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

FORM 10-Q

(Mark One)
☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended **June 30, 2012**

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE EXCHANGE ACT**

For the transition period from_____ to _____

Commission File No. **000-16731**

THERAPEUTICSMD, INC.

(Exact Name of Registrant as Specified in Its Charter)

Nevada	**87-0233535**
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)
951 Broken Sound Parkway NW, Suite 320, Boca Raton, FL 33487	**(561) 961-1911**
(Address of Principal Executive Offices)	(Issuer's Telephone Number)

N/A
(Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report)

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

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☑ No ☐

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

Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☑

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

The number of shares outstanding of the Issuer's Common Stock as of August 9, 2012 was 95,800,807.

THERAPEUTICSMD, INC. AND SUBSIDIARIES
INDEX

THERAPEUTICSMD, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

	June 30, 2012 (Unaudited)	December 31, 2011
ASSETS		
Current Assets:		
Cash	$ 1,327,013	$ 126,421
Accounts receivable, net of allowance for doubtful accounts of $16,523 and $1,500, respectively	407,929	26,720
Inventory	820,241	588,073
Other current assets	899,810	496,060
Total current assets	3,454,993	1,237,274
Property and equipment, net	107,405	70,113
Other Assets:		
Prepaid expenses	1,215,340	80,515
Patent costs	68,054	18,870
Security deposit	31,949	31,949
	1,315,343	131,334
Total assets	$ 4,877,741	$ 1,438,721
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities:		
Accounts payable	692,132	306,511
Deferred revenue	618,877	-
Notes payable	299,220	2,150,000
Notes payable, related parties	150,000	200,000
Accrued interest	13,518	28,321
Other current liabilities	714,196	465,747
Total current liabilities	2,487,943	3,150,579
Long-Term Liabilities:		
Notes payable, net of debt discount of $1,597,644 and $0, respectively	3,094,203	-
Total liabilities	5,582,146	3,150,579
Commitments and Contingencies		
Stockholders' Deficit:		
Preferred stock - par value $0.001; 10,000,000 shares authorized; no shares issued and outstanding	-	-
Common stock - par value $0.001; 250,000,000 shares authorized; 95,750,212 and 82,978,804 issued and outstanding, respectively	95,750	82,979
Additional paid in capital	41,332,564	15,198,241
Accumulated deficit	(42,132,719)	(16,993,078)
Total stockholders' deficit	(704,405)	(1,711,858)
Total liabilities and stockholders' deficit	$ 4,877,741	$ 1,438,721

The accompanying footnotes are an integral part of these condensed consolidated financial statements.

THERAPEUTICSMD, INC AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended June 30,		Six Months Ended June 30,	
	2012	2011	2012	2011
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenues, net	$ 819,150	$ 508,303	$ 1,540,842	$ 994,159
Cost of goods sold	372,370	238,976	708,494	442,732
Gross profit	446,780	269,327	832,348	551,427
Operating expenses:				
Sales, general, and administration	3,573,485	1,200,411	6,400,535	2,185,530
Research and development	833,342	106,019	1,245,303	160,730
Depreciation and amortization	14,535	13,711	29,113	27,422
Total operating expense	4,421,362	1,320,141	7,674,951	2,373,682
Operating loss	(3,974,582)	(1,050,814)	(6,842,603)	(1,822,255)
Other income and (expense)				
Miscellaneous income	1,554	-	1,554	-
Loss on extinguishment of debt	-	-	(10,307,864)	-
Beneficial conversion feature	(6,716,504)	-	(6,716,504)	-
Amortization of debt discount	(1,055,984)	(3,590)	(1,109,276)	(3,590)
Interest expense	(92,777)	(232)	(141,458)	(232)
Loan guaranty costs	(11,745)	(11,745)	(23,490)	(14,669)
Total other income (expense)	(7,875,456)	(15,567)	(18,297,038)	(18,491)
Loss before taxes	(11,850,038)	(1,066,381)	(25,139,641)	(1,840,746)
Provision for income taxes	-	-	-	-
Net loss	$ (11,850,038)	$ (1,066,381)	$ (25,139,641)	$ (1,840,746)
Loss per share, basic and diluted:				
Net loss per share, basic and diluted	$ (0.14)	$ (0.02)	$ (0.29)	$ (0.03)
Weighted average number of common shares outstanding	86,149,419	57,455,491	85,352,818	56,700,657

The accompanying footnotes are an integral part of these condensed consolidated financial statements.

THERAPEUTICSMD, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Six Months Ended June 30,	
	2012	2011
	(Unaudited)	(Unaudited)
CASH FLOWS FROM OPERATING ACTIVITES		
Net loss	$ (25,139,641)	$ (1,840,746)
Adjustments to reconcile net loss to net cash flows used in operating activities:		
Depreciation	29,113	27,422
Provision for doubtful accounts	15,023	-
Loss on debt extinguishment	10,307,864	-
Beneficial conversion feature	6,716,504	-
Amortization of debt discount	1,109,276	3,590
Stock based compensation	529,129	98,236
Stock based expense for services	120,120	-
Loan guaranty costs	23,490	14,669
Changes in operating assets and liabilities:		
Accounts receivable	(396,232)	(20,969)
Inventory	(232,168)	(574)
Other current assets	282,090	(4,557)
Deferred revenue	618,877	-
Accounts payable	385,620	113,624
Accrued interest	133,702	-
Accrued expenses and other current liabilities	248,450	46,786
Net cash flows used in operating activities	(5,248,783)	(1,562,519)
CASH FLOWS FROM INVESTING ACTIVITIES		
Vendor deposits	(400,656)	(260,667)
Purchase of property and equipment	(66,404)	(25,953)
Patent costs	(49,184)	-
Net cash flows used in investing activities	(516,244)	(286,620)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from notes and loans payable	6,900,000	650,149
Proceeds from exercise of options	165,999	-
Proceeds from sale of warrants	400	-
Proceeds from sale of membership units	-	707,000
Proceeds from notes payable-related parties	-	150,084
Repayment of notes payable	(50,780)	(2,778)
Repayment of notes payable-related party	(50,000)	-
Net cash flows provided by financing activities	6,965,619	1,504,455
Increase (decrease) in cash	1,200,592	(344,684)
Cash, beginning of period	126,421	422,939
Cash, end of period	$ 1,327,013	$ 78,255
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash paid for interest	$ 7,756	$ -
Cash paid for income taxes	$ -	$ -
SUPPLEMENTAL DISCLOSURES OF NON-CASH FINANCING ACTIVITIES:		
Warrants exercised in exchange for debt and accrued interest	$ 3,102,000	$ -
Warrants issued for financing	$ 2,509,537	$ -
Warrants issued for services	$ 1,532,228	$ -
Shares issued in exchange for debt and accrued interest	$ 1,054,658	$ -
Notes payable issued for accrued interest	$ 15,123	$ -

The accompanying footnotes are an integral part of these condensed consolidated financial statements.

NOTE 1 – THE COMPANY

Nature of Operations

TherapeuticsMD, Inc. ("Therapeutics" or the "Company"), through its wholly owned subsidiary vitaMedMD, LLC ("VitaMed"), is a specialty pharmaceutical company focused on providing the highest quality products to the women's health market to improve women's health and wellness. Our national sales force that calls on physicians and pharmacies is enhanced by our patent-pending technology and business methodology. This combination allows us to market both over-the-counter ("OTC") and prescription nutritional supplements, drugs, medical foods and other medical products through pharmacies and our web-site with the recommendation of physicians by creating a unique value proposition for patients, physician/providers and insurance payors.

New Products

On March 1, 2012, the Company launched its first prescription prenatal vitamin, *vitaMedMD™ Plus Rx*. *vitaMedMD Plus Rx* is a single-dose product containing one prenatal vitamin tablet and one life's DHA capsule.

On April 9, 2012, the Company launched its second prescription prenatal vitamin, *vitaMedMD™ Plus One*. *vitaMedMD Plus One* is a single dose containing one softgel with 14 vitamins, minerals and 200 mg of plant-based DHA.

On May 10, 2012, the Company launched its third prescription prenatal vitamin, *vitaMedMD™RediChew™ Rx.* *vitaMedMD RediChew Rx* is a small, vanilla flavored, chewable prenatal vitamin tablet that dissolves quickly and is taken once daily.

Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. For the six months ended June 30, 2012, the Company incurred a loss from operations of approximately $6,843,000 had negative cash flows from operations of approximately $5,249,000 and had an accumulated deficit of approximately $42,133,000. These matters raise substantial doubt about the Company's ability to continue as a going concern. Management's plans include raising additional proceeds from debt and equity transactions and to continue to increase its sales and marketing activities, however, there are no assurances that management will be successful in their efforts. The financial statements do not include adjustments relating to the recoverability and realization of assets and classification of liabilities that might be necessary should the Company be unable to continue in operation.

NOTE 2 – BASIS OF PRESENTATION AND RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

Interim Financial Statements

The accompanying unaudited interim condensed consolidated financial statements of Therapeutics have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles (“GAAP”) for complete financial statements. In the opinion of management, such financial statements include all adjustments (consisting solely of normal recurring adjustments) necessary for the fair statement of the financial information included herein in accordance with GAAP and the rules and regulations of the Securities and Exchange Commission (the “SEC”). The balance sheet at December 31, 2011 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. The preparation of financial statements in conformity with GAAP requires 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 and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates. Results of operations for interim periods are not necessarily indicative of results for the full year. These unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and related notes included in our Annual Report on Form 10-K filed with the SEC for the year ended December 31, 2011.

Recently Issued and Newly Adopted Accounting Pronouncements

The Company does not expect that the adoption of any recent accounting pronouncements will have a material impact on its condensed consolidated financial statements.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The accompanying condensed consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, vitaMedMD and BocagreenMD, Inc., a Nevada corporation ("Bocagreen"). Bocagreen was formed by the Company on January 10, 2012 and is currently without operations. All material intercompany balances and transactions have been eliminated in consolidation.

Revenue Recognition

The Company recognizes revenue on arrangements in accordance with ASC 605, "*Revenue Recognition*" (“ASC 605”). Revenue is recognized only when the price is fixed or determinable, persuasive evidence of an arrangement exists, the service is performed and collectability is reasonably assured.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue Recognition (continued)

Over The Counter Products

The Company generates OTC revenue by sales of products primarily to retail consumers. The Company's policy is to recognize revenue from product sales upon shipment, when the rights of ownership and risk of loss have passed to the consumer. Outbound shipping and handling fees are included in sales and are billed upon shipment. Shipping expenses are included in cost of sales. The majority of the Company's sales are paid with credit cards and the Company usually receives the cash settlement in two to three banking days. Credit card sales minimize accounts receivable balances relative to sales. We provide an unconditional thirty-day money-back return policy whereby we accept product returns from our retail and eCommerce customers. The Company's revenue from OTC sales is recognized net of returns, sales discounts, and eCommerce fees.

For the six months ended June 30, 2012 and 2011, the Company recorded an allowance for returns of $28,156 and $10,756, respectively. The Company estimates the allowance for returns based on historical return activity, which is reviewed, and adjusted if necessary, on a quarterly basis.

Prescription Products

The Company's prescription products are sold primarily through drug wholesalers and retail pharmacies. The Company's revenue from prescription product sales is recognized net of sales discounts and end-user rebates.

The Company accepts returns of unsalable product from customers within a return period of six months prior to and following product expiration. The Company's prescription products currently have a shelf-life of 24 months from date of manufacture. Given the limited history of prescriptions products, the Company currently cannot reliably estimate expected returns of the prescription products at the time of shipment. Accordingly, the Company defers recognition of revenue on prescription products until the right of return no longer exists, which occurs at the earlier of the time the prescription products are dispensed through patient prescriptions or expiration of the right of return. As a result of this policy, the Company has a deferred revenue balance of approximately $619,000 at June 30, 2012.

The Company maintains various rebate programs in an effort to maintain a competitive position in the marketplace and to promote sales and customer loyalty. The rebate program is designed to enable the end-user to return a coupon to the Company. If the coupon qualifies, the Company sends a rebate check to the end-user. The Company estimates the allowance for rebates based on industry averages, which is reviewed, and adjusted if necessary, on a quarterly basis. For the six months ended June 30, 2012 and 2011, the Company recorded rebate expense of $11,740 and $0, respectively.

Inventories

Inventories represent packaged nutritional products and supplements which are valued at the lower of cost or market using the average cost method. The costs of manufacturing the prescription products associated with the deferred revenue (as discussed in Revenue Recognition) are record as deferred costs, which are included in inventory, until such time as the related deferred revenue is recognized.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of Estimates

The Company's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of these financial statements requires us to make significant estimates and judgments that affect the reported amounts of assets, liabilities, revenues, expenses and related disclosure of contingent assets and liabilities. We evaluate our estimates, including those related to contingencies, on an ongoing basis. We base our estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

NOTE 4 – INVENTORY

Inventory consists of the following:

	June 30, 2012	December 31, 2011
Finished product	$ 757,244	$ 588,073
Deferred costs	62,997	-0-
TOTAL INVENTORY	$ 820,241	$ 588,073

NOTE 5 – OTHER CURRENT ASSETS

Other current assets consist of the following:

	June 30, 2012	December 31, 2011
Deposits with vendors (Note 15)	$ 400,656	$ 300,503
Prepaid consulting	395,810	95,962
Prepaid insurance	69,027	52,611
Prepaid guaranty costs	32,320	46,984
Other prepaid costs	1,997	-0-
TOTAL OTHER CURRENT ASSETS	$ 899,810	$ 496,060

NOTE 6 – FIXED ASSETS

Fixed assets consist of the following:

	June 30, 2012	December 31, 2011
Website	$ 91,743	$ 91,743
Equipment	67,669	33,651
Furniture and fixtures	58,605	26,219
	218,017	151,613
Accumulated depreciation	(110,612)	(81,500)
TOTAL FIXED ASSETS	$ 107,405	$ 70,113

Depreciation expense for the six months ended June 30, 2012 and 2011 was $29,113 and $27,422, respectively.

NOTE 7 – OTHER ASSETS

Prepaid expenses consist of the following:

	June 30, 2012	December 31, 2011
Prepaid consulting	$ 1,215,340	$ 71,689
Prepaid guaranty costs	-0-	8,826
TOTAL OTHER CURRENT ASSETS	$ 1,215,340	$ 80,515

NOTE 8 – OTHER CURRENT LIABILITIES

Other current liabilities consist of the following:

	June 30, 2012	December 31, 2011
Accrued payroll and commission	$ 416,631	$ 295,915
Accrued vacation	178,812	68,438
Other accrued expenses	77,394	60,035
Dividends payable[(1)]	41,359	41,359
TOTAL OTHER CURRENT LIABILITIES	$ 714,196	$ 465,747

[(1)] In June 2008, the Company declared and paid a special dividend of $0.40 per share of common stock to all shareholders of record as of June 10, 2008. This amount reflects moneys remaining unclaimed by certain shareholders.

NOTE 9 – NOTES PAYABLE

Issuance of Promissory Notes

In January and February 2012, the Company sold six-percent promissory notes (the "Promissory Notes") for an aggregate of $900,000 with due dates of March 1, 2012. As discussed below, these Promissory Notes were modified on February 24, 2012 through the issuance of secured promissory notes (the "February 2012 Notes").

Issuance of February 2012 Notes

On February 24, 2012, the Company sold and issued the February 2012 Notes to an individual and an entity (the “Parties”), both of which are shareholders of the Company, in the principal base amount of $1,358,014 and $1,357,110 respectively (the "Principal Base Amount(s)") and granted Warrants for the purchase in the aggregate of 9,000,000 shares (4,500,000 to each Party) (the "February 2012 Warrants") pursuant to the terms of a Note Purchase Agreement (the "Note Purchase Agreement") also dated February 24, 2012. As consideration for the Februay 2012 Notes and the February 2012 Warrants, the Company received an aggregate of $1,000,000 of new funding from the Parties (the "New Funding") and the Parties surrendered certain promissory notes previously issued by the Company in the amount of $1,700,000 plus accrued interest of $15,124 (collectively known as the "Prior Notes"). The Company granted 5,685,300 Warrants in consideration of the modification of the Prior Notes and 3,314,700 Warrants with the New Funding. The Company determined that the resulting modification of the Prior Notes was substantial in accordance with ASC 470-50, *“Modifications and Extinguishments.”* As such the modification was accounted for as an extinguishment and restructuring of the debt, and the 5,685,300 warrants issued were expensed. The fair value of the Prior Notes was estimated by calculating the present value of the future

NOTE 9 – NOTES PAYABLE (continued)

Issuance of February 2012 Notes (continued)

cash flows discounted at a market rate of return for comparable debt instruments to be $1,517,741, resulting in a debt discount of $197,583. The Company recognized a loss on extinguishment of debt of $10,307,864 which represented the fair value of the 5,685,300 warrants net of the difference between the carrying amount of the Prior Notes and their fair value as of the date of the modification.

