make an informed decision with respect to the purchase of the Notes. Neither the Loan Documents nor any of the other certificates, statements or information furnished to Investors by or on behalf of the Company in connection with the transactions contemplated thereby contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

3. Representations and Warranties of Each Investor. Each Investor represents and warrants to the Company upon the acquisition of a Note as follows:

(a) Binding Obligation. Investor has full legal capacity, power and authority to execute and deliver this Agreement and to perform its obligations hereunder. The Loan Documents constitute valid and binding obligations of Investor, enforceable in accordance with their terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors' rights generally and general principles of equity.

(b) Securities Law Compliance. Investor has been advised that the Notes and the underlying securities have not been registered under the Securities Act of 1933, as amended (the "**Securities Act**"), or any state securities laws and, therefore, cannot be resold unless they are registered under the Securities Act and applicable state securities laws or unless an exemption from such registration requirements is available. Investor is aware that the Company is under no obligation to effect any such registration with respect to the Notes or the underlying securities or to file for or comply with any exemption from registration. Investor has not been formed solely for the purpose of making this investment and is purchasing the Notes for its own account for investment, not as a nominee or agent, and not with a view to, or for resale in connection with, the distribution thereof, and Investor has no present intention of selling, granting any participation in, or otherwise distributing the same. Investor has such knowledge and experience in financial and business matters that Investor is capable of evaluating the merits and risks of such investment, is able to incur a complete loss of such investment without impairing Investor's financial condition and is able to bear the economic risk of such investment for an indefinite period of time. Investor is an accredited investor as such term is defined in Rule 501 of Regulation D under the Securities Act and shall submit to the Company such further assurances of such status as may be reasonably requested by the Company.

4. Conditions to Closing of the Investors. Each Investor's obligations at the Closing are subject to the fulfillment, on or prior to the Closing Date, of all of the following conditions, any of which may be waived in whole or in part by all of such Investor:

(a) Representations and Warranties. The representations and warranties made by the Company in Section 2 hereof shall have been true and correct when made, and shall be true and correct on the Closing Date.

(b) Governmental Approvals and Filings. Except for any notices required or permitted to be filed after the Closing Date with certain federal and state securities commissions, the Company shall have obtained all governmental approvals required in connection with the lawful sale and issuance of the Note.

(c) Transaction Documents. The Company shall have duly executed and delivered to the Investor the Loan Documents.

(d) Funding. The Company shall have received an aggregate amount of \$2,000,000 from the Investors.

5. Conditions to Obligations of the Company. The Company's obligation to issue and sell the Notes at the Closing is subject to the fulfillment, on or prior to the Closing Date, of the following conditions, any of which may be waived in whole or in part by the Company:

(a) Representations and Warranties. The representations and warranties made by the Investors in Section 3 hereof shall be true and correct when made, and shall be true and correct on the Closing Date.

(b) Governmental Approvals and Filings. Except for any notices required or permitted to be filed after the Closing Date with certain federal and state securities commissions, the Company shall have obtained all governmental approvals required in connection with the lawful sale and issuance of the Notes.

(c) Purchase Price. Each Investor shall have delivered to the Company the Purchase Price in respect of the Note being purchased by such Investor referenced in Section 1(b) hereof.

6. Covenants of the Company. From the date of Closing through the earliest to occur of the Maturity Date or the Mandatory Conversion of the Notes, the Company agrees as follows:

(a) The Company shall take all necessary steps to (i) focus on prioritizing operations on essential research and development activities, (ii) complete any existing ongoing studies, (iii) continue to seek outside funding and (iv) file all required documents with the Securities and Exchange Commission.

(b) Within ninety days of the Closing, the Company will investigate and report to its board of directors the potential benefits and disadvantages of taking the Company private.

(c) The Company shall not enter into any new agreements with any Founder which requires the Company to make cash payments or provide cash compensation to any Founder until such time as the Company has received at least \$10,000,000 in gross proceeds from funding from non-current stockholders.

7. Miscellaneous.

(a) Waivers and Amendments. Any provision of this Agreement and the Notes may be amended, waived or modified only upon the written consent of the Company and the Investors.

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

(c) Survival. The representations, warranties, covenants and agreements made herein shall survive the execution and delivery of this Agreement.

(d) Successors and Assigns. Subject to the restrictions on transfer described in Sections 7(e) below, the rights and obligations of the Company and the Investor shall be binding upon and benefit the successors, assigns, heirs, administrators and transferees of the parties.

(e) Assignment by the Company. The rights, interests or obligations hereunder may not be assigned, by operation of law or otherwise, in whole or in part, by the Company without the prior written consent of the Investors. Any such impermissible assignment shall be void.

