

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

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): November 26, 2013

SPHERIX INCORPORATED

(Exact Name of Registrant as Specified in Charter)

Delaware

(State or other jurisdiction
of incorporation)

0-5576

(Commission File Number)

52-0849320

(IRS Employer Identification No.)

7927 Jones Branch Drive, Suite 3125
Tysons Corner, VA

(Address of principal executive offices)

22102

(Zip Code)

Registrant's telephone number, including area code: (703) 992-9260

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

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

ITEM 1.01
ITEM 3.02

ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT.
UNREGISTERED SALES OF EQUITY SECURITIES.

On November 26, 2013, Spherix Incorporated (the "Company") entered into separate Amendment and Exchange Agreements (each, a "Series F Exchange Agreement") with the holders of the Company's outstanding shares of Series F Convertible Preferred Stock (the "Series F Preferred Stock" and each holder, a "Series F Holder") pursuant to which the Series F Holders agreed to return their shares of Series F Preferred Stock to the Company for cancellation in consideration for which the Company issued such Series F Holder an equal number of shares of Series F-1 Convertible Preferred Stock, \$0.0001 par value per share (the "Series F-1 Preferred Stock" and the transaction, the "Series F Exchange"). Each share of Series F-1 Preferred Stock is entitled to 91% of one vote per share (subject to beneficial ownership limitations described below) and shall vote together with holders of the Company's common stock. Each share of Series F-1 Preferred Stock is convertible into one share of the Company's common stock and has a stated value of \$0.0001. The conversion ratio is subject to adjustment in the event of stock splits, stock dividends, combination of shares and similar recapitalization transactions. The Company is prohibited from effecting the conversion of the Series F-1 Preferred Stock to the extent that, as a result of such conversion, the holder beneficially owns more than 9.99%, in the aggregate, of the issued and outstanding shares of the Company's common stock calculated immediately after giving effect to the issuance of shares of common stock upon the conversion of the Series F-1 Preferred Stock. The shares of Series F-1 Preferred Stock are subject to the same registration rights as the Series F Preferred Stock, as further described in the Company's Current Report on Form 8-K, filed with the Securities and Exchange Commission on November 7, 2013. The Series F-1 Convertible Preferred Stock was established on November 22, 2013 by the filing of a Certificate of Designation of Preferences, Rights and Limitations of Series F-1 Convertible Preferred Stock ("Series F-1 Certificate of Designation") in the State of Delaware.

The Series F Preferred Stock was originally issued on November 6, 2013 in a private placement. The Company exchanged and aggregate of 304,250 shares of Series F Preferred Stock for an aggregate of 304,250 shares of Series F-1 Preferred Stock.

The foregoing description of the Series F Exchange and related transactions does not purport to be complete and is qualified in its entirety by reference to the complete text of (i) the form of Series F Exchange Agreement, which is filed as Exhibit 10.1 hereto and (ii) the Series F-1 Certificate of Designation which is filed as Exhibit 3.1 hereto, each of which is incorporated herein by reference.

The Series F-1 Preferred Stock was issued to "accredited investors," as such term is defined in the Securities Act of 1933, as amended (the "Securities Act") and were offered and sold in reliance on the exemption from registration afforded by Section 4(2) and Regulation D (Rule 506) under the Securities Act of 1933 and corresponding provisions of state securities laws.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits.

The exhibit listed in the following Exhibit Index is furnished as part of this Current Report on Form 8-K.

Exhibit No.	Description
3.1	Certificate of Designation of Preferences, Rights and Limitations of Series F-1 Convertible Preferred Stock
10.1	Form of Series F Exchange Agreement

SIGNATURES

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

Date: November 26, 2013

SPHERIX INCORPORATED

/s/ Anthony Hayes

Name: Anthony Hayes

Title: Chief Executive Officer

Delaware

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF DESIGNATION OF "SPHERIX INCORPORATED", FILED IN THIS OFFICE ON THE TWENTY-SECOND DAY OF NOVEMBER, A.D. 2013, AT 3:59 O'CLOCK P.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.