The Company determined the relative fair value of the 3,314,700 Warrants granted with the New Funding to be $859,647 and recorded the amount as debt discount to be amortized over the term of the February 2012 Notes. As a result of the surrender of the February 2012 Notes on June 19, 2012 (see Issuance of June 2012 Notes below), the Company expensed the remaining unamortized debt discount. As of June 30, 2012, the Company recorded interest expense totaling $859,647 related to the February 2012 Notes.

Under the February 2012 Notes, the Parties loaned the Company an additional $2,000,000 during March, April, and May 2012.

On June 19, 2012 the Company settled $3,102,000 in principle and interest of the February 2012 Notes in exchange for the exercise of 8,145,486 Common Stock purchase warrants. As discussed below, the remaining balance of $2,691,847 of the February 2012 Notes was modified on June 19, 2012 through the issuance of secured promissory notes (the "June 2012 Notes").

Issuance of June 2012 Notes

On June 19, 2012, the Company sold and issued the June 2012 Notes to the same Parties described in the paragraph above in the principal base amount of $2,347,128 and $2,344,719 respectively pursuant to the terms of a Note Purchase Agreement. As consideration for the June 2012 Notes, the Parties surrendered the remaining balance of the February 2012 Notes in the aggregate amount of $1,347,128 and $1,344,719, respectively (which sums included principle and interest through June 19, 2012), and the Company received an aggregate of $2,000,000 of new funding from the Parties (the "New Funding"). The principal base amount of each of the June 2012 Notes, plus any additional advance made to the Company thereafter, together with accrued interest at the annual rate of six percent (6%), is due in one lump sum payment on February 24, 2014. As security for the Company’s obligations under the Note Purchase Agreement and the June 2012 Notes, the Company entered into a Security Agreement and pledged all of its assets, tangible and intangible, as further described therein. The Company granted 7,000,000 Warrants in connection with the New Funding. The Company determined the relative fair value of the 7,000,000 Warrants to be $1,649,890 and recorded this amount as a debt discount to be amortized over the term of the June 2012 Notes. In conjunction with the February 2012 Notes and June 2012 Notes, for the three and six months ended June 30, 2012, the Company recorded an aggregate of $67,095 and $98,698, respectively, as amortization of debt discount on the accompanying condensed consolidated financial statements. At June 30, 2012, the Company reported a notes payable balance of $3,094,203, net of debt discount of $1,597,644, in long-term liabilities on the accompanying condensed consolidated financial statements.

NOTE 9 – NOTES PAYABLE (continued)

Conversion of July 2011 Secured Notes

In July 2011, VitaMed sold two Senior Secured Promissory Notes (the "Secured Notes") to the Parties described in the paragraphs above in the amount of $500,000 each and also entered into a Security Agreement under which VitaMed pledged all of its assets to secure the obligation. The Secured Notes bear interest at the rate of six percent (6%) per annum, are due on the one (1) year anniversary thereof, and are convertible into shares of the Company's Common Stock at the option of the Company. The Company may pay the Secured Notes by delivering such number of shares of the Company's Common Stock as shall be determined by dividing the outstanding principal then due and owing by the Company's Share Price. For purposes of the Secured Notes, the "Share Price" shall mean the lower of the most recent price at which the Company offered and sold shares of its Common Stock (not including any shares issued upon the exercise of options and/or warrants or upon the conversion of any convertible securities) or the five-day average closing bid price immediately preceding the date of conversion. On June 19, 2012, the Company and the Parties agreed to convert the Secured Notes, and according to the terms thereof, aggregated principal and interest through June 19, 2012 of $1,054,647 was converted at $0.38 per share into an aggregate of 2,775,415 shares of the Company's Common Stock. This resulted in a beneficial conversion feature of $6,716,504 as recorded in other income and expense on the accompanying condensed consolidated financial statements. For the three and six months ended June 30, 2012, the Company recorded an aggregate of $18,246 and $33,204, respectively, as interest expense on the accompanying condensed consolidated financial statements.

March 2011 Bank Line of Credit

In March 2011, VitaMed entered into a Business Loan Agreement and Promissory Note with First United Bank for a $300,000 bank line of credit (the "Bank LOC") for which a personal guarantee and cash collateral was required. Personal guarantees and cash collateral limited to $100,000 each were provided by Robert Finizio and John Milligan, officers of VitaMed, and by Reich Family Limited Partnership, an entity controlled by Mitchell Krassan, also an officer of VitaMed. In consideration for the personal guarantees and cash collateral, Warrants for an aggregate of 613,713 shares were granted. The Bank LOC accrued interest at the rate of 3.020% per annum based on a year of 360 days and was due on March 1, 2012. The bank and VitaMed negotiated a one-year extension to the Bank LOC which was executed on March 19, 2012 (the "Bank LOC Extension"). The Bank LOC Extension accrues interest at the rate of 2.35% and is due on March 1, 2013. At June 30, 2012, the outstanding principle balance of the Bank LOC was $299,220. During the three and six months ended June 30, 2012, interest expense of $1,777 and $4,709, respectively was paid and is included in interest expense on the accompanying condensed consolidated financial statements.

Issuance of VitaMed Promissory Notes

In June 2011, VitaMed sold Promissory Notes (the "VitaMed Promissory Notes") in the aggregate of $500,000. In consideration for the VitaMed Promissory Notes, Warrants for an aggregate of 613,718 shares were granted. The VitaMed Promissory Notes earn interest at the rate of four percent (4%) per annum and were due at the earlier of (i) the six (6) month anniversary of the date of issuance and (ii) such time as VitaMed received the proceeds of a promissory note(s) issued in an amount of not less than $1,000,000 (the "Funding"). Upon the closing of the Funding in July 2011, as more fully described above

NOTE 9 – NOTES PAYABLE (continued)

Issuance of VitaMed Promissory Notes (continued)

in Conversion of July 2011 Secured Notes, two of the VitaMed Promissory Notes in the aggregate of $200,000 were paid in full. By mutual agreement, the remaining VitaMed Promissory Notes in the aggregate of $300,000 were extended. In October 2011, one of the VitaMed Promissory Notes for $50,000 was paid in full. By mutual agreement, VitaMed Promissory Notes in the aggregate of $100,000 were converted into 266,822 shares of the Company's Common Stock at $0.38 per share, which represents fair value of the shares on the date of conversion. The remaining VitaMed Promissory Notes in the aggregate of $150,000 were extended to June 1, 2012 (one held by Mr. Milligan for $50,000, one for $50,000 held by BF Investments, LLC (owned by Brian Bernick, a member of the board of directors of the Company) and one held by an unaffiliated individual for $50,000). In June 2012, the VitaMed Promissory Note held by the unaffiliated individual was paid in full including $2,160 in accrued interest.

In December 2011, the Company sold four-percent Promissory Notes to Mr. Finizio and Mr. Milligan and for an aggregate of $100,000 ($50,000 each) with due dates of March 1, 2012 (the "Notes"). These Notes were extended by mutual agreement to June 1, 2012. In June 2012, the VitaMed Promissory Note held by Mr. Finizio was paid in full including $888 in accrued interest. For the three and six months ended June 30, 2012, the Company recorded an aggregate of $2,352 and $4,847, respectively, as interest expense on the accompanying condensed consolidated financial statements. At June 30, 2012, the Company reported a notes payable, related parties balance of $150,000.

NOTE 10 – STOCKHOLDERS' EQUITY

Common Stock

At June 30, 2012, the Company had 250,000,000 shares of Common Stock, $0.001 par value authorized, with 95,750,212 shares of Common Stock issued and outstanding.

Warrants

The valuation methodology used to determine the fair value of Common Stock purchase warrants ("Warrants") is the Black-Scholes-Merton option-pricing model ("Black-Scholes Model"). The Black-Scholes Model requires the use of a number of assumptions including volatility of the stock price, the risk-free interest rate and the term of the Common Stock purchase warrant. The weighted average fair value per share of Warrants granted and the assumptions used in the Black-Scholes Model during the six months ended June 30, 2012 are described below. The risk-free interest rate assumption is based upon observed interest rates on zero coupon U.S. Treasury bonds whose maturity period is appropriate for the term. Estimated volatility is a measure of the amount by which the Company's stock price is expected to fluctuate each year during the term of the award. The Company's estimated volatility is an average of the historical volatility of the stock prices of its peer entities whose stock prices were publicly available. The Company's calculation of estimated volatility is based on historical stock prices over a period equal to the term of the awards. The Company used the historical volatility of peer entities due to the lack of sufficient historical data of its stock price.

NOTE 10 – STOCKHOLDERS' EQUITY (continued)

Warrants (continued)

Warrants Issued in Conjunction with Debt

On February 24, 2012, the Company granted an aggregate of 5,685,300 Warrants in connection with the modification of certain existing promissory notes (the "Modification Warrants"), and 3,314,700 Warrants with the issuance of secured promissory notes (the "February 2012 Warrants") (see NOTE 9 – NOTES PAYABLE, Issuance of February 2012 Notes for more details). Both the Modification Warrants and the February 2012 Warrants are exercisable at $0.38. The Modification Warrants' fair value of $10,505,247 and the February 2012 Warrants' fair value of $6,124,873 was determined by using the Black-Scholes Model on the date of the grant. Both valuations used a term of 5 years; a volatility of 44.5%; risk free rate of 0.89%; and a dividend yield of 0%. The company recorded the fair value of the Modification Warrants as part of the loss on extinguishment of debt in the accompanying condensed consolidated financial statements. The relative fair value of the February 2012 Warrants of $859,647 was recorded as debt discount. As a result of the surrender of the February 2012 Notes on June 19, 2012, the Company expensed the remaining unamortized debt discount. As of June 30, 2012, the Company recorded interest expense totaling $859,647 related to the February 2012 Notes.

On June 19, 2012, the Company granted an aggregate of 7,000,000 Warrants in connection with the issuance of secured promissory notes (the "June 2012 Warrants") (see NOTE 9 – NOTES PAYABLE, Issuance of June 2012 Notes for more details). Of the 7,000,000 June 2012 Warrants, 6,000,000 are exercisable at $2.00 and 1,000,000 are exercisable at $3.00. The fair value of the June 2012 Warrants of $9,424,982 was determined by using the Black-Scholes Model on the date of the grant. The Warrants were valued on the date of the grant using a term of 5 years; a volatility of 44.64%; risk free rate of 0.75%; and a dividend yield of 0%. The relative fair value of the Warrants of $1,649,890 was determined by using the relative fair value calculation method on the date of the grant. At June 30, 2012, $1,597,644 was reported as debt discount and for the three and six months ended June 30, 2012, $52,246 was recorded as amortization of debt discount on the accompanying condensed consolidated financial statements.

Warrants Issued for Services

In March 2012, the Company granted an aggregate of 31,000 Warrants to five unaffiliated individuals for services rendered.

These Warrants were valued on the date of the grant using a term of 5 years; a volatility of 44.81%; risk free rate of 1.04%; and a dividend yield of 0%. These Warrants were valued at $29,736 and were recorded as consulting expense in the accompanying condensed consolidated financial statements.

In May 2012, the Company granted an aggregate of 1,300,000 Warrants to unaffiliated entity for services to be rendered over approximately 5 years period beginning in May 2012. Services provided are to include: (a) services in support of the Company's drug development efforts including, but not limited to, services in support of the Company's ongoing and future drug development and commercialization efforts, regulatory approval efforts, third-party investment and financing efforts, marketing efforts, chemistry, manufacturing and controls efforts, drug launch and post-approval activities, and other intellectual property and know-how transfer associated therewith; (b) services in support of the

NOTE 10 – STOCKHOLDERS' EQUITY (continued)

Warrants (continued)

Warrants Issued for Services (continued)

Company's efforts to successfully obtain New Drug Approval from the U.S. Food and Drug Administration; and (c) other consulting services as mutually agreed upon from time to time in relation to new drug development opportunities. These Warrants were valued on the date of the grant using a term of 5 years; a volatility of 44.71%; risk free rate of 0.74%; and a dividend yield of 0%. These Warrants were valued $1,532,228 ($306,446 was recorded as prepaid expense-short term, $1,188,001 as prepaid expense-long term, and $37,781 as consulting expense in the accompanying condensed consolidated financial statements). The contract will expire upon the commercial manufacture of a drug product. Based on its review, the Company has determined that the process will take approximately 5 years. As a result, the Company is amortizing the $1,532,228 over 5 years.

In June 2012, the Company granted an aggregate of 1,500 Warrants to three unaffiliated individuals for services rendered. These Warrants were valued on the date of the grant using a term of 5 years; a volatility of 44.78%; risk free rate of 0.72%; and a dividend yield of 0%. These Warrants were valued at $1,656 and were recorded as consulting expense in the accompanying condensed consolidated financial statements.

A summary of the Company's Common Stock purchase warrant activity and related information for 2012 follows:

	Number of Shares Under Company Warrants	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life in Years	Aggregate Intrinsic Value
Balance at December 31, 2011	3,057,627	$0.36	7.9	$ 3,483,691
Granted	17,332,500	$1.26	4.8	$ 26,891,400
Exercised	(8,145,486)			
Expired	-0-			
Cancelled	-0-			
Balance at June 30, 2012	12,244,641	$1.62	5.3	$ 14,644,646
Vested and Exercisable at June 30, 2012	11,600,304	$1.69	5.1	$ 13,065,984

As of June 30, 2012, the Company had Warrants outstanding with an exercise prices ranging from $0.24 to $3.00 per share. As of June 30, 2012, unamortized costs associated with Warrants totaled approximately $1,611,000.

NOTE 10 – STOCKHOLDERS' EQUITY (continued)

Stock Options

In 2009, the Company adopted the 2009 Long Term Incentive Compensation Plan (the "LTIP") to provide financial incentives to employees, members of the Board, and advisers and consultants of the Company who are able to contribute towards the creation of or who have created stockholder value by providing them options for the purchase of the Company's Common Stock ("Options") and other stock and cash incentives (the "Awards"). The Awards available under the LTIP consist of stock options, stock appreciation rights, restricted stock, restricted stock units, performance stock, performance units, EVA awards, and other stock or cash awards as described in the LTIP. There are 25,000,000 shares authorized for issuance thereunder.

On February 23, 2012, the Company's Board of Directors adopted the 2012 Stock Incentive Plan, a non-qualified plan not requiring approval by the Company's shareholders ("2012 SOP"). The 2012 SOP was designed to serve as an incentive for retaining qualified and competent key employees, officers and directors, and certain consultants and advisors of the Company. There are 10,000,000 shares authorized for issuance thereunder. No shares have been issued under the 2012 SOP.

The valuation methodology used to determine the fair value of Options is the Black-Scholes Model. The Black-Scholes Model requires the use of a number of assumptions including volatility of the stock price, the risk-free interest rate, and the expected life.

The assumptions used in the Black-Scholes Model during the six months ended June 30, 2012 are set forth in the table below.

Risk-free interest rate	0.84-2.23%
Volatility	40.77-43.10%
Expected life (in years)	5.5-6.75
Dividend yield	0.00%

The risk-free interest rate assumption is based upon observed interest rates on zero coupon U.S. Treasury bonds whose maturity period is appropriate for the expected life. Estimated volatility is a measure of the amount by which the Company's stock price is expected to fluctuate each year during the term of the award. The Company's estimated volatility is an average of the historical volatility of the stock prices of its peer entities whose stock prices were publicly available. The Company's calculation of estimated volatility is based on historical stock prices over a period equal to the term of the awards. The Company used the historical volatility of peer entities due to the lack of sufficient historical data of its stock price. The average expected life is based on the contractual term of the option using the simplified method.

In January 2012, certain individuals exercised their right to purchase an aggregate of 1,630,022 shares of the Company's Common Stock for an aggregate purchase price of $166,000. The shares were issued in reliance upon an exemption from the registration provisions of the Securities Act of 1933, as amended (the "Act") due to Section 4(1) of the Act and Rule 144 and are covered by a lock up agreement.