(f) Entire Agreement. This Agreement together with the other Loan Documents constitute and contain the entire agreement among the Company and Investor and supersede any and all prior agreements, negotiations, correspondence, understandings and communications among the parties, whether written or oral, respecting the subject matter hereof.

(g) Notices. All notices, requests, demands, consents, instructions or other communications required or permitted hereunder shall in writing and faxed, mailed or delivered to each party as follows: (i) if to an Investor, at such Investor's address or facsimile number set forth in Schedule I, or at such other address as such Investor shall have furnished the Company in writing, or (ii) if to the Company, at the Company's address or facsimile number set forth on the signature page to this Agreement, or at such other address or facsimile number as the Company shall have furnished to the Investor in writing. All such notices and communications will be deemed effectively given the earlier of (i) when received, (ii) when delivered personally, (iii) one business day after being delivered by facsimile (with receipt of appropriate confirmation), (iv) one business day after being deposited with an overnight courier service of recognized standing or (v) four days after being deposited in the U.S. mail, first class with postage prepaid.

(h) Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same agreement. Facsimile copies of signed signature pages will be deemed binding originals.

(Signature Page Follows)

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

INVESTORS:

The Musculoskeletal Transplant Foundation
Name of Investor

By: _____
Name: _____
Title: _____

Hankey Capital, LLC
Name of Investor

By: _____
Name: _____
Title: _____

COMPANY:

Bone Biologics Corporation

By: _____
Name: _____
Title: Authorized Signatory

THIS NOTE AND THE SECURITIES ISSUABLE UPON THE CONVERSION HEREOF HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR UNDER THE SECURITIES LAWS OF CERTAIN STATES. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR AN EXEMPTION THEREFROM. THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE ISSUER THAT SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION OTHERWISE COMPLIES WITH THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

BONE BIOLOGICS CORPORATION
SECURED CONVERTIBLE PROMISSORY NOTE

\$1,000,000

February 6, 2017

FOR VALUE RECEIVED, Bone Biologics Corporation, a Delaware Corporation (the "**Company**") promises to pay to Hankey Capital, LLC ("**Holder**"), in lawful money of the United States of America, the principal amount of One Million dollars (\$1,000,000) ("**Principal Amount**"), upon the terms and subject to the conditions set forth herein (this "**Note**"). The following is a statement of the rights of Holder and the conditions to which this Note is subject, and to which Holder, by the acceptance of this Note, agrees:

1. Maturity Date; Prepayment . If not sooner paid or converted pursuant to the terms hereof, the outstanding Principal Amount plus all accrued and unpaid interest thereon shall be due and payable on December 31, 2017 ("**Maturity Date**"). This Note may be prepaid at any time provided that the Company pays all accrued interest thereon.

2. Interest .

(a) *Simple Interest* . Interest shall accrue on the unpaid Principal Amount from the date hereof until the date this Note is paid in full or converted at the rate of eight and one-half percent (8½%) simple interest per year ("**Interest Rate**"). All accrued interest shall be due and payable in full upon maturity or prepayment of this Note.

3. Conversion .

(a) *Mandatory Conversion Upon Qualified Financing* . In the event of the sale or series of sales of securities to non-current stockholders, other than a note (the "**MTF New Note**") issued concurrently herewith to The Musculoskeletal Transplant Foundation, by the Company after the date hereof which results in gross proceeds to the Company in the aggregate amount of at least five million dollars (\$5,000,000) (a "**Qualified Financing**"), the outstanding Principal Amount of this Note together with any accrued but unpaid interest shall be converted into the same securities issued in the Qualified Financing (the "**QF Securities**") at a conversion price which will be the purchase price per share or per unit based on the actual pre-money valuation used in determining the purchase price for the QF Securities. The Company shall provide notice to Holder at least seven (7) days prior to the closing of a Qualified Financing as to the number of shares or units Holder would receive. In conjunction with the conversion, Holder shall become a party to and shall execute all definitive agreements subject to the Qualified Financing (as defined below) (the "**Qualified Financing Agreements**").

(b) *Optional Conversion Prior to Qualified Financing* . At any time prior to the Maturity Date or a conversion pursuant to Section 3(a), at the option of the Holder, the outstanding Principal Amount of this Note and accrued interest may be converted into shares of the Common Stock of the Company at a conversion price of \$1.00 per share.

(c) *Other Mandatory Conversion* . If this Subordinated Note has not been paid or converted prior to the Maturity Date, the outstanding Principal Amount of this Subordinated Note and accrued interest shall be automatically converted into shares of Common Stock of the Company at a conversion price of \$1.00 per share.