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You may verify this certificate online at corp.delaware.gov/authvwr.shtml




Jeffrey W. Bullock, Secretary of State
AUTHENTICATION: 0921725
DATE: 11-22-13

**CERTIFICATE OF DESIGNATION OF PREFERENCES,
RIGHTS AND LIMITATIONS
OF
SERIES F-1 CONVERTIBLE PREFERRED STOCK**

The undersigned, Chief Executive Officer of Spherix Incorporated., a Delaware corporation (the "Corporation"), DOES HEREBY CERTIFY that the following resolutions were duly adopted by the Board of Directors of the Corporation by unanimous written consent on November 20, 2013;

WHEREAS, the Board of Directors is authorized within the limitations and restrictions stated in the Certificate of Incorporation of the Corporation, as amended, to provide by resolution or resolutions for the issuance of Five Million (5,000,000) shares of Preferred Stock, par value \$0.0001 per share, of the Corporation, in such series and with such designations, preferences and relative, participating, optional or other special rights and qualifications, limitations or restrictions as the Corporation's Board of Directors shall fix by resolution or resolutions providing for the issuance thereof duly adopted by the Board of Directors; and

WHEREAS, it is the desire of the Board of Directors, pursuant to its authority as aforesaid, to authorize and fix the terms of a series of Preferred Stock and the number of shares constituting such series;

NOW, THEREFORE, BE IT RESOLVED:

Section 1. Designation and Authorized Shares. The Corporation shall be authorized to issue Three Hundred and Four Thousand Two Hundred and Fifty (304,250) shares of Series F-1 Preferred Stock, par value \$0.0001 per share (the "Series F-1 Preferred Stock").

Section 2. Stated Value. Each share of Series F-1 Preferred Stock shall have a stated value of \$0.0001 per share (the "Stated Value").

Section 3. Liquidation.

(a) Upon the liquidation, dissolution or winding up of the business of the Corporation, whether voluntary or involuntary, each holder of Series F-1 Preferred Stock shall be entitled to receive, for each share thereof, out of assets of the Corporation legally available therefor, a preferential amount in cash equal to (and not more than) the Stated Value. All preferential amounts to be paid to the holders of Series F-1 Preferred Stock in connection with such liquidation, dissolution or winding up shall be paid before the payment or setting apart for payment of any amount for, or the distribution of any assets of the Corporation to the holders of

(i) any other class or series of capital stock whose terms expressly provide that the holders of Series F-1 Preferred Stock should receive preferential payment with respect to such distribution (to the extent of such preference) and (ii) the Corporation's Common Stock. If upon any such distribution the assets of the Corporation shall be insufficient to pay the holders of the outstanding shares of Series F-1 Preferred Stock (or the holders of any class or series of capital stock ranking on a parity with the Series F-1 Preferred Stock as to distributions in the event of a liquidation, dissolution or winding up of the Corporation) the full amounts to which they shall be entitled, such holders shall share ratably in any distribution of assets in accordance with the sums which would be payable on such distribution if all sums payable thereon were paid in full.

(b) Any distribution in connection with the liquidation, dissolution or winding up of the Corporation, or any bankruptcy or insolvency proceeding, shall be made in cash to the extent possible. Whenever any such distribution shall be paid in property other than cash, the value of such distribution shall be the fair market value of such property as determined in good faith by the Board of Directors of the Corporation.

Section 4. Voting. Except as otherwise expressly required by law, each holder of Series F-1 Preferred Stock shall be entitled to vote on all matters submitted to shareholders of the Corporation and shall be entitled to the number of votes for each share of Series F-1 Preferred Stock owned at the record date for the determination of shareholders entitled to vote on such matter or, if no such record date is established, at the date such vote is taken or any written consent of shareholders is solicited, equal to 91% of the number of shares of Common Stock such shares of Series F-1 Preferred Stock are convertible into at such time, but not in excess of the conversion limitations set forth in Section 5 herein. Except as otherwise required by law, the holders of shares of Series F-1 Preferred Stock shall vote together with the holders of Common Stock on all matters and shall not vote as a separate class.