On February 27, 2012, the Company issued Options to certain officers and directors of the Company. The ten-year Options are for the purchase of an aggregate of 600,000 shares and have an exercise price of $2.20 per share. The Options vest in full on February 27, 2013.

NOTE 10 – STOCKHOLDERS' EQUITY (continued)

Stock Options (continued)

On March 30, 2012, the Company issued ten-year Options to employees and consultants for the purchase of an aggregate of 480,000 shares with an exercise price of $2.40. An aggregate of 405,000 shares available under the Options vest over a four-year period on anniversary of issuance, an aggregate of 60,000 shares vest over a two-year period on the anniversary of issuance, and 15,000 shares vest monthly over a twelve-month period from the date of issuance.

On March 30, 2012, the Company's Board of Directors approved a cashless exercise provision for use by holders of Company Options. Also on March 30, 2012, an individual exercised his right to purchase 245,485 shares of the Company's Common Stock. The aggregate purchase price of approximately $60,000 was paid pursuant to a cashless exercise provision wherein the individual surrendered his right to receive 25,000 shares thereunder. The 220,485 shares were issued in reliance upon an exemption from the registration provisions of the Act due to Section 4(1) of the Act and Rule 144 and are covered by a lock up agreement.

On April 16, 2012, the Company's Board of Directors approved the issuance of ten-year Company Options for its directors for the purchase of: (i) an aggregate of 350,000 shares (50,000 shares each) to its directors for services to be rendered during calendar year 2012 and (ii) an aggregate of 75,000 shares (25,000 shares each) to the chairs of the Audit, Compensation and Corporate Governance Committees for services to be rendered during calendar year 2012. All of these Company Options have an exercise price of $2.55 per share and all shares thereunder vest on December 31, 2012. In addition, Dr. Brian Bernick, a director and employee, was issued a Company Option for 150,000 shares for services rendered as an employee, having an exercise price of $2.55 under which all shares vest on the first anniversary of issuance.

On June 29, 2012, the Company issued ten-year Options to employees, consultants, and a director for the purchase of an aggregate of 250,000 shares with an exercise price of $2.80. An aggregate of 7,500 shares available under the Options vest over a four-year period on anniversary of issuance, an aggregate of 115,000 shares vest over a two-year period on the anniversary of issuance, 2,500 shares vest over a one-year period on the anniversary of issuance, 75,000 shares vest monthly on December 31, 2012, and 50,000 vest immediately.

NOTE 10 – STOCKHOLDERS' EQUITY (continued)

Stock Options (continued)

A summary of activity under the LTIP and related information follows:

	Number of Shares Under Company Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life in Years	Aggregate Intrinsic Value
Balance at December 31, 2011	10,590,161	$0.16	7.6	$ 14,067,649
Granted	1,905,000	$2.39	9.8	$ 782,000
Exercised	(1,850,507)			
Expired	-0-			
Cancelled	(25,000)			
Balance at June 30, 2012	10,619,654	$0.58	7.6	$ 23,481,938
Vested and Exercisable at June 30, 2012	7,283,850	$0.13	6.9	$ 19,316,956

The weighted-average issue date fair value of Options issued during the six months ended June 30, 2012 was $1.02.

As of June 30, 2012 the Company had Options outstanding with exercise prices ranging from $0.10 to $2.80 per share.

Share-based compensation expense for Options recognized in our results for the six months ended June 30, 2012 and 2011 ($529,129 and $98,236, respectively) is based on awards vested and we estimated no forfeitures. ASC 718-10 requires forfeitures to be estimated at the time of grant and revised in subsequent periods if actual forfeitures differ from the estimates.

At June 30, 2012, total unrecognized estimated compensation expense related to non-vested Options granted prior to that date was approximately $1,683,000 which is expected to be recognized over a weighted-average period of 1.9 years. No tax benefit was realized due to a continued pattern of operating losses.

NOTE 11 – INCOME TAXES

Deferred income tax assets and liabilities are determined based upon differences between the financial reporting and tax bases of assets and liabilities and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. The Company does not expect to pay any significant federal or state income tax for 2012 as a result of the losses recorded during the six months ended June 30, 2012, additional losses expected for the remainder of 2012 as well as from net operating loss carry forwards from prior years. Accounting standards require the consideration of a valuation allowance for deferred tax assets if it is "more likely than not" that some component or all of the benefits of deferred tax assets will not be realized. As of June 30, 2012, the Company maintains a full valuation allowance for all deferred tax assets. Based on these requirements, no provision or benefit for income taxes has been recorded. There were no recorded unrecognized tax benefits at the end of the reporting period.

NOTE 12 – RELATED PARTIES

Purchases by Related Parties

During the six months ended June 30, 2012 and 2011, the Company sold its products to Dr. Bernick in the amounts of $1,440 and $11,505, respectively, while $0 and $0 remained outstanding at June 30, 2012 and December 31, 2011, respectively.

Agreements with Pernix Therapeutics, LLC

On February 29, 2012, Cooper C. Collins, President and largest shareholder of Pernix Therapeutics, LLC (“Pernix”), was elected to serve on the Company's Board of Directors. The Company closed a Stock Purchase Agreement with Pernix on October 4, 2011. From time to time, the Company has, and will continue to, enter into agreements with Pernix in the normal course of business. During the six months ended June 30, 2012 and 2011, the Company made purchases of approximately $96,250 and $0, respectively, from Pernix. At June 30, 2012 and December 31, 2011, payable owed to Pernix of approximately $96,250 and $0, respectively, remained outstanding.

Warrants assigned to Related Party

In June 2012, a warrant for the purchase of an aggregate of 100,000 shares of the Company's Common Stock was assigned to the son of the Company's Chairman of the Board of Directors by a non-affiliated third party (shareholder/lender).

NOTE 13 - BUSINESS CONCENTRATIONS

The Company purchases its products from several suppliers with approximately 87% and 97% of purchases from one supplier for the six months ended June 30, 2012 and 2011, respectively.

NOTE 14 – COMMITMENTS AND CONTINGENCIES

The Company leases administrative and distribution facilities in Boca Raton, Florida pursuant to a forty-five month non-cancelable operating lease expiring in 2013. The lease stipulates, among other things, base monthly rents of $5,443 plus the Company’s share of monthly estimated operating expenses of $3,500 and sales tax. The lease contains one renewal option for an additional two-year period.

The rental expense related to this lease totaled $56,918 and $56,908 for the six months ended June 30, 2012 and 2011, respectively. Future minimum rental payments are through June 30, 2012 total $102,410.

NOTE 15 – DEPOSITS HELD BY VENDORS

During the six months ended June 30, 2012 and in December 2011, the Company paid approximately $763,000 and $245,000, respectively, to a non-affiliated third party vendor and shareholder for fees related to research and development of new products. During the three and six months ended June 30, 2012, approximately $579,000 and $873,000, respectively, was charged to expense leaving an unused balance of approximately $135,000, which is recorded as deposits to vendors in the accompanying consolidated condensed financial statements. The Company believes that it will incur additional related fees in 2012 in the approximate amount of $1,100,000.

During the six months ended June 30, 2012 and in December 2011, the Company paid approximately $309,000 and $55,000, respectively, to a non-affiliated third party vendor and shareholder as down payments on inventory purchases. These down payments were recorded as deposits with vendors in the accompanying consolidated condensed financial statements. During the three and six months ended June 30, 2012, approximately $127,000 and $161,000, respectively, was applied to inventory purchases leaving an unused balance of approximately $203,000.

During the six months ended June 30, 2012, the Company paid approximately $63,000 to a non-affiliated third party vendor as down payments on inventory purchases. This down payment was recorded as deposits with vendors in the accompanying consolidated condensed financial statements. During the six months ended June 30, 2012, nothing was applied to inventory purchases leaving an unused balance of approximately $63,000.

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

General

The following discussion and analysis provides information which management of the Company believes to be relevant to an assessment and understanding of the Company's results of operations and financial condition. This discussion should be read together with the Company's condensed consolidated financial statements and the notes to the financial statements, which are included in this report. This information should also be read in conjunction with the information contained in our Form 10-K for the year ended December 31, 2011 filed with the Securities and Exchange Commission (the "Commission") on March 27, 2012, including the audited financial statements and notes included therein. The reported results will not necessarily reflect future results of operations or financial condition.

In addition, this Management's Discussion and Analysis of Financial Condition and Results of Operations contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements include statements relating to our expectation to begin clinical trials in the near future, our plans to file Investigational New Drug applications, our expected sales demand, our contemplated attainment of profitable operations, our belief that we will be able to raise capital to execute our business plan and become profitable, our belief we have sufficient financial resources, our expectations of research and development expenditures, our estimation of inventory growth, our belief that we will be able to meet the costs of growth and public reporting, and our belief regarding securing required financing. Actual results could differ materially from those currently anticipated as a result of a number of factors, including those set forth under "Risk Factors" in our Form 10-K for the year ended December 31, 2011.

Throughout this Quarterly Report on Form 10-Q (the "Report"), the terms "we," "us," "our," "Therapeutics," or "our Company" refers to TherapeuticsMD, Inc., a Nevada corporation, and unless specified otherwise, includes its wholly owned subsidiaries, vitaMedMD, LLC, a Delaware limited liability company incorporated on May 13, 2008 ("VitaMed") and BocagreenMD, Inc., a Nevada corporation ("Bocagreen"), incorporated on January 10, 2012.

Overview

Therapeutics, through its wholly owned subsidiary, VitaMed, is a specialty pharmaceutical company focused on providing the highest quality products to the women's health market. VitaMed has a national sales force that calls on physicians and pharmacies is enhanced by our patent-pending technology and business methodology. This combination allows us to market both over-the-counter ("OTC") and prescription nutritional supplements, drugs, medical foods and other medical products through pharmacies and our web-site with the recommendation of physicians by creating a unique value proposition for patients, physician/providers and insurance payors.

The Company's Common Stock is traded on the OTCQB under the symbol "TXMD." The Company maintains a website at www.therapeuticsmd.com and VitaMed maintains websites at www.vitamedmd.com and www.vitamedmdrx.com.

Recent Developments

Approval of 2012 Stock Incentive Plan

On February 23, 2012, the Company's Board of Directors adopted the 2012 Stock Incentive Plan, a non-qualified plan not requiring approval by the Company's shareholders ("2012 SOP"). The 2012 SOP was designed to serve as an incentive for retaining qualified and competent key employees, officers and directors, and certain consultants and advisors of the Company. There are 10,000,000 shares authorized for issuance thereunder. No shares have been issued under the 2012 SOP through the date of this Report.

Issuance of Secured Promissory Notes

Issuance, Modification and Settlement of February 2012 Notes

On February 24, 2012, the Company sold and issued the February 2012 Notes to an individual and an entity (the "Parties"), both of which are shareholders of the Company, in the principal base amount of $1,358,014 and $1,357,110 respectively (the "Principal Base Amount(s)") and granted Common Stock Purchase Warrants ("Warrants") for the purchase in the aggregate of 9,000,000 shares (4,500,000 to each Party) (the "February 2012 Warrants") pursuant to the terms of a Note Purchase Agreement (the "Note Purchase Agreement") also dated February 24, 2012. As consideration for the February 2012 Notes and the February 2012 Warrants, the Company received an aggregate of $1,000,000 of new funding from the Parties (the "New Funding") and the Parties surrendered certain promissory notes previously issued by the Company in the amount of $1,700,000 plus accrued interest of $15,124 (collectively known as the "Prior Notes"). The February 2012 Warrants for the purchase of an aggregate of 9,000,000 shares included 5,685,300

shares in consideration of the modification of the Prior Notes and 3,314,700 shares in consideration of the New Funding. See NOTE 9 – NOTES PAYABLE in the accompanying condensed consolidated financial statements for more details.

Under the February 2012 Notes, the Parties loaned the Company an additional $2,000,000 during March, April, and May 2012.

On June 19, 2012, the Company settled $3,102,000 in principle and interest of the February 2012 Notes in exchange for the Parties' exercise of Warrants for the purchase of an aggregate of 8,145,486 shares. As discussed below, the remaining balance of $2,691,847 of the February 2012 Notes was modified on June 19, 2012 through the issuance of secured promissory notes (the "June 2012 Notes").

Issuance of June 2012 Notes

On June 19, 2012, the Company sold and issued secured promissory notes (the "June 2012 Notes") to the same Parties described in the paragraph above in the principal base amounts, of $2,347,128 and $2,344,719, respectively, pursuant to the terms of a Note Purchase Agreement. As consideration for the June 2012 Notes, the Parties surrendered the remaining balance of the February 2012 Notes in the aggregate amount of $1,347,128 and $1,344,719, respectively (which sums included principle and interest through June 19, 2012), and the Company received an aggregate of $2,000,000 of new funding from the Parties. The principal base amount of each of the June 2012 Notes, plus any additional advances made to the Company thereafter together with accrued interest at the annual rate of six percent (6%), is due in one lump sum payment on February 24, 2014. As security for the Company's obligations under the Note Purchase Agreement and the June 2012 Notes, the Company entered into a Security Agreement and pledged all of its assets, tangible and intangible, as further described therein. The Company granted Warrants for the purchase of an aggregate of 7,000,000 shares with the New Funding. See NOTE 9 – NOTES PAYABLE and NOTE 10 – STOCKHOLDERS' EQUITY, Warrants in the accompanying condensed consolidated financial statements for more details.

Consulting Services for Drug Development

On May 17, 2012, the Company entered into a consulting agreement ("Agreement") with Sancilio and Company, Inc. ("SCI") in the ordinary course of business relative to drug development efforts for new drug products and services to be provided to obtain FDA approval for same. Compensation for such services will be paid through the granting of Common Stock Purchase Warrants ("Warrants") to be issued upon performance criteria. A five-year Warrant was issued in conjunction with the signing of the Agreement for the purchase of 1,300,000 shares of the Company's Common Stock with an exercise price of $2.57 per share (the "First Warrant"). Upon the Company's receipt of any final FDA approval of a new drug product, the Company will issue a five-year Warrant for the purchase of 433,000 shares of the Company Common Stock to SCI with an exercise price equal to that of the First Warrant (the "Second Warrant"). As an additional incentive, the Company will issue a five-year Warrant for the purchase of 400,000 shares of the Company's Common Stock to SCI upon the submission to the FDA of specified new drug products (the "Third Warrant"). The Third Warrant will have an exercise price set at the five-day closing bid price immediately preceding the specified submission to the FDA. All shares under the First, Second and Third Warrants shall vest immediately upon issuance.

New Products

On April 9, 2012, the Company launched its second prescription prenatal vitamin, *vitaMedMD™ One Rx*. *vitaMedMD One Rx* is a single dose containing one softgel with 14 vitamins, minerals and 200 mg of plant-based DHA.

On May 10, 2012, the Company launched its third prescription prenatal vitamin, *vitaMedMD™ RediChew™ Rx*. *vitaMedMD RediChew Rx* is a small, vanilla flavored, chewable prenatal vitamin tablet that dissolves quickly and is taken once daily.

On July 20, 2012, the Company filed additional patent applications concerning its proprietary formulation technologies for its products TX12001HR, TX12002HR and TX12003HR. Two prior patent applications were filed by the Company within the last year. The Company expects to begin clinical trials in the near future for these prescription products for hormone replacement therapy in menopausal women. Thereafter, the Company intends to seek FDA approval under a New Drug Approval ("NDA") for these products as early as 2013 and as late as 2015.

The Company plans to file up to three Investigational New Drug applications ("INDs") with the FDA this year and, if accepted, will initiate Phase III clinical trials in the field of hormone therapy for menopausal women.

Results of Operations

The following information presents the results of operations for the Company's continuing operations for the three and six month periods ended June 30, 2012 and 2011. The following discussion of our financial condition and results of operations should be read in conjunction with our financial statements included herewith and our Annual Report on Form 10-K filed with the SEC on March 27, 2012. This discussion should not be construed to imply that the results discussed herein will necessarily continue into the future, or that any conclusion reached herein will necessarily be indicative of actual operating results in the future. Such discussion represents only the best present assessment of our management. Historical financial information presented for the three and six months ended June 30, 2012 and 2011 is that of the Company on a consolidated basis with its subsidiaries.