(d) *QF Securities* . In the case of a conversion pursuant to Section 3(a), if the QF Securities are senior securities, including Preferred Stock, then the number of shares of such senior securities to be received shall be calculated based on the conversion price of the senior securities.

(e) *Conversion Procedure* . Upon conversion, Holder shall surrender this Note (or a notice to the effect that the original Note has been lost, stolen or destroyed and an agreement acceptable to the Company whereby the holder agrees to indemnify the Company from any loss incurred by it in connection with this Note). If the conversion is pursuant to Section 3(a), Holder shall then execute and deliver to the Company the Qualified Financing Agreements. Upon conversion of this Note in full, the Company shall be forever released from all its obligations and liabilities under this Note and this Note shall be deemed of no further force or effect, whether or not the original of this Note has been delivered to the Company for cancellation.

4. **Security Interest** . The Company hereby grants to Holder a first priority security interest in all of the assets of the Company, it being understood that the existing Security Agreement between the Company and Holder (the “ **Security Agreement** ”) with respect to the secured convertible notes previously issued to Holder shall apply to this Note.

5. **Events of Default** . The occurrence of any of the following shall constitute an “ *Event of Default* ” under this Note:

(a) *Failure to Pay* . The Company shall fail to pay when due the principal amount and unpaid accrued interest due under this Note on the Maturity Date (provided, Holder must first give written notice to the Company of its failure to pay and the Company shall have failed to cure such payment obligation within seven (7) business days of the date the notice was given); or

(b) *Voluntary Bankruptcy or Insolvency Proceedings* . The Company shall (i) apply for or consent to the appointment of a receiver, trustee, liquidator or custodian of itself or of all or a substantial part of its property, (ii) admit in writing its inability to pay its debts generally as they mature, (iii) make a general assignment for the benefit of its or any of its creditors, (iv) be dissolved or liquidated, (v) commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or consent to any such relief or to the appointment of or taking possession of its property by any official in an involuntary case or other proceeding commenced against it, or (vi) take any action for the purpose of effecting any of the foregoing; or

(c) *Involuntary Bankruptcy or Insolvency Proceedings* . Proceedings for the appointment of a receiver, trustee, liquidator or custodian of the Company, or of all or a substantial part of the property thereof, or an involuntary case or other proceedings seeking liquidation, reorganization or other relief with respect to the Company or any of its Subsidiaries, if any, or the debts thereof under any bankruptcy, insolvency or other similar law now or hereafter in effect shall be commenced and an order for relief entered or such proceeding shall not be dismissed or discharged within 60 days of commencement.

6. Rights of Holder upon Default . Upon the occurrence of any Event of Default and at any time thereafter during the continuance of such Event of Default, Holder may by written notice to the Company, declare all outstanding obligations payable by the Company hereunder to be immediately due and payable without presentment, demand, protest or any other notice of any kind, all of which are hereby expressly waived, anything contained herein to the contrary notwithstanding, and, enforce its rights as secured party under the Uniform Commercial Code applicable to the Company and under the Securities Agreement.

7. Representations and Warranties of Holder . Holder represents and warrants to the Company upon the acquisition of the Note as follows:

(a) *Binding Obligation* . Holder has full legal capacity, power and authority to execute and deliver this Agreement and to perform its obligations hereunder. This Note constitutes a valid and binding obligation of Holder, enforceable in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors' rights generally and general principles of equity.

(b) *Securities Law Compliance* . Holder has been advised that the issuance of this Note and the securities into which it may be converted have not been registered under the Securities Act of 1933, as amended (the "**Securities Act**"), or any state securities laws and, therefore, cannot be sold unless such sale or transfer is registered under the Securities Act and applicable state securities laws or unless an exemption from such registration requirements is available. Holder is aware that the Company is under no obligation to effect any such registration with respect to the Note or the securities into which it may be converted or to file for or comply with any exemption from registration. Holder has not been formed solely for the purpose of making this loan and is investing in the Note for its own account for investment, not as a nominee or agent, and not with a view to, or for resale in connection with, the distribution thereof, and Holder has no present intention of selling, granting any participation in, or otherwise distributing the same. Holder has such knowledge and experience in financial and business matters that Holder is capable of evaluating the merits and risks of such investment, is able to incur a complete loss of such investment without impairing Holder's financial condition and is able to bear the economic risk of such investment for an indefinite period of time. Holder is an accredited investor as such term is defined in Rule 501 of Regulation D under the Securities Act and shall submit to the Company such further assurances of such status as may be reasonably requested by the Company.