Section 5. Conversion.

(a) *Conversion Right.* Each holder of Series F-1 Preferred Stock may, from time to time, convert any or all

of such holder's shares of Series F-1 Preferred Stock into fully paid and non-assessable shares of Common Stock in an amount equal to one (1) share of the Corporation's common stock (the "Common Stock") for each one (1) share of Series F-1 Preferred Stock surrendered.

(b) *Conversion Procedure.* In order to exercise the conversion privilege under this Section 5, the holder of any shares of Series F-1 Preferred Stock to be converted shall give written notice to the Corporation at its principal office that such holder elects to convert such shares of Series F-1 Preferred Stock or a specified portion thereof into shares of Common Stock as set forth in such notice (the "Conversion Notice", and such date of delivery of the Conversion Notice to the Corporation, the "Conversion Notice Delivery Date"). Within three (3) business days following the Conversion Notice Delivery Date, the Corporation shall issue and deliver a certificate or certificates representing the number of shares of Common Stock determined pursuant to this Section 5 (the "Share Delivery Date"). In case of conversion under this Section 5 of only a part of the shares of Series F-1 Preferred Stock represented by a certificate surrendered to the Corporation, the Corporation shall issue and deliver a new certificate for the number of shares of Series F-1 Preferred Stock which have not been converted, upon receipt of the original certificate or certificates representing shares of Series F-1 Preferred Stock so converted. Until such time as the certificate or certificates representing shares of Series F-1 Preferred Stock which have been converted are surrendered to the Corporation and a certificate or certificates representing the Common Stock into which such shares of Series F-1 Preferred Stock have been converted have been issued and delivered, the certificate or certificates representing the shares of Series F-1 Preferred Stock which have been converted shall represent the shares of Common Stock into which such shares of Series F-1 Preferred Stock have been converted. The Corporation shall pay all documentary, stamp or similar issue or transfer tax due on the issue of shares of Common Stock issuable upon conversion of the Series F-1 Preferred Stock.

(c) *Maximum Conversion.*

(i) Notwithstanding anything to the contrary set forth in this Certificate of Designation, at no time may all or a portion of shares of Series F-1 Preferred Stock be converted if the number of shares of Common Stock to be issued pursuant to such conversion would exceed, when aggregated with all other shares of Common Stock owned by such holder at such time, the number of shares of Common Stock which would result in such holder beneficially owning (as determined in accordance with Section 13(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and the rules thereunder) more than 9.99% of all of the Common Stock outstanding at such time (the "9.99% Beneficial Ownership Limitation").

(ii) By written notice to the Corporation, a holder of Series F-1 Preferred Stock may from time to time decrease the 9.99% Beneficial Ownership Limitation to any other percentage specified in such notice.

(iii) For purposes of this Section 5, in determining the number of outstanding shares of Common Stock, a holder of Series F-1 Preferred Stock may rely on the number of outstanding shares of Common Stock as reflected in (1) the Corporation's most recent Form 10-K, Form 10-Q, Current Report on Form 8-K or other public filing with the Securities and Exchange Commission, as the case may be, (2) a more recent public announcement by the Corporation or (3) any other notice by the Corporation setting forth the number of shares of Common Stock outstanding. For any reason at any time, upon the written or oral request of a holder of Series F-1 Preferred Stock, the Corporation shall within one (1) business day confirm orally and in writing to such holder the number of shares of Common Stock then outstanding. In any case, the number of outstanding shares of Common Stock shall be determined after giving effect to the conversion or exercise of securities of the Corporation, including shares of Series F-1 Preferred Stock, held by such holder and its affiliates since the date as of which such number of outstanding shares of Common Stock was reported, which in any event are convertible or exercisable, as the case may be, into shares of the Corporation's Common Stock within sixty (60) days' of such calculation and which are not subject to a limitation on conversion or exercise analogous to the limitation contained herein. The provisions of this paragraph shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this Section 5 to correct this paragraph (or any portion hereof) which may be defective or inconsistent with the intended beneficial ownership limitation herein contained or to make changes or supplements necessary or desirable to properly give effect to such limitation.