Three months ended June 30, 2012 compared to three months ended June 30, 2011

	Three Months Ended June 30,		
	2012	2011	Change
		(000's)	
Revenue	$ 819	$ 508	$ 311
Cost of goods sold	372	239	133
Operating expenses	4,421	1,320	3,101
Operating loss	(3,974)	(1,051)	(2,923)
Beneficial conversion feature	(6,717)	-0-	(6,717)
Other income (expense), net	(1,159)	(15)	(1,144)
Net loss	$ (11,850)	$ (1,066)	$ (10,784)

Revenue and Cost of Goods Sold

Revenues for three months ended June 30, 2012 increased $311,000, or approximately 61%, from the three months ended June 30, 2011. This increase was directly attributable to the (i) increase in the number of sales territories, (ii) the associated increase in number of sales people selling in those territories and (iii) the new prescription product introduced in March 2012. Cost of goods sold increased $133,000, or approximately 56%, for the three months ended June 30, 2012 compared to the three months ended June 30, 2011. Cost of goods sold as a percentage of revenue was 45%, and 47% for the three months ended June 30, 2012 and 2011, respectively. Approximately 85% of this increase was due to an increase in the amount of product sold and approximately 15% of the increase was related to product mix. The Company's costs of individual products did not change for the three months ended June 30, 2012 as compared to the same period in 2011.

Operating Expenses

The Company's principal operating costs include the following items as a percentage of total expense.

	Three Months Ended June 30,	
	2012	2011
Human resource costs, including commission and benefits	26.6%	48.3%
Product design and development costs	10.9%	8.0%
Sales and marketing, excluding human resources	32.4%	17.0%
Professional fees for legal, accounting and consulting	5.3%	5.1%
Non-cash costs	11.4%	3.5%
Other	13.4%	17.3%

Operating expenses increased by $3.1 million (235%) as a result of the following items:

	(000's)
Increase in human resource costs	$ 1,086
Increase in product design and development costs	727
Increase in sales and marketing, excluding human resource costs	653
Increase in non-cash costs	460
Increase in professional, accounting and consulting	165
Increase in all other operating expenses	10
	$ 3,101

Human resource related costs (including salaries, commission, and benefits) was higher as a result of an increase of 28 employees between the two periods (approximately $752,000) and increased sales commissions of approximately $334,000.

Product design and development costs increased as a direct result of our new prescription prenatal products.

Professional fees increased primarily due to a higher legal fees arising from contract and patent services and public company filing related costs (approximately $114,000). Consulting costs were also higher as a result of opening new sales territories and the additional resources needed for public company filings (approximately $51,000).

Sales and marketing costs increased due to the addition of new sales territories and expanded client education.

Non-cash costs were higher as the result of the Warrants issued for services (approximate fair value of $66,000) and additional costs related to the issuance of Options (approximate fair value of $394,000).

Beneficial Conversion Feature

Beneficial conversion feature of approximately $6,717,000 consists of non-cash costs associated with the conversion of approximately $1,055,000 in debt into 2,775,415 shares of the Company's Common Stock.

Other Income (Expense), net

Other non-operating expense increased by approximately $1,144,000 for the three months ended June 30, 2012 in comparison to the same period in 2011 due primarily to the addition of amortization of debt discount not incurred during 2011.

Six months ended June 30, 2012 compared to six months ended June 30, 2011

	Six Months Ended June 30,		
	2012	2011	Change
		(000's)	
Revenue	$ 1,541	$ 994	$ 547
Cost of goods sold	708	443	265
Operating expenses	7,675	2,374	5,301
Operating loss	(6,842)	(1,823)	(5,019)
Loss on extinguishment of debt	(10,308)	-0-	(10,308)
Beneficial conversion feature	(6,717)	-0-	(6,717)
Other income (expense), net	(1,273)	(18)	(1,255)
Net loss	$ (25,140)	$ (1,841)	$ (23,299)

Revenue and Cost of Goods Sold

Revenues for six months ended June 30, 2012 were up $547,000, or approximately 55%, from the six months ended June 30, 2011. This increase was directly attributable to the (i) increase in the number of sales territories, (ii) the associated increase in number of sales people selling in those territories and (iii) the new prescription product introduced in March 2012. Cost of goods sold increased $265,000, or approximately 60%, for the six months ended June 30, 2012 compared to the six months ended June 30, 2011. Cost of goods sold as a percentage of revenues was 46% and 45% for the six months ended June 30, 2012 and 2011, respectively. Approximately 98% of this increase was due to an increase in the amount of product sold and approximately 2% of the increase was related to product mix. The Company's costs of individual products did not change for the six months ended June 30, 2012 as compared to the same period in 2011.

Operating Expenses

The Company's principal operating costs include the following items as a percentage of total expense.

	Six Months Ended June 30,	
	2012	2011
Human resource costs, including commission and benefits	41.2%	51.5%
Product design and development costs	16.2%	6.7%
Sales and marketing, excluding human resources	20.1%	16.2%
Professional fees for legal, accounting and consulting	7.1%	3.8%
Non-cash costs	8.5%	4.1%
Other	6.9%	17.2%

Operating expenses increased by $5.3 million (223%) as a result of the following items:

	(000's)
Increase in human resource costs	$ 1,931
Increase in product design and development costs	1,085
Increase in sales and marketing, excluding human resource costs	1,158
Increase in non-cash costs	550
Increase in professional, accounting and consulting	457
Increase in all other operating expenses	120
	$ 5,301

Human resource related costs (including salaries, commission, and benefits) was higher as a result of an increase of 28 employees between the two periods (approximately $1,448,000) and increased sales commissions of approximately $483,000.

Product design and development costs increased as a direct result of our new prescription prenatal products.

Professional fees increased primarily due to a higher legal fees arising from contract and patent services and public company filing related costs (approximately $293,000). The Company experienced higher accounting and audit costs related to preparation of audits and public company filing related costs (approximately $81,000). Consulting costs were also higher as a result of opening new sales territories and the additional resources needed for public company filings (approximately $83,000).

Sales and marketing costs increased due to the addition of new sales territories and expanded client education.

Non-cash costs were higher as the result of the Warrants issued for services (approximate fair value of $119,000) and additional costs related to the issuance of Options (approximate fair value of $431,000).

Loss on extinguishment of debt

In February 2012 (as described above), the Company issued the February 2012 Notes in the aggregate of approximately $2,700,000 and granted the February 2012 Warrants for the purchase of an aggregate of 9,000,000 shares. As consideration for the February 2012 Notes and the February 2012 Warrants, the Company received $1,000,000 of new funding and the surrender of certain promissory notes previously issued by the Company in the aggregate amount of approximately $1,700,000 (the "Prior Notes"). The Company determined that the resulting modification of the February 2012 Notes was substantial in accordance with ASC 470-50, *"Modifications and Extinguishments."* As such the modification was accounted for as an extinguishment and restructuring of the debt, and the February 2012 Warrants issued, valued at approximately $10,500,000, were expensed as loss on the extinguishment of debt. The relative fair value of the Prior Notes was estimated to be $1,500,000 by calculating the present value of future cash flows discounted at a market rate of return for comparable debt instruments. The Company recognized a reduction in loss on extinguishment of debt in the amount of $200,000, which represented the difference between the net carrying amount of the New Funding and its fair value. See NOTE 9 – NOTES PAYABLE and NOTE 10 – STOCKHOLDERS' EQUITY, Warrants in the accompanying condensed consolidated financial statements for more details.

Beneficial Conversion Feature

Beneficial conversion feature of approximately $6,717,000 consists of non-cash costs associated with the conversion of approximately $1,055,000 in debt into 2,775,415 shares of the Company's Common Stock.

Other Income (Expense), net

Other non-operating expense increased by approximately $1,255,000 for the six months ended June 30, 2012 in comparison to the same period in 2011 due primarily to the addition of amortization of debt discount not incurred during 2011.

Liquidity and Capital Resources

As of June 30, 2012, the Company's working capital was approximately $967,000, our accumulated deficit was approximately $42,133,000 and our stockholders' deficit was approximately $704,000.

We began the operation of our current business plan in June 2008 and have not yet attained a level of revenue to allow us to meet our current overhead. Based on our current marketing plan and expected sales demand, we do not contemplate attaining profitable operations until 2013, and there is no assurance that such an operating level can ever be achieved. We are dependent upon obtaining additional financing in order to adequately fund working capital, infrastructure, manufacturing expenses and significant marketing/investor related expenditures to gain market recognition, so that we can achieve a level of revenue adequate to support our cost structure, none of which can be assured. Management believes it will be able to raise the capital required to execute the Company's business plan and become profitable.

While we believe that we will have sufficient financial resources for the next twelve (12) month period, we cannot provide assurance as to how much we will need to spend in order to develop, manufacture, and market new products and technologies in the future. We are currently working to bring additional products to market including prescription products for the treatment of menopausal symptoms for which clinical studies will be conducted and for which FDA approval will be sought. We expect to spend at least $4,500,000 on research and development in 2012, which amount could increase based on positive research results and funding. As we increase the market penetration of our current products and we expand our product base to include prescription products, the need for increased inventory levels will become a necessity. This increase is estimated to be approximately $800,000.

We may not have sufficient resources to fully develop any new products or technologies or expand our inventory levels unless we are able to raise additional financing. We can make no assurances these required funds will be available on favorable terms, if at all. If additional capital is raised through the sale of equity or convertible debt securities, the issuance of such securities would result in dilution to our existing stockholders. Additionally, these conditions may increase costs to raise capital and/or result in further dilution. Our failure to raise capital when needed would adversely affect our business, financial condition and results of operations, and could force us to reduce or cease our operations.

We believe that we will be able to meet the costs of growth and public reporting with funds generated from operations and additional amounts generated through debt and equity financing. Although management believes that the required financing to fund product development and increasing inventory levels can be secured at terms satisfactory to the Company, there is no guarantee these funds will be made available, and if funds are available, that the terms will be satisfactory to the Company.

Off-Balance Sheet Arrangements

None.

New Accounting Pronouncements

There have been no material changes to the Company's significant accounting policies as summarized in Note B of the Company's Annual Report on Form 10-K for the year ended December 31, 2011. The Company does not expect that the adoption of any recent accounting pronouncements will have a material impact on its condensed consolidated financial statements.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Our Company is a smaller reporting company as defined by Rule 12b-2 of the Exchange Act, and as such, is not required to provide the information required under this item.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

Disclosure controls and procedures are designed to ensure that information required to be disclosed in the reports filed or submitted under the Securities Exchange Act of 1934 (the "Exchange Act") is recorded, processed, summarized and reported, within the time period specified in the SEC's rules and forms and is accumulated and communicated to our principal executive officer and principal financial officer, as appropriate, in order to allow timely decisions in connection with required disclosure.

Evaluation of Disclosure Controls and Procedures

Robert G. Finizio and Daniel A. Cartwright, currently serving as the Company's Chief Executive Officer and Chief Financial Officer respectively, evaluated the effectiveness of the design and operation of our Company's disclosure controls and procedures (as such term is defined in Rules 13a-15 and 15d-15 under the Exchange Act) as of the end of the period covered by this quarterly report. Based on such evaluation, they concluded that the Company's disclosure controls and procedures are not effective to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in SEC's rules and forms. This conclusion is based on findings that constituted material weaknesses. A material weakness is a deficiency, or a combination of control deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of the Company's interim financial statements will not be prevented or detected on a timely basis. These material weaknesses include our inability to achieve the optimal level of segregation of duties relative to key financial reporting functions.

Changes in Internal Controls

During the three months ended June 30, 2012, there were no significant changes in the Company's internal control over financial reporting that has affected, or is reasonably likely to affect, the Company's internal control over financial reporting, or other factors that could significantly affect these controls subsequent to the date of their evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

None.

Item 1A. Risk Factors.

The Company is a smaller reporting company and is not required to provide the information required by this item.

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

Conversion of Notes

In July 2011, VitaMed sold two Senior Secured Promissory Notes (the "Secured Notes") in the amount of $500,000 each. On June 19, 2012, the Company and the Parties agreed to convert the Secured Notes, and according to the terms thereof, aggregated principal and interest through June 19, 2012 of $1,054,647 was converted at $0.38 per share into an aggregate of 2,775,415 shares of the Company's Common Stock. The shares were issued in reliance upon an exemption from the registration provisions of the Securities Act of 1933 due to Section 4(1) of the Act and Rule 144.

Issuance of Non-Qualified Stock Options ("Options")

On April 16, 2012, the Company issued ten-year Options for the purchase of an aggregate of 425,000 shares of the Company's Common Stock with an exercise price of $2.55 to the seven members of its current Board of Directors for services to be rendered during calendar year 2012. Each director was granted an Option for the purchase of 50,000 shares with the chairs of the Audit, Compensation and Corporate Governance Committees being granted an Option for an additional 25,000 shares for their services to be rendered as committee chairs. The Options vest in full on December 31, 2012. Also on April 16, 2012, the Company issued a ten-year Option for the purchase of 150,000 shares with an exercise price of $2.55 per share to Dr. Brian Bernick, a director and employee (Chief Medical Officer) of the Company. The Option vests in full on April 16, 2013.

On June 29, 2012, the Company issued a ten-year Option for the purchase of 75,000 shares of the Company's Common Stock to Tommy G. Thompson for his services as a director and as Chairman of the Board during the 2012 calendar year. The Option has an exercise price of $2.80 per share and all shares thereunder vest on December 31, 2012.

Also on June 29, 2012, the Company issued ten-year Options to certain employees and consultants for the purchase of an aggregate of 175,000 shares of the Company's Common Stock at an exercise price of $2.80 per share of which:

a) 50,000 shares vested immediately upon issuance,
b) 2,500 shares vest on the first anniversary of issuance,
c) 115,000 shares vest over a two-year period on the anniversary of issuance, and
d) 7,500 shares vest over a four-year period on the anniversary of issuance.

Issuance of Common Stock Purchase Warrants ("Warrants")

On May 17, 2012, in conjunction with a consulting agreement regarding new drug development, the Company issued a five-year Warrant to purchase up to 1,300,000 shares of the Company's Common Stock at an exercise price of $2.57. The Warrant has not been exercised.

As described hereinabove, on June 19, 2012, the Company issued and sold June 2012 Notes in the aggregate principal amount of $4,691,847 and Warrants to purchase up to an aggregate of 7,000,000 shares of the Company's Common Stock. The shares available for purchase under the Warrants do not vest until ninety (90) days from issuance. In connection with the sale of the Notes and Warrants, the Company relied upon the exemption from registration provided by Regulation D under the Securities Act of 1933, as amended.

On June 29, 2012, the Company issued five-year Warrants to certain consultants for the purchase of an aggregate of 2,500 shares of the Company's Common Stock at an exercise price of $2.80 per share under which all shares vested immediately upon issuance.

Exercise of Options and Warrants

On June 19, 2012, Warrants for the purchase of an aggregate of 8,145,486 shares of the Company's Common Stock (245,486 shares at an exercise price of $0.407357 per share and 7,900,000 shares at an exercise price of $0.38 per share) were exercised. The purchase price was paid through the surrender of debt in the aggregate of $3,102,000. The shares were issued in reliance upon an exemption from the registration provisions of the Securities Act of 1933 due to Section 4(1) of the Act and Rule 144.

On July 5, 2012, an employee exercised an Option to purchase 21,338 shares of the Company's Common Stock at an exercise price of $0.18738 per share. All shares under the Option were purchased through a cashless exercise provision wherein the employee surrendered his right to receive 1,428 shares resulting in the issuance of 19,910 shares. The shares are covered by a Lock-Up Agreement.

On July 11, 2012, an employee exercised an Option to purchase 30,685 shares of the Company's Common Stock at an exercise price of $.407355 per share for a purchase price of $12,459.69. The shares are covered by a Lock-Up Agreement.

Item 3. Defaults upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

Change in Directors

On May 16, 2012, the Company's Board of Directors elected Tommy G. Thompson, former Secretary of the U.S. Department of Health and Human Services, to serve as a member of its Board of Directors and also named him as Chairman upon the resignation of Robert G. Finizio. Robert G. Finizio, former Chairman of the Board, will continue to serve in his capacity as director and Chief Executive Officer of the Company. Secretary Thompson will serve until the Company's next Annual Meeting of Shareholders or until his successor is duly elected and qualified. There are no arrangements or understandings between the Company and Secretary Thompson or any other person pursuant to which Secretary Thompson was selected as Chairman.

Item 6. Exhibits.