(c) *Access to Information* . Holder acknowledges that the Company has given Holder access to the corporate records and accounts of the Company and has made its officers and representatives available for interview by Holder, and has furnished Holder with all documents and other information required for Holder to make an informed decision with respect to the purchase of the Note.

8. Representations and Warranties of Company . The Company represents and warrants to the Holder upon the acquisition of the Note as follows:

(a) *Binding Obligation* . The Company has full legal capacity, power and authority to execute and deliver this Agreement and to perform its obligations hereunder. This Note constitutes a valid and binding obligation of the Company, enforceable in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditor's rights generally and general principles of equity.

(b) *Insolvency* . No step has been taken to initiate any process for bankruptcy or other insolvency process of the Company, including (without limitation) an appointment of an insolvency officer, an arrangement made with creditors either formally under a court or insolvency process or informally or an enforcement of any third party security over any of the assets or undertaking of the Company.

(c) *Organization and Qualification* . The Company is duly organized, validly existing and in good standing under the laws of the State of Delaware, with the requisite power and authority to own and use its properties and assets and to carry on its business as currently conducted. The Company is not in violation of any of the provisions of its governing documents.

(d) *Issuance of Investor Securities Upon Conversion* . The potential issuance of the investor securities upon proper conversion of the Note is duly authorized and is free from all pre-emptive rights, liens and charges with respect to the issuance thereof.

(e) *No Conflicts* . The execution, delivery and performance of the Note by the Company and the consummation by the Company of the transactions contemplated herein do not and will not: (i) conflict with or violate any provision of the Company's charter documents, or (ii) conflict with, or constitute a default (or an event that with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation (with or without notice, lapse of time or both) of, any agreement, credit facility, debt or other instrument (evidencing a Company debt or otherwise) or other understanding to which the Company is a party or by which any property or asset of the Company is bound or affected, except such as could not, individually or in the aggregate, have or result in a material adverse effect on the Company.

9. Piggyback Registration Statement . The Company hereby grants to Holder the right to include any common shares issued or issuable hereunder in any registration statement filed by the Company with the Securities and Exchange Commission allowing the inclusion of such shares subject to customary cutback provisions and giving priority to the Company and other holders of the Company securities who have priority rights.

10. Miscellaneous .

(a) *Successors and Assigns; Certificate Representing this Note or Securities Issuable on Conversion Hereof; Transfer of this Note or Securities Issuable on Conversion Hereof*.

(i) Subject to the restrictions on transfer described in Section 8(b), the rights and obligations of the Company and Holder shall be binding upon and benefit the successors, assigns, heirs, administrators and transferees of the parties.

(ii) Each certificate representing this Note or the securities issuable upon conversion hereof shall bear a legend as to the applicable restrictions on transferability in order to assure compliance with the Securities Act and applicable state securities laws. The Company may issue stop transfer instructions to its transfer agent in connection with such restrictions.

(iii) Holder shall only be entitled to offer, sell or otherwise distribute this Note or the securities into which it may be converted with the prior written consent of the Company, which may be given or withheld in the Company's sole discretion. If an offer, sale or other distribution is approved by the Company, Holder must provide the Company with a written opinion of Holder's counsel, or other evidence reasonably satisfactory to the Company, to the effect that such offer, sale or other distribution may be effected without registration or qualification (under any federal or state law then in effect). Upon receiving such reasonably satisfactory opinion, if so requested, or other evidence, the Company, as promptly as practicable, shall issue the appropriate replacement note or securities. The Note thus transferred and each certificate representing the securities thus transferred shall bear a legend as to the applicable restrictions on transferability in order to ensure compliance with the Securities Act, unless in the opinion of counsel for the Company such legend is not required in order to ensure compliance with the Securities Act. The Company may issue stop transfer instructions to its transfer agent in connection with such restrictions. Subject to the foregoing, transfers of this Note shall be registered upon registration books maintained for such purpose by or on behalf of the Company. Prior to presentation of this Note for registration of transfer, the Company shall treat the registered holder hereof as the owner and holder of this Note for the purpose of receiving all payments of principal and interest hereon and for all other purposes whatsoever, whether or not this Note shall be overdue and the Company shall not be affected by notice to the contrary.

(b) *Suitability* . Notwithstanding anything to the contrary, the Company shall have the absolute right to redeem this Note and/or prohibit conversion and sever its relationship with Holder at any time, if the Company determines in its sole discretion that its relationship with Holder may jeopardize its state, federal, or other legal licenses, or otherwise jeopardize its ability to conduct business in a highly regulated industry.