(d) *Buy-In.* If, by the Share Delivery Date, the Corporation fails for any reason to deliver the shares of Common Stock issuable upon conversion of the Series F-1 Preferred Stock, as set forth in the Conversion Notice, and after such Share Delivery Date, the converting holder purchases, in an arm's length open market transaction or otherwise, shares of Common Stock (the "Covering Shares") in order to make delivery in satisfaction of a sale of Common Stock by the converting holder (the "Sold Shares"), which delivery such converting holder anticipated to make using the shares to be issued upon such conversion (a "Buy-In"), the converting holder shall have the right to require the Corporation to pay to the converting holder the Buy-In Adjustment Amount. The Corporation shall pay the Buy-In Adjustment Amount to the converting holder in immediately available funds immediately upon demand by the converting holder. For purposes of this Certificate of Designation, the term "Buy-In Adjustment Amount" means the amount equal to the excess, if any, of (i) the converting holder's total purchase price (including brokerage commissions, if any) for the Covering Shares associated with a Buy-In, over (ii) the net proceeds (after brokerage commissions, if any) received by the converting holder from the sale of the Sold Shares. By way of illustration and not in limitation of the foregoing, if the converting holder purchases shares of Common Stock having a total purchase price (including brokerage commissions) of \$11,000 to cover a Buy-In, with respect to shares of Common Stock it sold for net proceeds of \$10,000, the Buy-In Adjustment Amount which the Corporation will be required to pay to the converting holder will be \$1,000.

Section 6. Other Provisions.

(a) *Reservation of Common Stock.* The Corporation shall at all times reserve from its authorized Common Stock a sufficient number of shares to provide for conversion of all Series F-1 Preferred Stock from time to time outstanding.

(b) *Record Holders.* The Corporation and its transfer agent, if any, for the Series F-1 Preferred Stock may deem and treat the record holder of any shares of Series F-1 Preferred Stock as reflected on the books and records of the Corporation as the sole true and lawful owner thereof for all purposes, and neither the Corporation nor any such transfer agent shall be affected by any notice to the contrary.

Section 7. Restriction and Limitations. Except as expressly provided herein or as required by law so long as any shares of Series F-1 Preferred Stock remain outstanding, the Corporation shall not, without the vote or written consent of the holders of at least a majority of the then outstanding shares of the Series F-1 Preferred Stock, take any action which would adversely and materially affect any of the preferences, limitations or relative rights of the Series F-1 Preferred Stock.

Section 8. Certain Adjustments.

(a) *Stock Dividends and Stock Splits.* If the Corporation, at any time while the Series F-1 Preferred Stock is outstanding: (A) shall pay a stock dividend or otherwise make a distribution or distributions on shares of its Common Stock or any other equity or equity equivalent securities payable in shares of Common Stock (which, for avoidance of doubt, shall not include any shares of Common Stock issued by the Corporation pursuant to the Series F-1 Preferred Stock), (B) subdivide outstanding shares of Common Stock into a larger number of shares, (C) combine (including by way of reverse stock split) outstanding shares of Common Stock into a smaller number of shares, or (D) issue by reclassification of shares of the Common Stock any shares of capital stock of the Corporation, each share of Series F-1 Preferred Stock shall receive such consideration as if such number of shares of Series F-1 Preferred had been, immediately prior to such foregoing dividend, distribution, subdivision, combination or reclassification, the holder of the number of shares of Common Stock into which it could convert at such time. Any adjustment made pursuant to this Section shall become effective immediately after the record date for the determination of stockholders entitled to receive such dividend or distribution and shall become effective immediately after the effective date in the case of a subdivision, combination or re-classification.