Exhibit	Date	Description
2.1	July 6, 2009	Agreement and Plan of Reorganization among Croff Enterprises, Inc., AMHN Acquisition Corp., America's Minority Health Network, Inc., and the Major Shareholders. [1]
2.2	June 11, 2010	Agreement and Plan of Reorganization (for the acquisition of Spectrum Health Network, Inc.) [2]
2.3	October 25, 2007	Croff Enterprises, Inc. Plan of Corporate Division and Reorganization[3]
2.4	July 18, 2011	Agreement and Plan of Merger by and among AMHN, Inc., VitaMedMD, LLC and VitaMed Acquisition, LLC[9]
3.1	September 14, 2009	Articles of Amendment to Articles of Incorporation (to change name to AMHN, Inc.)[4]
3.2	July 27, 2009	Certificate of Merger of AMHN Acquisition Corp. with and into America's Minority Health Network, Inc. [5]
3.3	December 7, 2007	Articles of Amendment of Croff Enterprises, Inc. (to increase authorized common shares from 20,000,000 to 50,000,000)[3]
3.4	July 20, 2010	Articles of Conversion filed in the State of Nevada[6]
3.5	July 20, 2010	Articles of Incorporation filed in the State of Nevada[6]
3.6	August 3, 2010	Certificate of Amendment and Restatement to the Articles of Incorporation of AMHN, Inc. (to change name and increase authorized shares)
3.7	n/a	Bylaws for the State of Nevada[7]
10.1	November 9, 2010	Promissory Note to Philip M. Cohen for $210,000[8]
10.2	April 18, 2011	Convertible Promissory Note to First Conquest Investment Group, L.L.C. for $105,000[8]
10.3	April 18, 2011	Convertible Promissory Note to Energy Capital, LLC for $105,000[8]
10.4	May 7, 2011	Sales Representation Agreement with Mann Equity, LLC[8]
10.5	July 9, 2011	Lease Agreement[10]
10.6	September 8, 2011	Stock Purchase Agreement between the Company and Pernix Therapeutics, LLC[10]
10.7	September 8, 2011	Lock-Up Agreement between the Company and Pernix Therapeutics, LLC[10]
10.8	n/a	Common Stock Purchase Warrant, form of[10]
10.9	n/a	Non-Qualified Stock Option, form of[10]
10.10	September 2011	Convertible Promissory Note, form of[12]
10.11	September 20, 2011	Lang Financing Agreement[15]
10.12	October 18, 2011	Debt Conversion Agreement with Energy Capital, LLC[11]
10.13	October 18, 2011	Debt Conversion Agreement with First Conquest Investment Group, LLC[11]
10.14	October 21, 2011	Consulting Agreement with Lang Naturals, Inc. [11]
10.15	October 21, 2011	Warrant to Lang Naturals, Inc. [11]
10.16	October 21, 2011	Lock-Up Agreement with Lang Naturals, Inc. [11]
10.17	November 3, 2011	Software License Agreement with Pernix Therapeutics, LLC[18]
10.18	November 18, 2011	Promissory Note, form of[12]
10.19	February 24, 2012	Note Purchase Agreement between the Company and Johnson and Plato[16]
10.20	February 24, 2012	Secured Promissory Note between the Company and Johnson and Plato, form of[16]
10.21	February 24, 2012	Security Agreement between the Company and Johnson and Plato[16]
10.22	February 24, 2012	Common Stock Purchase Warrant to Johnson and Plato, form of[16]
10.23	February 29, 2012	Audit Committee Charter[17]
10.24	February 29, 2102	Compensation Committee Charter[17]
10.25	February 29, 2012	Corporate Governance Committee Charter[17]
10.26	April 17, 2012	Master Services Agreement with Sancilio and Company, Inc.*
10.27	May 17, 2012	Consulting Agreement with Sancilio and Company, Inc.**
14.00	n/a	Code of Business Conduct and Ethics, form of[5]
14.01	n/a	Code of Business Ethics for Financial Executives, form of[5]
14.02	n/a	Insider Trading Policy, form of[5]
16.1	December 14, 2011	Letter to the SEC from Parks & Company, LLC[13]
16.2	February 1, 2012	Letter addressed to the SEC from Parks & Company, LLC[14]
21.00	March 27, 2012	Subsidiaries of the Registrant[19]
31.1	August 9, 2012	Certification of Chief Executive Officer of Periodic Report pursuant to Rule 13a-14a and Rule 14d-14(a)*
31.2	August 9, 2012	Certification of Chief Financial Officer of Periodic Report pursuant to Rule 13a-14a and Rule 14d-14(a)*

32.1	August 9, 2012	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350*
32.2	August 9, 2012	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350*
101.INS	n/a	XBRL Instance Document*†
101.SCH	n/a	XBRL Taxonomy Extension Schema Document*†
101.CAL	n/a	XBRL Taxonomy Extension Calculation Linkbase Document*†
101.DEF	n/a	XBRL Taxonomy Extension Definition Linkbase Document*†
101.LAB	n/a	XBRL Taxonomy Extension Label Linkbase Document*†
101.PRE	n/a	XBRL Taxonomy Extension Presentation Linkbase Document*†

(1) Filed as an exhibit to Form 8-K filed with the Commission on July 10, 2009 and incorporated herein by reference.
(2) Filed as an exhibit to Current Report on Form 8-K filed with the Commission on June 14, 2010 and incorporated herein by reference.
(3) Filed as an exhibit to Form 10-K for the year ended December 31, 2007 filed with the Commission on May 8, 2008 and incorporated herein by reference.
(4) Filed as an exhibit to Form 10-Q for quarter ending September 30, 2009 filed with the Commission on November 16, 2009 and incorporated herein by reference.
(5) Filed as an exhibit to Form 10-K filed with the Commission on March 17, 2010 and incorporated herein by reference.
(6) Filed as an exhibit to Form 10-Q for quarter ending June 30, 2010 filed with the Commission on August 3, 2010 and incorporated herein by reference.
(7) Filed as an exhibit to Definitive 14C Information Statement filed with the Commission on June 29, 2010 and incorporated herein by reference.
(8) Filed as an exhibit to Form 10-Q for quarter ending March 30, 2011 filed with the Commission on May 19, 2011 and incorporated herein by reference.
(9) Filed as an exhibit to Form 8-K filed with the Commission on July 21, 2011 and incorporated herein by reference.
(10) Filed as an exhibit to Form 8-K filed with the Commission on October 11, 2011 and incorporated herein by reference.
(11) Filed as an exhibit to Form 8-K filed with the Commission on October 24, 2011 and incorporated herein by reference.
(12) Filed as an exhibit to Form 8-K filed with the Commission on November 18, 2011 and incorporated herein by reference.
(13) Filed as an exhibit to Form 8-K filed with the Commission on January 25, 2012 and incorporated herein by reference.
(14) Filed as an exhibit to Form 8-K filed with the Commission on February 1, 2012 and incorporated herein by reference.
(15) Filed as an exhibit to Form 8-K/A filed with the Commission on February 2, 2012 and incorporated herein by reference.
(16) Filed as an exhibit to Form 8-K filed with the Commission on February 24, 2012 and incorporated herein by reference.
(17) Filed as an exhibit to Form 8-K filed with the Commission on February 29, 2012 and incorporated herein by reference.
(18) Filed as an exhibit to Form 10-Q for quarter ending September 30, 2011 filed with the Commission on November 7, 2011 and incorporated herein by reference.
(19) Filed as an exhibit to Form 10-K for year ending December 31, 2011 filed with the Commission on March 27, 2012 and incorporated herein by reference.

* Filed herewith.

**Filed herewith; certain information in this exhibit has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to the omitted portions.

†Pursuant to Rule 406T of Regulation S-T, these interactive data files are deemed not filed or part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, as amended, are deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and otherwise are not subject to liability under those sections.

SIGNATURES

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

DATE: August 9, 2012

TherapeuticsMD, Inc.

By: /s/ Robert G. Finizio
Robert Finizio
Chief Executive Officer
(Principal Executive Officer)

By: /s/ Daniel A. Cartwright
Daniel A. Cartwright
Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 10.26

MASTER SERVICES AGREEMENT

This Master Services Agreement ("**Agreement'**) is entered into as of April 17, 2012 (the "**Effective Date**") by and between TherapeuticsMD, Inc., a Nevada corporation with an office at 951 Broken Sound Parkway NW, Suite 320, Boca Raton, Florida 33487 (the "**Client**"), and Sancilio and Company, Inc., a Delaware corporation with an office at 3874 Fiscal Court, Suite 200, Riviera Beach, Florida 33404 ("**SCI**"). The Client and SCI are referred to singly as "**Party**" and jointly as "**Parties**" throughout this Agreement.

W I T N E S S E T H

WHEREAS, SCI is in the business of providing certain preclinical and clinical drug development and formulation, drug product stability, analytical, manufacturing and regulatory consulting services for the pharmaceutical industry (the "**Services**"); and

WHEREAS, SCI represents that it has the necessary personnel, expertise, facilities and experience to provide such Services to the Client;

WHEREAS, SCI and Client desire to enter into this Agreement to provide the terms and conditions upon which Client may engage SCI, from time to time and as agreed to by SCI, to provide services for individual projects in accordance with mutually agreed upon SOWs, Change Orders and/or Letters of Authorization (each as defined below) specifying the details of the services and the related terms and conditions. The SOWs, Change Orders and Letters of Authorization are referred to herein as "Project-Specific Agreements."

NOW THEREFORE, for and in consideration of the mutual covenants and agreements set forth hereinafter and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto do hereby agree as follows:

ARTICLE I

SCOPE OF AGREEMENT AND STATEMENTS OF WORK/CHANGE ORDERS

1.1 This Agreement sets forth the basic terms and conditions that shall apply to all Projects (as defined below) that are the subject of Project-Specific Agreements entered into pursuant to this Agreement.

1.2 The specific duties and responsibilities for each project under this Agreement (each, a "**Project**") shall be separately negotiated and specified in a statement of work on terms and in a format mutually agreed upon and executed by the Parties (each such writing, a "**SOW**"). Each SOW shall include (i) the scope and specification of the Project; (ii) deliverables and timelines; (iii) any performance metrics; and (iv) a budget and payment schedule. Any material change in the details of a SOW shall require a written amendment to the SOW, mutually agreed upon and executed by the Parties (a "**Change Order**").

1.3 Any and all Project-Specific Agreements issued and executed pursuant to this Agreement will be made part hereof and incorporated herein by reference, and shall be subject to the terms and conditions set forth in this Agreement. Any and all Project-Specific Agreements shall also be subject to the terms and conditions set forth in the quality requirements agreement to be executed by the parties in concert with this present Agreement and attached hereto as

Exhibit A (the "**Quality Agreement**"), unless otherwise expressly set forth in the Project-Specific Agreements. To the extent there is any conflict between the provisions of this Agreement, the Quality Agreement and/or a Project-Specific Agreement, the terms and conditions of this Agreement and those of the Project-Specific Agreement shall be read in accord wherever possible; where certain provisions set forth in the Project-Specific Agreements are in more exacting or detailed form over corresponding provisions in this Agreement, the Project-Specific Agreement shall govern; but where such certain provisions are otherwise ambiguous or unclear over the corresponding Agreement provisions, the Agreement provisions shall govern.

1.4 Services provided by SCI shall comply with all applicable Good Laboratory Practices, current Good Manufacturing Practices, Good Clinical Practices, and all other United States governmental and regulatory standards, specifications and guidelines, as specified in the Quality Agreement.

1.5 The Parties understand that SCI shall use commercially reasonable efforts to initiate, conduct and complete the Services as set forth in a Project-Specific Agreement in a timely fashion. The Client understands and agrees that completing the Services as set forth in a Project-Specific Agreement assumes the full cooperation of the Client, as well as any necessary third parties.

ARTICLE II

PROJECT IMPLEMENTATION

2.1 Prior to SCI's commencement of Services hereunder, the Parties shall execute one or more Project-Specific Agreement. The Client's execution of a Project-Specific Agreement will be deemed its authorization for SCI to proceed under the terms and conditions of this Agreement and the Quality Agreement, as applicable.

2.2 SCI shall utilize commercially reasonable efforts to provide the Services as agreed in any Project-Specific Agreements and, if necessary, any associated Change Order.

2.3 The Parties recognize that in certain instances, the Client may wish SCI to commence Services prior to the formal execution of a SOW authorizing such Services. In such circumstances, the Client may authorize SCI in writing (a "**Letter of Authorization**") to commence specified Services pending execution of the relevant SOW. A Letter of Authorization shall specify the Services to be performed and a dollar limitation for the performance of such Services.

2.4 SCI shall use commercially reasonable efforts to anticipate the scope of activities necessary to complete Services established by a Project-Specific Agreement. However, Project-Specific Agreements constitute both Parties' informed estimate of those Services necessary to satisfactorily complete a Project and are based upon the Parties' current knowledge of the factual situation, as well as the current regulatory environment. Therefore, the scope of proposed Services may require modification of the Project-Specific Agreements during the course of performance. In the event additional or different Services are required, the Client's authorized representative, as set forth in Article VIII, may in writing authorize SCI to perform additional or

different Services, wherein such additional or different services shall become effective only upon a Change Order executed in writing by both Parties.

2.5 SCI will use commercially reasonable efforts to complete the agreed upon Project according to the applicable terms set forth in any executed Project-Specific Agreement. However, the Parties recognize that the Services to be provided hereunder are not subject to precise advance determination. In the event unforeseen difficulties arise, SCI shall inform the Client, outlining the basis of any such difficulties. In such event, the Parties agree to enter into good faith negotiations regarding the possibility of amending applicable terms under the Project-Specific Agreement to address such defined difficulties. In no event however, will any such difficulties, *per se*, amend or alter the terms of this Agreement, or any related Project-Specific Agreement, absent the subsequent mutual agreement of both Parties in writing.

ARTICLE III

PAYMENT FOR SERVICES RENDERED

3.1 The Client agrees to pay for Services as agreed upon in a Project-Specific Agreement executed by the Client and delivered to SCI.

3.2 The Client shall reimburse SCI for reasonable and customary out-of-pocket expenses, including any appropriate handling fees (not including any supplies and services as set forth in Article 3.3 herein) incurred in connection with the performance of the Services set forth in the Project-Specific Agreements provided that SCI provides the Client with documentation of such approved expenditures, if requested. Unless otherwise agreed by the Parties in writing in a Project-Specific Agreement, SCI shall invoice the Client for such expenses at cost.

3.3 Unless otherwise agreed by the Parties in writing in a Project-Specific Agreement, SCI shall charge the Client a five percent (5%) handling fee for all supplies, materials or services acquired for or on behalf of the Client to satisfactorily complete the Services as set forth in the Project-Specific Agreement.

3.4 [reserved]

3.5 If the Client delays or temporarily halts a Project after such Project has commenced for reasons beyond the commercially reasonable control of SCI, the Parties will negotiate a reasonable fee, payable on a monthly basis, to compensate SCI for reasonable expenses incurred related to such delay, including the storage of Client's samples and materials. SCI shall provide the Client with an itemized invoice describing such expenses. The Client will pay the expenses associated with such invoices in accordance with Article 3.6 herein.

3.6 Unless otherwise agreed by the Parties in writing, SCI shall invoice the Client on a calendar month basis for Services rendered, for agreed upon costs, milestone, and other payment terms and conditions as set forth in any Project-Specific Agreement. Invoices are due and payable net thirty (30) days after Client's receipt of invoice. All payments to SCI shall be made in U.S. dollars. Invoice balances not remitted within thirty (30) days of receipt of invoice shall be subject to a one and one-half percent (1.5%) per month interest charge. Should any part

of the invoice be in dispute, the Client shall pay any undisputed amount according to the terms and conditions described herein while said dispute is being resolved.

ARTICLE IV

INTELLECTUAL PROPERTY

4.1 Any invention, trade secret or know-how and any materials, documents, programs or information belonging to Client and supplied to SCI by Client pursuant to this Agreement shall remain the property of Client. Any invention, trade secret or know-how and any materials, documents, programs or synthesis information belonging to SCI prior to the date of this Agreement, or developed by SCI independently of this Agreement, i.e. not falling within Article 4.2 below, shall remain the property of SCI.

4.2 Any inventions (whether or not patentable), processes, techniques, improvements, discoveries, designs, formulae, copyright, trademark, trade secrets, know-how, developments, confidential information, computer software, data and documentation, and all similar intellectual property rights created, discovered or reduced to practice by SCI solely or jointly in the course of performing the Services or other work performed under a Project (collectively, "**Project IP**"). SCI shall notify the Client promptly when it has made, created, or otherwise invented any Project IP. SCI agrees to assign and hereby does assign to Client all Project IP (including any patent and all other intellectual property rights therein), and Project IP shall be deemed the Confidential Information of Client for purposes of Article V below. SCI will, at the expense and the written request of the Client, take all reasonable steps and execute all documents as the Client may reasonably request to transfer to and vest in the Client the ownership and registration of all intellectual property rights that may exist in such Project IP.