(c) *Waiver and Amendment* . Any provision of this Note may be amended, waived or modified upon the written consent of the Company and the Holder provided, however, that no such amendment, waiver or consent shall: (i) reduce the principal amount of this Note without Holder's written consent, or (ii) reduce the rate of interest of this Note without Holder's written consent.

(d) *Notices* . All notices, requests, demands, consents, instructions or other communications required or permitted hereunder shall be in writing and faxed, mailed or delivered to each party at the respective addresses of the parties, or at such other address or facsimile number as the Company shall have furnished to Holder in writing. All such notices and communications will be deemed effectively given the earlier of (i) when received, (ii) when delivered personally, (iii) one business day after being delivered by facsimile (with receipt of appropriate confirmation), (iv) one business day after being deposited with an overnight courier service of recognized standing or (v) four days after being deposited in the U.S. mail, first class with postage prepaid.

(e) *Payment* . Unless converted into the Company's securities pursuant to the terms hereof, payment shall be made in lawful tender of the United States.

(f) *Usury* . In the event any interest is paid on this Note that is deemed to be in excess of the then legal maximum rate, then that portion of the interest payment representing an amount in excess of the then legal maximum rate shall be deemed a payment of principal and applied against the principal of this Note.

(g) *Only Company Liable* . In no event shall any stockholder, officer, director or employee of the Company be liable for any amounts due or payable pursuant to this Note.

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

(i) *Waiver of Jury Trial; Judicial Reference* . By acceptance of this Note, Holder hereby agrees and the Company hereby agrees to waive their respective rights to a jury trial of any claim or cause of action based upon or arising out of this Note.

Signature on the following page.

The Company has caused this Note to be issued as of the date first written above.

BONE BIOLOGICS CORPORATION

By: _____
Name: _____
Title: _____

NAME OF HOLDER:
HANKEY CAPITAL, LLC

By: _____

Name: _____

Title: _____

Address: _____

THIS NOTE AND THE SECURITIES ISSUABLE UPON THE CONVERSION HEREOF HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR UNDER THE SECURITIES LAWS OF CERTAIN STATES. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT OR AN EXEMPTION THEREFROM. THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE ISSUER THAT SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION OTHERWISE COMPLIES WITH THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

BONE BIOLOGICS CORPORATION
SECURED SUBORDINATED CONVERTIBLE PROMISSORY NOTE

\$1,000,000

February 6, 2017

FOR VALUE RECEIVED, Bone Biologics Corporation, a Delaware Corporation (the "**Company**") promises to pay to The Musculoskeletal Transplant Foundation ("**Holder**"), in lawful money of the United States of America, the principal amount of One Million dollars (\$1,000,000) ("**Principal Amount**"), upon the terms and subject to the conditions set forth herein (this "**Subordinated Note**"). The following is a statement of the rights of Holder and the conditions to which this Subordinated Note is subject, and to which Holder, by the acceptance of this Subordinated Note, agrees:

1. **Maturity Date; Prepayment** . If not sooner paid or converted pursuant to the terms hereof, the outstanding Principal Amount plus all accrued and unpaid interest thereon shall be due and payable on December 31, 2017 ("**Maturity Date**"). The Subordinated Note may be prepaid at any time provided that the Company pays all accrued interest thereon.

2. **Interest** .

(a) **Simple Interest** . Interest shall accrue on the unpaid Principal Amount from the date hereof until the date this Subordinated Note is paid in full or converted at the rate of eight and one-half percent (8½%) simple interest per year ("**Interest Rate**"). All accrued interest shall be due and payable in full upon maturity or prepayment of this Note.

3. **Conversion** .

(a) **Mandatory Conversion Upon Qualified Financing** . In the event of the sale or series of sales of securities to non-current stockholders of Company, other than a note (the "**HIC New Note**") issued concurrently herewith to Hankey Capital, LLC ("**HIC**"), by the Company after the date hereof which results in gross proceeds to the Company in the aggregate amount of at least five million dollars (\$5,000,000) (a "**Qualified Financing**"), the outstanding Principal Amount of this Subordinated Note together with any accrued but unpaid interest shall be converted into the same securities issued in the Qualified Financing (the "**QF Securities**") at a conversion price which will be the purchase price per share or per unit based on the actual pre-money valuation used in determining the purchase price for the QF Securities. The Company shall provide notice to Holder at least seven (7) days prior to the closing of a Qualified Financing as to the number of shares or units Holder would receive. In conjunction with the conversion, Holder shall become a party to and shall execute all definitive agreements subject to the Qualified Financing (as defined below) (the "**Qualified Financing Agreements**").