4.3 With respect to Project IP, SCI will not knowingly or negligently incorporate or use therein any invention, discovery, process, technology or information that (a) is subject in whole or in part to a claim of any patent application or issued patent that is owned or controlled by SCI, but not assigned to Client pursuant to Article IV ("**SCI Background Patent Rights**"), (b) is subject in whole or in part to a claim of any patent or patent application of a third party, or (c) incorporates any SCI processes, inventions, techniques, know-how, or trade secrets that are owned or controlled by SCI, but not assigned to Client pursuant to Article IV ("**SCI Background Know-How**"). In the event any Project IP incorporates or requires the use of SCI Background Patent Rights or SCI Background Know-How (collectively, "**SCI Proprietary Technology**"), SCI shall grant and grants to Client a non-exclusive, non-transferable, worldwide, royalty-free, fully paid license to use such SCI Background Know-How and SCI Proprietary Technology in connection with the procurement, use, sale and marketing of any commercial product or process deriving from this Agreement.

4.4 The Client acknowledges that SCI is in the business of providing Services for a variety of organizations other than the Client. Accordingly, nothing in this Agreement shall preclude or limit SCI from providing Services or developing materials for itself or other clients, or from utilizing the general knowledge gained during the course of its performance hereunder to perform similar Services for other clients, provided that such provision of Services or development of materials do not constitute a breach of confidentiality under Article V herein.

ARTICLE V

CONFIDENTIALITY

5.1 During the performance of Services and the Term of this Agreement, each Party may receive from the other Party confidential or proprietary information, including: information concerning Client's regulatory submissions; pre-clinical and clinical trials; other data, testing and research techniques; inventions, materials, processes, practices; product research, development and acquisition plans; acquisitions, mergers, divestitures and the like; other business and marketing plans; and other proprietary and trade secrets and like information (collectively "**Confidential Information**"). Client agrees that it will only provide such Confidential Information to the extent that it is required by SCI to perform Services. For the avoidance of doubt, the following shall in all cases be treated as Confidential Information hereunder: (a) all samples of chemical compounds and data related thereto, (b) all Confidential Information provided under the Parties' prior Non-Disclosure Agreement dated December 1, 2011, (c) all Project IP, data, results or other information as otherwise developed or generated by SCI for the Client, or any methodologies, technology, or assays developed by SCI for the Client, and (d) all other Project IP, data, results or other information otherwise arising under or relating to this Agreement.

5.2 The Parties will each use the same care to prevent disclosing to third Parties the Confidential Information of the other Party as it employs to avoid disclosure, publication or dissemination of its own information of a similar nature, but in no event less than a reasonable standard of care. Neither Party will use the Confidential Information of the other Party except in the performance of its obligations and exercise of its rights under this Agreement.

5.2.1 For clarity, each Party agrees that without the express written consent of the other Party, it will not itself use, or provide to, disclose to, or permit any third party to use said Confidential Information. The Parties agree to take commercially reasonable and appropriate measures to safeguard Confidential Information from theft, loss or negligent disclosure to others and to limit internal access to Confidential Information to those of its employees, consultants, agents or subcontractors who reasonably require such access in order to accomplish performance of the Services. Each Party's employees, consultants, agents or subcontractors who have or will have access to Confidential Information have signed or, prior to disclosure of Confidential Information, will sign a confidentiality agreement with provisions no less protective than this Article V. Either Party disclosing Confidential Information under this Agreement assumes full responsibility for the acts or omissions of such third-parties, no less than if the acts or omissions were those of the disclosing Party.

5.2.2 Unless otherwise consented to by the disclosing Party in writing or provided for in a Project-Specific Agreement, the receiving Party agrees not to analyze for chemical composition any samples or materials provided by the disclosing Party, nor to allow or cause any such samples or materials to be released to third parties for analysis.

5.2.3 Neither Party shall use or disclose to the other Party any Confidential Information of a third party except as approved in advance in writing by the receiving Party.

5.2.4 Each Party agrees to notify the other Party promptly of the date of, and the circumstances involved in, the loss or unauthorized disclosure of any Confidential Information of the other Party.

5.3 Notwithstanding the foregoing, Confidential Information will not include any information which either Party can demonstrate was:

(a) at the time of disclosure to it, in the public domain;

(b) after disclosure to it, published or otherwise becomes part of the public domain through no fault of the receiving Party;

(c) without a breach of duty owed to the disclosing Party, is in the possession of the receiving Party at the time of disclosure to it;

(d) received after disclosure to it from a third party who had a lawful right to and, without a breach of duty owed to the disclosing Party, did disclose such information to it; or

(e) independently developed by the receiving Party without reference to Confidential Information of the disclosing Party.

5.3.1 Furthermore, either Party may disclose the other Party's Confidential Information to the extent required by law or order of a court or governmental agency or to enforce this Agreement. However, the recipient of such Confidential Information must give the other Party prompt notice and make a reasonable effort to obtain a protective order or otherwise protect the confidentiality of such Confidential Information, all at such other Party's cost and expense.

5.4 Upon expiration or termination of Agreement or completion or termination of any Project-Specific Agreement, and at the written direction of the other Party, each Party will promptly return all Confidential Information of the other Party, including any documents prepared by SCI that contain such information, as further set forth in Article VIII. SCI may retain a single archival copy of the Confidential Information for the sole purpose of determining the scope of obligations incurred under this Agreement. The obligations of this Article V shall apply to all Confidential Information disclosed to the receiving Party, whether such Confidential Information was disclosed before or after the Effective Date and survive for a period of five (5) years from the expiration or termination of this Agreement.

5.5 The Parties agree that they shall not use the other Party's name, or disclose the existence of this Agreement or any matters relating to the Services provided hereunder in any advertising, promotion, written articles or communications without the prior written consent of the other Party, such consent not to be unreasonably withheld.

ARTICLE VI

REPRESENTATION, WARRANTIES, AND COVENANTS

6.1 SCI's Representations. SCI represents and warrants to Client as of the Effective Date that:

(i) the execution and delivery of this Agreement and the performance of the transactions, rights and licenses contemplated hereby have been duly authorized by all appropriate SCI corporate action;

(ii) SCI has the full right and authority to enter into this Agreement, and this Agreement is a legal and valid obligation binding upon SCI and enforceable in accordance with its terms, and the execution, delivery and performance of this Agreement by the terms set forth herein, and does not conflict with any agreement, instrument or understanding to which SCI is a party or by which it is bound;

(iii) SCI has the full right and legal capacity to grant the rights granted to Client hereunder without violating the rights of any third party; and

(iv) SCI is the owner of the SCI Technology and, to SCI's actual knowledge, no third party claims any ownership of the SCI Technology

EXCEPT AS SET FORTH HEREIN, SCI EXPRESSLY DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE (REGARDLESS OF WHETHER OR NOT SCI KNOWS OR HAS REASON TO KNOW OF SUCH PURPOSE). EXCEPT WITH RESPECT TO BREACH OF ARTICLE V, AND EXCEPT TO THE EXTENT A PARTY MAY BE OBLIGATED TO INDEMNIFY THE OTHER PARTY UNDER THIS ARTICLE VI, IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY CONSEQUENTIAL, SPECIAL, EXEMPLARY INCIDENTAL OR OTHER INDIRECT DAMAGES OR LOST PROFITS IN ANY WAY ASSOCIATED WITH THIS AGREEMENT, REGARDLESS OF THE FORM OF ACTION.

6.2 Client's Representations. Client represents and warrants to SCI as of the Effective Date that:

(i) the execution and delivery of this Agreement and the performance of the transactions contemplated hereby have been duly authorized by all appropriate Client corporate action;

(ii) Client has the full right and authority to enter into this Agreement, and this Agreement is a legal and valid obligation binding upon Client and enforceable in accordance with its terms, and the execution, delivery and performance of this Agreement by the terms set forth herein, and does not

conflict with any agreement, instrument or understanding to which Client is a party or by which it is bound;

(iii) Client has the full right and legal capacity to grant the rights granted to SCI hereunder without violating the rights of any third party; and

(iv) Client is the owner of the TherapeuticsMD Technology and, to Client's actual knowledge, no third party claims any ownership of the TherapeuticsMD Technology.

6.3 Product Warranty. SCI represents and warrants that:

(i) any drug product supplied by SCI shall meet the product specifications set forth in the applicable Project-Specific Agreement, and further represents and warrants that the product specifications and the methodologies used to synthesize any drug product shall meet all requirements that are necessary to conduct any clinical trials specified in an applicable Project-Specific Agreement and shall support any of Client's (or its designee's) contemplated New Drug Application to market a drug product in the U.S. pursuant to the then applicable U.S. regulatory requirements. SCI will use its Commercially Reasonable best efforts to supply any drug product in the quantities, at the times and at the locations designated by Client in any applicable Product-Specific Agreement.

(ii) any drug product that is part of any shipment or delivery made to Client pursuant to this Agreement will not, at the time of shipment to Client by SCI, be adulterated or misbranded within the meaning of the FD&C Act.

ARTICLE VII

INDEMNIFICATION

7.1 Indemnification by Client. Subject to Section 7.4 below, the Client shall indemnify and hold harmless SCI, its agents, employees, directors and Affiliates from any loss, expense and liability, including reasonable attorney's fees, arising from any claim suit or proceeding to the extent resulting from Client's use of (a) products and services using the Project IP, or (b) other materials or processes supplied or disclosed to Client in the course of providing Services pursuant to this Agreement, except to the extent the claim, suit or proceeding is subject to SCI's indemnification obligations in Section 7.2 below.

7.2 Indemnification by SCI. Subject to Section 7.4 below, SCI shall indemnify and hold harmless the Client, its agents, employees, directors and Affiliates from any loss, expense and liability, including reasonable attorney fees arising out of SCI's negligence or willful misconduct in the course of providing Services pursuant to this Agreement.

7.3 Indemnification for Patent Infringement. Subject to Section 7.4 below, if SCI is subject to allegations of or sued for patent infringement or infringement of other intellectual property rights anywhere in the world with respect to its pre-clinical or clinical manufacture and distribution of any drug product pursuant to the terms of this Agreement or any Project-Specific

Agreement initiated by a third party asserting infringement of its rights with respect to the active ingredients in a drug product of combinations thereof, or if Client is subject to allegations of or sued for patent infringement or infringement of other intellectual property rights anywhere in the world initiated by a third party asserting infringement of its rights with respect to the manufacturing methods or materials used by SCI in its manufacture of a drug product, then Client or SCI, as the case may be, will indemnify the other and hold such indemnified Party harmless and defend against such suits. The foregoing in this subsection 7.3 notwithstanding, Client shall not be liable to SCI under such indemnity if such suit is based on the manufacture or use of a drug product by SCI in a manner not specified by the terms of this Agreement or a Project-Specific Agreement.

7.4 A party that intends to claim indemnification (the "**Indemnitee**") under Section 7.1, 7.2 or 7.3 shall promptly notify the other party (the "**lndemnitor**") in writing of any claim, complaint, suit, proceeding or cause of action with respect to which the Indemnitee intends to claim such indemnification (for purposes of this Article VII, each a "**Claim**"), and the Indemnitor shall have sole control of the defense and/or settlement thereof; provided that the Indemnitee shall have the right to participate, at its own expense, with counsel of its own choosing in the defense and/or settlement of such Claim. The Indemnitor shall not settle any Claim without the consent of the Indemnitee, which consent shall not be unreasonably withheld or delayed. The Indemnitee, and its employees, at the Indemnitor's request and expense, shall provide full information and reasonable assistance to Indemnitor and its legal representatives with respect to such Claims covered by this indemnification.

7.5 Each Party shall be responsible for the safety of its own employees and agents with respect to the handling or use of materials involved in the performance of this Agreement and any Project-Specific Agreement hereunder.

7.6 SCI shall perform the Services hereunder as an independent contractor, and nothing contained in this Agreement or otherwise shall be deemed to create any other relationship, including employment, partnership, agency or joint venture, between the Parties. The Parties acknowledge that Services performed are solely within the control of SCI and the provisions of this Agreement shall not be construed as authorizing the Client to exercise any control or direction over the employees or agents of SCI in connection with this Agreement. Neither Party to this Agreement shall have any authority to employ any person as agent or employee for or on behalf of the other, or to bind, or attempt to bind, the other to any obligation with any third party.

7.7 "Affiliate" shall mean any corporation, company, partnership, joint venture and/or firm, which controls, is controlled by or is under common control with a Party. For purposes of this Article VII "control" shall mean (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; and (b) in the case of non-corporate entities, direct or indirect ownership of at least fifty percent (50%) of the equity interest or the power to substantially direct the management and policies of such non-corporate entities.

ARTICLE VIII

TERM AND TERMINATION

8.1 Unless sooner terminated in a manner herein provided, this Agreement shall continue for a period of three (3) years from the Effective Date (hereinafter the "**Term**"). The Parties may extend this Agreement by written mutual agreement at least sixty (60) days prior to the expiration of the Term.

8.2 This Agreement, the Quality Agreement and any corresponding Project-Specific Agreement then in effect may be terminated by (i) either Party upon written notice for cause in the event of a failure by the other Party to substantially perform any material obligation that, through no fault of the Party initiating the termination, remains uncured thirty (30) days after receipt of such prior written notice; (ii) Client upon thirty (30) days written notice to SCI; or (iii) either Party upon dissolution, insolvency or bankruptcy as set forth in 8.2.1 below.

8.2.1 This Agreement may be terminated by any one Party in the event that the other Party: (i) applies for or consents to the appointment of a receiver, conservator, trustee, liquidator, custodian or other judicial representative for itself or any substantial portion of its assets or properties; (ii) admits in writing its inability to pay its debts as they become due; (iii) makes an assignment for the benefit of its creditors; (iv) has an order for relief filed by a bankruptcy court for or against it or is adjudicated insolvent; or (v) files a voluntary petition admitting bankruptcy or an arrangement with creditors or takes advantage of any bankruptcy, insolvency, readjustment or debt, dissolution or liquidation law or statute, or files an answer admitting the material allegations of a petition filed against it in any proceeding; (vi) or a decree is entered by any court of competent jurisdiction approving a petition seeking reorganization or appointing a receiver, conservator, trustee, liquidator, custodian or other judicial representative, and such order, judgment or decree continues in effect for a period of sixty (60) consecutive days.

8.3 In the event of a termination of this Agreement pursuant to Section 8.2, with the exception of material breach by SCI, the Client shall be obligated to pay to SCI the cost of all Services completed, as set forth in the relevant Project-Specific Agreements currently in effect at the time of termination, in accordance with the terms and conditions set forth in this Agreement. Client shall be obligated to pay for all unused supplies and materials ordered by SCI in connection with performance of the Services. SCI shall use commercially reasonable efforts to minimize the costs associated with the cessation of any such Project-Specific Agreements.

8.4 Client may terminate any Project-Specific Agreement without terminating this Agreement by providing SCI written notice. In the event of a termination of a Project-Specific Agreement, SCI shall receive full payment for all Services actually performed through the effective date of termination, including any appropriate delay or cancellation fees as may be set forth in the Project-Specific Agreements. In accordance with the Client's written instructions, SCI shall use commercially reasonable efforts to transfer the results, information, documents, Project IP, and other property and information relating to or resulting from such Project-Specific Agreement to the Client or its agent. The Client shall pay reasonable costs incurred by SCI that are necessary or reasonably required in connection with the orderly cessation of such Project-Specific Agreements, not to exceed 1/12 of the cost of the Project that is the subject of the

terminated Project-Specific Agreement(s). In no event shall the total amount calculated pursuant to this Section 8.4 exceed the total amount of payments set forth in the budget for such Project-Specific Authorization. Within thirty (30) days after the termination date of any Project-Specific Agreement, SCI shall refund to Client any amounts paid by Client to SCI in excess of the calculated amount described herein.