(b) **Optional Conversion Prior to Qualified Financing** . At any time prior to the Maturity Date or a conversion pursuant to Section 3(a), at the option of the Holder, the outstanding Principal Amount of this Subordinated Note and accrued interest may be converted into shares of the Common Stock of the Company at a conversion price of \$1.00 per share.

(c) *Other Mandatory Conversion* . If this Subordinated Note has not been paid or converted prior to the Maturity Date, the outstanding Principal Amount of this Subordinated Note and accrued interest shall be automatically converted into shares of Common Stock of the Company at a conversion price of \$1.00 per share.

(d) *QF Securities* . In the case of a conversion pursuant to Section 3(a), if the QF Securities are senior securities, including Preferred Stock, then the number of shares of such senior securities to be received shall be calculated based on the conversion price of the senior securities.

(e) *Conversion Procedure* . Upon conversion, Holder shall surrender this Subordinated Note (or a notice to the effect that the original Subordinated Note has been lost, stolen or destroyed and an agreement acceptable to the Company whereby the holder agrees to indemnify the Company from any loss incurred by it in connection with this Subordinated Note). If the conversion is pursuant to Section 3(a), Holder shall then execute and deliver to the Company the Qualified Financing Agreements. Upon conversion of this Subordinated Note in full, the Company shall be forever released from all its obligations and liabilities under this Subordinated Note and this Subordinated Note shall be deemed of no further force or effect, whether or not the original of this Subordinated Note has been delivered to the Company for cancellation.

4. **Security Interest** . The Company hereby grants to Holder the security interest in all of the assets of the Company second in priority only to the security interest granted to HIC in connection with the various secured convertible notes previously issued by the Company to HIC and the HIC New Note (individually, an “*HIC Note*” and collectively, the “*HIC Notes*”).

5. **Subordination; Rank** .

(a) *Agreement to Subordinate* . The payment of the principal of and interest on, and any other amounts due in respect of, this Subordinated Note is subordinated in right of payment, to the extent and in the manner stated in this Section 5, to the prior payment of the HIC Notes.

(b) *No Payment on Note if Senior Notes are in Default* . Notwithstanding anything in this Subordinated Note to the contrary, no payment on account of principal of, interest on or other amounts due in respect of this Subordinated Note, shall be made by or on behalf of the Company if, at the time of such payment, or immediately after giving effect thereto, there shall exist under any HIC Note any default in the payment of all or any portion of principal of or interest thereon, which default shall have resulted in the full amount of the such Note being declared due and payable and which default shall not have been cured or waived. The Company shall notify Holder in writing promptly following the occurrence of the foregoing. In the event that, notwithstanding the provisions of this Section 5, payments are made by or on behalf of the Company in contravention of the provisions of this Section 5, such payments shall be held by the Company in trust for the benefit of, and shall be paid over to and delivered to, the holder of any HIC Note so in default, for application to the payment of such Note remaining unpaid.

(c) *Obligation of the Company Unconditional* . Nothing contained in this Subordinated Note is intended to or shall impair, as between the Company and Holder, the obligation of the Company, which is absolute and unconditional, to pay to Holder the principal of and interest on this Subordinated Note as and when the same shall become due and payable in accordance with its terms, nor shall anything herein prevent Holder from exercising all remedies otherwise permitted by applicable law upon an Event of Default, subject to the rights, if any, under this Section 5, of the holder of any HIC Note in respect of cash received upon the exercise of any such remedy.

6. **Events of Default** . The occurrence of any of the following shall constitute an “*Event of Default*” under this Subordinated Note:

(a) *Failure to Pay* . The Company shall fail to pay when due the principal amount and unpaid accrued interest due under this Subordinated Note on the Maturity Date (provided, Holder must first give written notice to the Company of its failure to pay and the Company shall have failed to cure such payment obligation within seven (7) business days of the date the notice was given); or

(b) *Voluntary Bankruptcy or Insolvency Proceedings* . The Company shall (i) apply for or consent to the appointment of a receiver, trustee, liquidator or custodian of itself or of all or a substantial part of its property, (ii) admit in writing its inability to pay its debts generally as they mature, (iii) make a general assignment for the benefit of its or any of its creditors, (iv) be dissolved or liquidated, (v) commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or consent to any such relief or to the appointment of or taking possession of its property by any official in an involuntary case or other proceeding commenced against it, or (vi) take any action for the purpose of effecting any of the foregoing; or

(c) *Involuntary Bankruptcy or Insolvency Proceedings* . Proceedings for the appointment of a receiver, trustee, liquidator or custodian of the Company, or of all or a substantial part of the property thereof, or an involuntary case or other proceedings seeking liquidation, reorganization or other relief with respect to the Company or any of its Subsidiaries, if any, or the debts thereof under any bankruptcy, insolvency or other similar law now or hereafter in effect shall be commenced and an order for relief entered or such proceeding shall not be dismissed or discharged within 60 days of commencement.

7. **Rights of Holder upon Default** . Upon the occurrence of any Event of Default and at any time thereafter during the continuance of such Event of Default, subject to Section 6, Holder may by written notice to the Company, declare all outstanding obligations payable by the Company hereunder to be immediately due and payable without presentment, demand, protest or any other notice of any kind, all of which are hereby expressly waived, anything contained herein to the contrary notwithstanding, and, subject to Section 6, enforce its rights as secured party under the Uniform Commercial Code applicable to the Company.

8. **Representations and Warranties of Holder** . Holder represents and warrants to the Company upon the acquisition of the Subordinated Note as follows:

(a) *Binding Obligation* . Holder has full legal capacity, power and authority to execute and deliver this Agreement and to perform its obligations hereunder. This Subordinated Note constitutes a valid and binding obligation of Holder, enforceable in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors’ rights generally and general principles of equity.

(b) *Securities Law Compliance* . Holder has been advised that the issuance of this Subordinated Note and the securities into which it may be converted have not been registered under the Securities Act of 1933, as amended (the “**Securities Act**”), or any state securities laws and, therefore, cannot be sold unless such sale or transfer is registered under the Securities Act and applicable state securities laws or unless an exemption from such registration requirements is available. Holder is aware that the Company is under no obligation to effect any such registration with respect to the Subordinated Note or the securities into which it may be converted or to file for or comply with any exemption from registration. Holder has not been formed solely for the purpose of making this loan and is investing in the Subordinated Note for its own account for investment, not as a nominee or agent, and not with a view to, or for resale in connection with, the distribution thereof, and Holder has no present intention of selling, granting any participation in, or otherwise distributing the same. Holder has such knowledge and experience in financial and business matters that Holder is capable of evaluating the merits and risks of such investment, is able to incur a complete loss of such investment without impairing Holder’s financial condition and is able to bear the economic risk of such investment for an indefinite period of time. Holder is an accredited investor as such term is defined in Rule 501 of Regulation D under the Securities Act and shall submit to the Company such further assurances of such status as may be reasonably requested by the Company.

9. **Representations and Warranties of Company** . The Company represents and warrants to the Holder upon the acquisition of the Subordinated Note as follows:

(a) *Binding Obligation* . The Company has full legal capacity, power and authority to execute and deliver this Agreement and to perform its obligations hereunder. This Subordinated Note constitutes a valid and binding obligation of the Company, enforceable in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditor's rights generally and general principles of equity.

(b) *Insolvency* . No step has been taken to initiate any process for bankruptcy or other insolvency process of the Company, including (without limitation) an appointment of an insolvency officer, an arrangement made with creditors either formally under a court or insolvency process or informally or an enforcement of any third party security over any of the assets or undertaking of the Company.

(c) *Organization and Qualification* . The Company is duly organized, validly existing and in good standing under the laws of the State of Delaware, with the requisite power and authority to own and use its properties and assets and to carry on its business as currently conducted. The Company is not in violation of any of the provisions of its governing documents.

(d) *Issuance of Investor Securities Upon Conversion* . The potential issuance of the investor securities upon proper conversion of the Subordinated Note is duly authorized and is free from all pre-emptive rights, liens and charges with respect to the issuance thereof.

(e) *No Conflicts* . The execution, delivery and performance of the Subordinated Note by the Company and the consummation by the Company of the transactions contemplated herein do not and will not: (i) conflict with or violate any provision of the Company's charter documents, or (ii) conflict with, or constitute a default (or an event that with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation (with or without notice, lapse of time or both) of, any agreement, credit facility, debt or other instrument (evidencing a Company debt or otherwise) or other understanding to which the Company is a party or by which any property or asset of the Company is bound or affected, except such as could not, individually or in the aggregate, have or result in a material adverse effect on the Company.

(f) *Access to Information* . Holder acknowledges that the Company has given Holder access to the corporate records and accounts of the Company and has made its officers and representatives available for interview by Holder, and has furnished Holder with all documents and other information required for Holder to make an informed decision with respect to the purchase of the Subordinated Note.

10. **Piggyback Registration Statement** . The Company hereby grants to Holder the right to include any common shares issued or issuable hereunder in any registration statement filed by the Company with the Securities and Exchange Commission allowing the inclusion of such shares subject to customary cutback provisions and giving priority to the Company and other holders of the Company securities who have priority rights.