8.5 The accrued rights and obligations of the Parties shall not be affected by any termination of this Agreement. Furthermore, upon termination of this Agreement for any reason by any party, and irrespective of any claims, rights or remedies Client or SCI may have against the other under this Agreement other than for payments then due and payable pursuant to the terms of any Project-Specific Agreement, SCI expressly agrees to deliver immediately to Client: (i) all work product (including partial results, drafts and notes, in all tangible media including electronic format, works in progress and patents, know-how and other intellectual property) created or worked on by SCI in, and relating directly to, the performance of its obligations under this Agreement; (ii) any inventory of drug product or precursors thereto; (iii) any materials received from Client or other sources in order for SCI to perform its obligations under this Agreement; (iv) all Equipment procured by SCI (shipped in accordance with Client's instructions at Client's cost and risk); (v) a report by SCI to Client in reasonable detail outlining the status of the foregoing, (vi) any other outstanding reports or documentation required under the Agreement. SCI further agrees to do all things and execute documents as Client may reasonably request and to transfer any Drug Master Files in SCI's possession to Client or its designee at Client's cost, to the extent such actions are not already required by this Agreement or any Project-Specific Agreement, so that such termination or the pursuit of any such claims, rights and remedies shall not interfere with the timely development of any drug product by Client in its absolute discretion.

ARTICLE IX

CORRESPONDENCE AND NOTICE

9.1 Until advised in writing to the contrary by either Party, all communications and notices related to this Agreement shall be effective upon receipt and shall be addressed to:

CLIENT: TherapeuticsMD, Inc.
951 Broken Sound Parkway NW, Suite 320
Boca Raton, Florida 33487
(Attention: Chief Financial Officer)
Fax: 561-431-3389

SCI: Sancilio and Company, Inc.
3874 Fiscal Court, Suite 200
Riviera Beach, Florida 33404
(Attention: Chief Legal Officer)
Fax: 561-847-2312

9.2 All communications and notices related to a Project-Specific Agreement shall be addressed to the appropriate individual for each Party as set forth in such Project-Specific Agreement.

ARTICLE X

RECORDS AND AUDITS

10.1 SCI agrees to maintain records of all Services performed under this Agreement in accordance with the United States Food and Drug Administration's archival guidelines. The Client may review the records of SCI relating to the Services performed and expenses incurred to assure compliance with all provisions of this Agreement, provided that such inspection may take place (i) only upon reasonable prior written notice (not less than ten (10) business days) and during SCI's regular business hours, and (ii) at the Client's sole cost and expense. The Client shall be invoiced for any reasonable and actual incidental expenses SCI incurs resulting from any such review, to the extent such review exceeds four (4) business days each calendar year.

10.2 Upon reasonable prior written notice (not less than fifteen (15) business days) and during regular business hours the Client may, at its own cost and expense, review SCI's quality control procedures and records, with a representative of SCI present. The Client shall be invoiced for any reasonable and actual incidental expenses SCI incurs resulting from such review, to the extent such review exceeds one (1) review each calendar year.

10.3 In the event of an inspection by any governmental or regulatory authority concerning the Services performed hereunder, SCI shall notify the Client promptly upon learning of such an inspection, shall supply the Client with copies of any correspondence or portions or correspondence relating to the Services and shall inform the Client of the general findings and outcomes of such inspections. The Client shall be invoiced for any reasonable and actual incidental expenses SCI incurs resulting from such review.

ARTICLE XI

MISCELLANEOUS

11.1 Certification. SCI represents, warrants and certifies that neither it, nor its Affiliates, nor any of their respective directors, officers, principals, employees and agents was or is debarred, suspended, proposed for debarment or otherwise determined to be ineligible to participate in the drug industry, federal health care programs under or convicted of a criminal offense related to the provision of health care items or services the United States Food, Drug and Cosmetic Act, (21 U.S.C. 301 et seq.), and that it has not and will not use in any capacity the services of any entity or person debarred under such law with respect to Services to be performed under this Agreement. In the event that a SCI, or any of its Affiliates, directors, officers, principals, employees, or agents becomes or is debarred, suspended, proposed for debarment or otherwise determined to be ineligible to under such law or convicted of a criminal offense related to the provision of health care items or services, SCI shall notify Client in writing immediately.

11.2 Equipment and Material Ownership. Title to any and all equipment and other materials procured by SCI pursuant to any Project-Specific Agreement on behalf of Client

("**Equipment**") shall vest exclusively with Client, which shall have unencumbered rights, title and interest in all such Equipment at all times. SCI shall deliver to Client copies of receipts for all Equipment. Client shall reimburse SCI for the actual amounts paid for such Equipment, plus, for any Equipment not procured from SCI's existing stock, a 5% service fee. SCI shall use commercially reasonable efforts in the selection, installation, maintenance, and proper operation of such Equipment. Upon completion of the Services for which Equipment is being utilized, Client may request that any remaining Equipment be shipped to the destination of its choice. Any fees associated with such request, including the hourly fees for SCI personnel and all shipping costs, shall be the sole responsibility of Client.

11.3 Insurance. During the Term of this Agreement, the Parties shall secure and maintain in full force and effect commercially appropriate and standard insurance coverage for its responsibilities in connection with this Agreement and any applicable Project-Specific Agreement. Upon written request by either Party, the other Party shall provide proper evidence showing that such insurance is in force.

11.4 Waiver. The failure of either Party hereto at any time or times to require performance of any provision of this Agreement shall in no manner affect the right of such Party at a later time to enforce the same. No waiver by any Party hereto of any condition, or of the breach of any provision, term, covenant, representation, or warranty contained in this Agreement, whether by conduct or otherwise, in any one or more instances, shall be deemed to be or construed as a further or continuing waiver of any such condition or of the breach of any other provision, term, covenant, representation or warranty of this Agreement.

11.5 Entire Understanding. This Agreement contains the entire agreement between the Parties with respect to the subject matter thereof as of the Effective Date and supersedes all prior agreements, negotiations, representations and proposals, written and oral, relating to its subject matter, except that Project-Specific Agreements and other similar service authorizations that have been properly executed prior to the Effective Date shall remain in full force and effect, and shall be construed, where possible, in accordance with the terms and conditions herein.

11.6 Severability. If a court or other tribunal of competent jurisdiction holds any term or provision, or portion thereof, of this Agreement to be invalid, void or unenforceable, the remaining provisions of the Agreement shall remain in full force and effect. It is the Parties' intention that if a court or other tribunal holds any term or provision of this Agreement to be excessive in scope, such term or provision shall be adjusted rather than voided, if possible.

11.7 Modification. This Agreement may not be amended or modified except by written instrument signed by an authorized representative of the Parties.

11.8 Cooperation. Each Party shall execute and deliver all such instruments and perform all such other acts as the other Party may reasonably request to carry out the transactions contemplated by this Agreement.

11.9 Force Majeure. Neither Party shall be under any liability to the other hereunder on account of any loss, damage or delay occasioned or caused by non-performance of any

obligation under this Agreement due to circumstances beyond its reasonable control occurring after the Effective Date, including but not limited to, strikes, riots, fire, insurrection, war, natural disaster, embargoes, failure of carriers, inability to obtain material or transportation facilities or changes in any law ("Force Majeure"). The Party affected by such a Force Majeure event is excused on a day-by-day basis to the extent of the prevention; provided, that such Party notifies the other Party as soon as practicable of the nature and expected duration of the claimed Force Majeure event, uses all Commercially Reasonable Efforts to avoid or remove the causes of non-performance and resumes performance promptly after the causes have been removed. If a Party is unable to perform its obligations under this Agreement (other than the obligation to pay money) due to a Force Majeure event for a period in excess of three (3) months (an "Extended Force Majeure Event"), then the other Party may terminate this Agreement with no further obligation to the non-performing Party.

11.10 Binding Effect. Subject to the restrictions on transfers, assignments and encumbrances set forth herein, this Agreement shall inure to the benefit of and be binding upon the undersigned Parties and their respective legal successors.

11.11 Headings. All headings herein are for convenience only and shall not be construed as a limitation of the scope of the particular sections to which they refer.

11.12 Assignment. Neither Party shall assign its rights under this Agreement without the prior written consent of the other Party, such consent not to be unreasonably withheld, and any attempt to assign without such consent shall be void and of no effect. Notwithstanding the foregoing, either Party shall have the right to assign this Agreement, the Quality Agreement and all outstanding Project-Specific Agreements hereunder in connection with the transfer or sale of all or substantially all of its business or assets related to this Agreement, or in the event of its merger, reorganization, consolidation, change in control or similar transaction.

11.13 Non-Solicitation. Each Party agrees not to solicit an employee of the other party who has performed any work in connection with this Agreement, provided that newspaper, internet or other advertisements to fill job openings shall not be deemed to be a "solicitation" hereunder. This provision shall remain in effect during the term of this Agreement and for one (1) year thereafter. Any exceptions to this provision must be in writing and signed by an authorized representative of each Party.

11.14 Surviving Provisions. The Parties agree that the following provisions will survive the expiration or termination of this Agreement; the definitions contained herein to the extent such definitions pertain to terms in surviving provisions, Articles IV, V, VII and IX in their entirety, and Articles 3.6 (with respect to Services performed prior to such expiration or termination), 10.3, 11.12, 11.14 and 11.15.

11.15 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida without regard to any conflicts of laws provisions. In the event that an unresolved dispute arises over the enforcement, interpretation, construction, or breach of this Agreement, it shall be litigated in the State of Florida, within the U.S. District Court, Southern District of Florida, or the Florida State Court, Broward County,

17th Judicial Circuit, and both Parties irrevocably submit to the exclusive jurisdiction of such courts for all purposes with respect to any legal action or proceeding in connection with this Agreement.

11.16 Subcontractors and Assignees. SCI shall not have the right to subcontract or assign a third party to perform its development and manufacturing obligations under this Agreement without the prior written consent of Client, which consent Client shall have the right to withhold for any reason in its sole discretion, provided that the Parties understand that SCI may without such consent use subcontractors or consultants, bound by appropriate confidentiality obligations, to assist or support its performance of this Agreement. For clarity, the provisions specified in this section shall not apply to third-party API suppliers.

11.17 Taxes. Each Party is solely liable for costs, expenses, taxes, contributions or other charges assessed against it or its property. Each Party agrees to indemnify and hold the other Party and its directors, officers and employees harmless from and against any and all liability for its delay or failure to pay any such costs, expenses, taxes, contributions or other charges.

11.18 Equitable Relief. The Parties acknowledge and agree that any actual or threatened breach of the warranties or representations explicitly set forth in this Agreement will cause irreparable harm to the non-breaching Party; and therefore, the non-breaching Party will be entitled to equitable relief, including injunction and specific performance, as a remedy for any such breach, where such relief shall not require posting of a bond or any other security or proof of actual damages or harm. Such equitable remedies shall not be deemed to be the exclusive relief for any such breach but shall be in addition to all other remedies available in law or equity.

11.19. Legal Representation. This Agreement was negotiated by the Parties with the benefit of legal representation. Any rule of construction or interpretation otherwise requiring this Agreement to be construed or interpreted against any Party shall not apply to any construction or interpretation hereof.

11.20 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

[Remainder of the page is intentionally left blank.]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized officers.

SANCILIO AND COMPANY, INC.

By: /s/ Frederick D. Sancilio
Name: Dr. Frederick D. Sancilio
Its: President and Chief Executive Officer

THERAPEUTICSMD, INC.

By: /s/ Robert Finizio
Name: Robert Finizio
Its: Chief Executive Officer

Exhibit A

QUALITY AGREEMENT

NOTE: PORTIONS OF THIS EXHIBIT INDICATED BY "[****]" ARE SUBJECT TO A CONFIDENTIAL TREATMENT REQUEST, AND HAVE BEEN OMITTED FROM THIS EXHIBIT. COMPLETE, UNREDACTED COPIES OF THIS EXHIBIT HAVE BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION AS PART OF THIS COMPANY'S CONFIDENTIAL TREATMENT REQUEST.

SCHEDULE I

[****]

Exhibit 10.27

Consulting Agreement

This Consulting Agreement ("Agreement") by and between Sancilio and Company, Inc., a Florida corporation ("SCI"), and TherapeuticsMD, Inc., a Nevada corporation ("Therapeutics"), is entered into as of May 17, 2012 (the "Effective Date"). Each of SCI and Therapeutics are referred to hereinafter as a "Party" and collectively as the "Parties."

WHEREAS, Therapeutics has requested SCI to provide certain consulting services (the "Consulting Services") as provided herein, and SCI is willing to provide the Consulting Services on the terms and subject to the conditions set forth in this Agreement,

NOW THEREFORE, in consideration of the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. *Consulting Services*. SCI shall provide the following Consulting Services to Therapeutics:

(a) services provided in support of Therapeutics' drug development efforts specifically pertaining to individual and combined hormone replacement drug products ("Drug Products ") including, but not limited to, services in support of Therapeutics' ongoing and future drug development and commercialization efforts, regulatory approval efforts, third-party investment and financing efforts, marketing efforts, chemistry, manufacturing and controls ("CMC") efforts, drug launch and post-approval activities, and other intellectual property and know-how transfer associated therewith;

(b) services in support of Therapeutics' efforts to successfully obtain FDA Approval for the Drug Product described in Schedule I hereto; and

(c) other consulting services as mutually agreed upon from time to time by SCI and Therapeutics in relation to new drug development opportunities.

The term "FDA Approval," as used herein, shall mean a marketing approval for commercial distribution in the United States pursuant to Section 505 of the Food, Drug and Cosmetic Act, as amended. For clarity, an "FDA Approval" as used herein shall not include any "approvable" determinations by the U.S. Food & Drug Administration ("FDA"), including as set forth in any approvable letter under 21 CFR § 314.110.

2. *Expense Reimbursement*. Therapeutics agrees to reimburse SCI for all out-of-pocket expenses for reasonable business-related travel and engagement of experts required in the performance of the Consulting Services, provided however, that all such expenses shall be submitted in writing and pre-approved by Therapeutics prior to SCI incurring any such expense. All approved expenses shall be paid within 15 days of presentation of invoices and appropriate documentation therefore.

3. *Consulting Fee*. No cash remuneration shall be paid hereunder.

(a) In consideration for the Consulting Services to be provided pursuant to Section 1(a) hereof, Therapeutics agrees to issue and deliver to SCI contemporaneously with the execution and delivery hereof, a five-year Common Stock Purchase Warrant ("Warrant"), in the form attached hereto as *Exhibit A*, granting SCI the right to purchase up to One million three hundred thousand (1,300,000) shares of the Common Stock of Therapeutics (the "First Warrant"). The exercise price of the First Warrant shall

be set at the five-day average closing bid price immediately preceding the execution of this Agreement and all shares thereunder shall vest immediately upon issuance of the First Warrant.

(b) Upon the receipt by Therapeutics of any final FDA Approval of a Drug Product, Therapeutics agrees to issue and deliver to SCI within five (5) business days after receipt of Approval, an additional five-year Warrant granting SCI the right to purchase Four hundred thirty-three thousand (433,000) shares of the Common Stock of Therapeutics (the "Second Warrant"). The Exercise Price of the Second Warrant shall be set at the same price as the First Warrant outlined in Section 3(a) above and all shares thereunder shall vest immediately upon issuance of the Second Warrant.

(c) As incentive for SCI to specifically assist Therapeutics in obtaining FDA Approval of the Drug Product described in Section 1(b), Therapeutics hereby agrees to issue and deliver to SCI a five-year Warrant granting SCI the right to purchase Four hundred thousand (400,000) shares of the Common Stock of Therapeutics (the "Third Warrant") upon the submission to FDA of the NDA pertaining to the Drug Product described in Schedule I. The Exercise Price of the Third Warrant shall be set at the five-day average closing bid price immediately preceding the submission of the NDA to FDA and all shares thereunder shall vest immediately upon issuance of the Third Warrant.

(d) SCI expressly acknowledges that the issuance of the aforementioned Warrants shall constitute full and adequate compensation for all Consulting Services to be performed pursuant to this Agreement and that SCI shall not be entitled to any additional compensation in any form. For clarity, SCI shall not be entitled to seek additional consideration relative to any internal costs or other obligations incurred by SCI relating to its Consulting Services (so called "soft costs"), including consulting, legal, engineering and infrastructure-related costs and obligations incurred by SCI in the performance of its duties hereunder.

(e) If (i) the shares of the Common Stock of Therapeutics shall be subdivided or combined into a greater or smaller number of shares or if Therapeutics shall issue any shares of Common Stock as a stock dividend on its outstanding Common Stock, or (ii) additional shares or new or different shares or other securities of the Company or other non-cash assets are distributed with respect to such shares of Common Stock, the number of shares of Common Stock that may be purchased pursuant to each of the Warrants described in this Section 3 shall be appropriately increased or decreased proportionately, and appropriate adjustments shall be made, including to the exercise price per share, to reflect such events.

4. *Intellectual Property*. Any invention, trade secret or know-how and any materials, documents, programs or information belonging to Therapeutics and supplied to SCI by Therapeutics pursuant to this Agreement shall remain the property of Therapeutics. Any invention, trade secret or know-how and any materials, documents, programs or synthesis information belonging to SCI prior to the date of this Agreement, or developed by SCI independently of this Agreement (i.e. not falling within Section 4.1 below), shall remain the property of SCI.

4.1 Any inventions (whether or not patentable), processes, techniques, improvements, discoveries, designs, formulae, copyright, trademark, trade secrets, know-how, developments, confidential information, computer software, data and documentation, and all other intellectual property rights created, discovered or reduced to practice by SCI solely or jointly in the course of performing the Consulting Services are collectively "Project IP." SCI shall promptly notify Therapeutics in writing when it has made, created, or otherwise invented any Project IP. SCI agrees to assign and hereby does assign to Therapeutics all Project IP (including any patent and all other intellectual property rights therein) and Project IP shall be deemed the Confidential Information of Therapeutics for purposes of Section 5 below. SCI will

take all reasonable steps and execute all documents that Therapeutics may reasonably request to transfer to and vest in Therapeutics the ownership and registration of all intellectual property rights that may exist in such Project IP.

4.2 With respect to Project IP, SCI will not knowingly or negligently incorporate or use therein any invention, discovery, process, technology or information that (a) is subject in whole or in part to a claim of any patent application or issued patent that is owned or controlled by SCI, but not assigned to Therapeutics pursuant to Section 4 ("SCI Background Patent Rights"), (b) is subject in whole or in part to a claim of any patent or patent application of a third party, or (c) incorporates any SCI processes, inventions, techniques, know-how, or trade secrets that are owned or controlled by SCI, but not assigned to Therapeutics pursuant to Section 4 ("SCI Background Know-How"). In the event any Project IP incorporates or requires the use of SCI Background Patent Rights or SCI Background Know-How (collectively, "SCI Proprietary Technology"), SCI shall grant and hereby grants to Therapeutics a non-exclusive, non-transferable, worldwide, royalty-free, fully paid license to use such SCI Proprietary Technology in connection with the procurement, use, sale and marketing of any Drug Product or other products or processes deriving from this Agreement.

4.3 Therapeutics acknowledges that SCI is in the business of providing other services for a variety of organizations other than Therapeutics. Accordingly, nothing in this Agreement shall preclude or limit SCI from providing other services or developing materials for itself or other clients, or from utilizing the general knowledge gained during the course of its performance hereunder to perform similar services for other clients, provided that such provision of services or development of materials do not constitute a breach under Section 5 herein.

5. *Confidentiality*. During the performance of the Consulting Services, SCI may receive from Therapeutics confidential or proprietary information, including information concerning Therapeutics' regulatory submissions, pre-clinical and clinical trials; other data, testing and research techniques, inventions, materials, processes, practices, product research, development and acquisition plans; acquisitions, mergers, divestitures and the like; other business and marketing plans; and other proprietary and trade secrets and like information (collectively "Confidential Information"). Therapeutics agrees that it will only provide such Confidential Information to the extent that it is required by SCI to perform the Consulting Services.

5.1 Notwithstanding the foregoing, the obligations of this Section 5 shall not apply in the case of:

(i) information of Therapeutics that is now in the public domain or which subsequently enters the public domain without fault on the part of SCI; or

(ii) information of Therapeutics that is presently known by SCI from its own sources, where said present knowledge can be demonstrated by written records; or

(iii) information of Therapeutics that SCI receives in good faith from a third party, where said third party is independent of Therapeutics and is under no obligation of confidentiality with respect to such information; or

(iv) information developed by or for SCI independent of the Consulting Services, or any other agreements with Therapeutics, and without the use of any Confidential Information of Therapeutics, as evidenced by SCI's written records.

5.1.1 SCI may disclose Therapeutics' Confidential Information to the extent required by law or order of a court or governmental agency or to enforce this Agreement; however, SCI must give Therapeutics prompt notice of such intended disclosure and SCI shall make a commercially reasonable effort to obtain a protective order or otherwise protect the confidentiality of such Confidential Information.

5.2 SCI agrees that without the express written consent of Therapeutics, it will not itself use, or provide to, disclose to, or permit any third party to use said Confidential Information. SCI agrees to take commercially reasonable and appropriate measures to safeguard Confidential Information from theft, loss or negligent disclosure to others and to limit internal access to Confidential Information to those of its employees, consultants, agents or subcontractors who reasonably require such access in order to accomplish performance of the Consulting Services. All SCI employees, consultants, agents or subcontractors who have or will have access to Confidential Information have signed or, prior to disclosure of Confidential Information, will sign a confidentiality agreement with provisions no less protective than this Section 5. However, SCI assumes full responsibility for the acts or omissions of such third-parties, no less than if the acts or omissions were those of SCI.

5.3 Unless otherwise consented to by Therapeutics in writing, SCI agrees not to analyze for chemical composition any samples or materials provided by Therapeutics, nor to allow or cause any such samples or materials to be released to third parties for analysis.

5.4 SCI shall not use or disclose to Therapeutics any information it knows to be Confidential Information of a third party except as approved in advance in writing by Therapeutics.

5.5 SCI agrees to notify Therapeutics promptly of the date of, and the circumstances involved in, the loss or unauthorized disclosure of any Confidential Information of Therapeutics.

5.6 Upon termination of this Agreement, and at the written direction of Therapeutics, SCI will promptly return all of Therapeutics' Confidential Information, including any documents prepared by SCI that contain such information. SCI may retain a single archival copy of the Confidential Information for the sole purpose of determining the scope of obligations incurred under this Agreement.

5.7 Except for disclosure as may be required by regulatory authorities, the Parties agree that they shall not use the other Party's name, or disclose the existence of this Agreement or any matters relating to the Services provided hereunder in any advertising, promotion, written articles or communications without the prior written consent of the other Party, which consent shall not to be unreasonably withheld.

5.8 The obligations of this Section 5 shall apply to all Confidential Information, whether such Confidential Information was disclosed before or after the Effective Date, and shall survive indefinitely unless specifically excluded under Section 5.1 (i)-(iv).

6. *Indemnification*

6.1. *Indemnification by Therapeutics.* Subject to Section 6.3 below, Therapeutics shall indemnify and hold harmless SCI, its agents, employees, directors and Affiliates from any loss, expense and liability, including reasonable attorney's fees arising out of Therapeutics'

negligence or willful misconduct under this Agreement, except to the extent the claim, suit or proceeding is subject to SCI's indemnification obligations in Section 6.2 below.

6.2 *Indemnification by SCI*. Subject to Section 6.3 below, SCI shall indemnify and hold harmless Therapeutics, its agents, employees, directors and Affiliates from any loss, expense and liability, including reasonable attorney fees arising out of SCI's negligence or willful misconduct in the course of providing Consulting Services pursuant to this Agreement.

6.3 A Party that intends to claim indemnification (the "Indemnitee") under Section 6.1 or 6.2 shall promptly notify the other party (the "lndemnitor") in writing of any claim, complaint, suit, proceeding or cause of action with respect to which the Indemnitee intends to claim such indemnification (for purposes of this Section 6, each a "Claim"), and the Indemnitor shall have sole control of the defense and/or settlement thereof; provided that the Indemnitee shall have the right to participate, at its own expense, with counsel of its own choosing in the defense and/or settlement of such Claim. The Indemnitor shall not settle any Claim without the consent of the Indemnitee, which consent shall not be unreasonably withheld or delayed. The Indemnitee, and its employees, at the Indemnitor's request and expense, shall provide full information and reasonable assistance to Indemnitor and its legal representatives with respect to such Claims covered by this indemnification.

6.4 SCI shall be responsible for the safety of its own employees and agents with respect to the handling or use of materials involved in the performance of this Agreement.

7. SCI represents and warrants to Therapeutics as of the Effective Date that:

(a) the execution and delivery of this Agreement and the performance of the transactions, rights and licenses contemplated hereby have been duly authorized by all appropriate SCI corporate action;

(b) SCI has the full right and authority to enter into this Agreement, and is a legal and valid obligation binding upon SCI and enforceable in accordance with its terms, and the execution, delivery and performance of this Agreement by the terms set forth herein, and does not conflict with any agreement, instrument or understanding to which SCI is a party or by which it is bound;

(c) SCI has the full right and legal capacity to grant the rights granted to Therapeutics hereunder without violating the rights of any third party; and

(d) SCI is the owner of any SCI technology and Project IP, SCI Background Patent Rights, and SCI Proprietary Technology conveyed and that it is aware of no actual or threatened third party claims of ownership of the same.

8. *Term*. The term of this Agreement ("Term") shall commence as of the Effective Date and continue until the time of the commercial manufacture of a Drug Product. The Term may be extended by mutual, written agreement between the Parties.

9. *Assignment*. Neither party hereto may assign this Agreement, in whole or in part, without the prior written consent of the other party hereto.

10. *Notices.*

(a) All notices required or permitted hereunder shall be in writing and shall be deemed effectively given: (i) upon personal delivery to the party to be notified, (ii) when sent by facsimile, upon written confirmation of receipt by addressee, (iii) five days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (iv) one day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt.

(b) Notices shall be sent to each party at its respective address listed below (if a party desires to change its address for notice, it shall notify the other party according to these terms):

If to SCI: Sancilio and Company, Inc.
Attn: Fred Sancilio, President & CEO
3874 Fiscal Court, Suite 200
Riviera Beach, Florida 33404
Facsimile No: (561) 847-2312

If to Therapeutics: TherapeuticsMD, Inc.
Attn: Robert Finizio, CEO
951 Broken Sound Parkway NW, Suite 320
Boca Raton, FL 33487
Facsimile No: (561) 431-3389

11. *Records & Audits*. SCI agrees to maintain records of all Consulting Services performed under this Agreement in accordance with the FDA's archival guidelines. Therapeutics may review the records of SCI relating to the Consulting Services performed and expenses incurred to assure compliance with all provisions of this Agreement, provided that such inspection may take place (i) only upon reasonable prior written notice (not less than ten (10) business days) and during SCI's regular business hours.

11.1 Upon reasonable prior written notice (not less than fifteen (15) business days) and during regular business hours, Therapeutics may, at its own cost and expense, review SCI's quality control procedures and records, with a representative of SCI present.

11.2 In the event of an inspection by any governmental or regulatory authority concerning the Consulting Services performed hereunder, SCI shall notify Therapeutics promptly upon learning of such an inspection, shall supply Therapeutics with copies of any correspondence or portions or correspondence relating to the Consulting Services and shall inform Therapeutics of the general findings and outcomes of such inspections.

12. *Certification*. SCI represents, warrants and certifies that neither it, nor its Affiliates, nor any of their respective directors, officers, principals, employees and agents was or is debarred, suspended, proposed for debarment or otherwise determined to be ineligible to participate in the drug industry, federal health care programs under or convicted of a criminal offense related to the provision of health care items or services the United States Food, Drug and Cosmetic Act (21 U.S.C. 301 et seq.), and that it has not and will not use in any capacity the services of any entity or person debarred under such law with respect to Consulting Services to be performed under this Agreement. In the event that SCI, or any of its affiliates, directors, officers, principals, employees, or agents becomes or is debarred, suspended, proposed for debarment or otherwise determined to be ineligible to participate in the drug industry under such law or convicted of a criminal offense related to the provision of health care items or services, SCI shall notify Therapeutics in writing immediately.

13. *Waiver.* The failure of either Party hereto at any time or times to require performance of any provision of this Agreement shall in no manner affect the right of such Party at a later time to enforce the same. No waiver by any Party hereto of any condition, or of the breach of any provision, term, covenant, representation, or warranty contained in this Agreement, whether by conduct or otherwise, in any one or more instances, shall be deemed to be or construed as a further or continuing waiver of any such condition or of the breach of any other provision, term, covenant, representation or warranty of this Agreement.

14. *Entire Understanding.* This Agreement contains the entire agreement between the Parties with respect to the subject matter thereof as of the Effective Date.

15. *Severability.* If a court or other tribunal of competent jurisdiction holds any term or provision, or portion thereof, of this Agreement to be invalid, void or unenforceable, the remaining provisions of the Agreement shall remain in full force and effect. It is the Parties' intention that if a court or other tribunal holds any term or provision of this Agreement to be excessive in scope, such term or provision shall be adjusted rather than voided, if possible.

16. *Modification*. This Agreement may not be amended or modified except by written instrument signed by an authorized representative of the Parties.

17. *Cooperation.* Each Party shall execute and deliver all such instruments and perform all such other acts as the other Party may reasonably request to carry out the transactions contemplated by this Agreement.

18. *Governing Law*. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida without regard to any conflict of law provisions. In the event that an unresolved dispute arises over the enforcement, interpretation, construction, or breach of this Agreement, it shall be litigated in the State of Florida, within the U.S. District Court, Southern District of Florida, or the Florida State Court, Broward County, 17th Judicial Circuit, and both Parties irrevocably submit to the exclusive jurisdiction of such courts for all purposes with respect to any legal action or proceeding in connection with this Agreement.

19. "*Affiliate*" as used herein shall mean any corporation, company, partnership, joint venture and/or firm, which controls, is controlled by or is under common control with a Party. For purposes of this Section 19, "control" shall mean (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; and (b) in the case of non-corporate entities, direct or indirect ownership of at least fifty percent (50%) of the equity interest or the power to substantially direct the management and policies of such non-corporate entities.

20. *Counterparts; Signatures.* This Agreement may be signed in one or more counterparts, each of which shall be one and the same agreement. If a counterpart of this Agreement is signed and transmitted via facsimile, or via PDF transmitted by e-mail, such signatures shall bind the signing party to this Agreement in full. Original documents may also be signed by the parties and will have the same binding power.

21. *Independent Parties*. This Agreement shall not be construed as constituting a joint venture or partnership between SCI and Therapeutics. No party shall have any right to obligate any other party in any manner whatsoever, and nothing herein is intended to confer any right of any kind to any third person.

IN WITNESS WHEREOF, the parties have each caused this Agreement to be signed and delivered by their duly authorized representatives as of the Effective Date.

Sancilio and Company, Inc.

By: /s/ Fred Sancilio
Fred Sancilio
President & CEO

TherapeuticsMD, Inc.

By:/s/ Robert Finizio
Robert Finizio
Chief Executive Officer

Exhibit A

Form of Warrant

NOTE: PORTIONS OF THIS EXHIBIT INDICATED BY "[****]" ARE SUBJECT TO A CONFIDENTIAL TREATMENT REQUEST, AND HAVE BEEN OMITTED FROM THIS EXHIBIT. COMPLETE, UNREDACTED COPIES OF THIS EXHIBIT HAVE BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION AS PART OF THIS COMPANY'S CONFIDENTIAL TREATMENT REQUEST.

SCHEDULE I

[****]

EXHIBIT 31.1

CERTIFICATION PURSUANT TO
SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002

I, Robert G. Finizio, certify that:

(1) I have reviewed this quarterly report on Form 10-Q of TherapeuticsMD, Inc.;

(2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

(4) The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) 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 my most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of 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.

August 9, 2012

/s/ Robert G. Finizio
Robert G. Finizio
Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATION PURSUANT TO
SECTION 302 OF
THE SARBANES-OXLEY ACT OF 2002

I, Daniel A. Cartwright, certify that:

(1) I have reviewed this quarterly report on Form 10-Q of TherapeuticsMD, Inc.;

(2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

(4) The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) 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 my most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of 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.

August 9, 2012

/s/ Daniel A. Cartwright
Daniel A. Cartwright
Chief Financial Officer
(Principal Financial Officer)

EXHIBIT 32.1

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

In connection with the quarterly report of TherapeuticsMD, Inc. (the "Company") on Form 10-Q for the period ended June 30, 2012 as filed with the Securities and Exchange Commission (the "Report"), I, Robert G. Finizio, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

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

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

/s/ Robert G. Finizio
Robert G. Finizio
Chief Executive Officer
August 9, 2012

A signed original of this certification has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

EXHIBIT 32.2

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

In connection with the quarterly report of TherapeuticsMD, Inc. (the "Company") on Form 10-Q for the period ended June 30, 2012 as filed with the Securities and Exchange Commission (the "Report"), I, Daniel A. Cartwright, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

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

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

/s/ Daniel A. Cartwright
Daniel A. Cartwright
Chief Financial Officer
August 9, 2012

A signed original of this certification has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.