11. **Miscellaneous** .

(a) *Successors and Assigns; Certificate Representing this Subordinated Note or Securities Issuable on Conversion Hereof; Transfer of this Subordinated Note or Securities Issuable on Conversion Hereof.*

(i) Subject to the restrictions on transfer described in Section 8(b), the rights and obligations of the Company and Holder shall be binding upon and benefit the successors, assigns, heirs, administrators and transferees of the parties.

(ii) Each certificate representing this Subordinated Note or the securities issuable upon conversion hereof shall bear a legend as to the applicable restrictions on transferability in order to assure compliance with the Securities Act and applicable state securities laws. The Company may issue stop transfer instructions to its transfer agent in connection with such restrictions.

(iii) Holder shall only be entitled to offer, sell or otherwise distribute this Note or the securities into which it may be converted with the prior written consent of the Company, which may be given or withheld in the Company's sole discretion. If an offer, sale or other distribution is approved by the Company, Holder must provide the Company with a written opinion of Holder's counsel, or other evidence reasonably satisfactory to the Company, to the effect that such offer, sale or other distribution may be effected without registration or qualification (under any federal or state law then in effect). Upon receiving such reasonably satisfactory opinion, if so requested, or other evidence, the Company, as promptly as practicable, shall issue the appropriate replacement note or securities. The Subordinated Note thus transferred and each certificate representing the securities thus transferred shall bear a legend as to the applicable restrictions on transferability in order to ensure compliance with the Securities Act, unless in the opinion of counsel for the Company such legend is not required in order to ensure compliance with the Securities Act. The Company may issue stop transfer instructions to its transfer agent in connection with such restrictions. Subject to the foregoing, transfers of this Note shall be registered upon registration books maintained for such purpose by or on behalf of the Company. Prior to presentation of this Subordinated Note for registration of transfer, the Company shall treat the registered holder hereof as the owner and holder of this Subordinated Note for the purpose of receiving all payments of principal and interest hereon and for all other purposes whatsoever, whether or not this Note shall be overdue and the Company shall not be affected by notice to the contrary.

(b) *Suitability* . Notwithstanding anything to the contrary, the Company shall have the absolute right to redeem this Subordinated Note and/or prohibit conversion and sever its relationship with Holder at any time, if the Company determines in its sole discretion that its relationship with Holder may jeopardize its state, federal, or other legal licenses, or otherwise jeopardize its ability to conduct business in a highly regulated industry.

(c) *Waiver and Amendment* . Any provision of this Subordinated Note may be amended, waived or modified upon the written consent of the Company and the Holder provided, however, that no such amendment, waiver or consent shall: (i) reduce the principal amount of this Subordinated Note without Holder's written consent, or (ii) reduce the rate of interest of this Note without Holder's written consent.

(d) *Notices* . All notices, requests, demands, consents, instructions or other communications required or permitted hereunder shall be in writing and faxed, mailed or delivered to each party at the respective addresses of the parties, or at such other address or facsimile number as the Company shall have furnished to Holder in writing. All such notices and communications will be deemed effectively given the earlier of (i) when received, (ii) when delivered personally, (iii) one business day after being delivered by facsimile (with receipt of appropriate confirmation), (iv) one business day after being deposited with an overnight courier service of recognized standing or (v) four days after being deposited in the U.S. mail, first class with postage prepaid.

(e) *Payment* . Unless converted into the Company's securities pursuant to the terms hereof, payment shall be made in lawful tender of the United States.

(f) *Usury* . In the event any interest is paid on this Subordinated Note that is deemed to be in excess of the then legal maximum rate, then that portion of the interest payment representing an amount in excess of the then legal maximum rate shall be deemed a payment of principal and applied against the principal of this Subordinated Note.

(g) *Only Company Liable* . In no event shall any stockholder, officer, director or employee of the Company be liable for any amounts due or payable pursuant to this Subordinated Note.

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

(i) *Waiver of Jury Trial; Judicial Reference* . By acceptance of this Subordinated Note, Holder hereby agrees and the Company hereby agrees to waive their respective rights to a jury trial of any claim or cause of action based upon or arising out of this Subordinated Note.

Signature on the following page.

The Company has caused this Subordinated Note to be issued as of the date first written above.

BONE BIOLOGICS CORPORATION

By: _____
Name: _____
Title: _____

NAME OF HOLDER:

THE MUSCULOSKELETAL TRANSPLANT FOUNDATION

By: _____

Name: _____

Title: _____

Address: _____

_____ 7 _____