Section 9. Equal Treatment of Holders. No consideration (including any modification of this Certificate of Designation or related transaction document) shall be offered or paid to any person or entity to amend or consent to a waiver or modification of any provision of this Certificate of Designation or related transaction document unless the same consideration is also offered to all of holders of the outstanding shares of Series F-1 Preferred Stock. For clarification purposes, this provision constitutes a separate right granted to each holder by the Corporation and negotiated separately by each holder, and is intended for the Corporation to treat all holders of the Series F-1 Preferred Stock as a class and shall not in any way be construed as such holders acting in concert or as a group with respect to the purchase, disposition or voting of the Series F-1 Preferred Stock or otherwise.

IN WITNESS WHEREOF, the undersigned has executed this Certificate this 22nd day of November 2013.

By: /s/ Anthony Hayes
Name: Anthony Hayes
Title: Chief Executive Officer

AMENDMENT AND EXCHANGE AGREEMENT

This Amendment and Exchange Agreement (the “**Agreement**”), dated as of [___], 2013, is entered into by and among Spherix Incorporated, a Delaware corporation (the “**Company**”), and the holder identified on the signature page hereto (“**Holder**”).

R E C I T A L S

A. On November 1, 2013 the Company filed with the Secretary of State of Delaware a Certificate of Designations, Preferences and Rights of the Series F Convertible Preferred Stock (the “**Existing Certificate of Designations**”).

B. On November 6, 2013 the Company issued, among other things, shares of Series F Convertible Preferred Stock (the “**Existing Preferred Shares**”, and such Existing Preferred Shares held by the Holder as of the date hereof, the “**Holder Existing Preferred Shares**”), convertible into the Company’s common stock, \$0.0001 par value per share (the “**Common Stock**”, and such Existing Preferred Shares, as converted, the “**Existing Conversion Shares**” and such Holder Existing Preferred Shares, as converted, the “**Holder Existing Conversion Shares**”) in connection with the private placement of the Company’s securities pursuant to a Subscription Agreement dated as of November 6, 2013 (the “**Existing Subscription Agreement**”) to the Holder and certain other stockholders signatory thereto. Capitalized terms not defined herein shall have the meanings set forth in the Existing Subscription Agreement as amended hereby.

C. The Company and the Holder desire to enter into this Agreement, pursuant to which, among other things the Company and the Holder shall exchange the Holder Existing Preferred Shares on a one-to-one basis for shares of Series F-1 Preferred Stock of the Company (the “**Series F-1 Preferred Stock**”, and the Series F-1 Preferred Stock to be issued to the Holder, the “**Holder Exchanged Preferred Shares**”) to be established pursuant to a Certificate of Designations, Preferences and Rights of the Series F-1 Convertible Preferred Stock in the form attached hereto as Exhibit A (the “**New Certificate of Designations**”).

E. In connection with the transactions contemplated hereby, each of the holders of Existing Preferred Shares as of the date hereof other than the Holder (the “**Other Holders**”) are being offered the opportunity to execute agreements identical to this Agreement (other than proportional changes in the numbers reflecting the different (i) number of Existing Preferred Shares held by each Other Holder and (ii) number of shares of Series F-1 Preferred Stock to be issued to each other Holder in the exchanges contemplated thereby (the “**Other Agreements**”, and together with this Agreement, the “**Agreements**”).

G. The Holder Existing Preferred Shares will be exchanged for Exchanged Preferred Shares in an exchange made in reliance upon the exemption from registration provided by Section 3(a)(9) of the Securities Act.

A G R E E M E N T

1. Exchange. Subject to the satisfaction (or waiver) of the conditions set forth in Sections 5 and 6 below, on the Closing Date (as defined below) the Holder shall, and the Company shall, pursuant to Section 3(a)(9) of the Securities Act, exchange the Holder Existing Preferred Shares for the Holder Exchanged Preferred Shares (the “**Exchange**”). On or prior to the Closing (as defined below), the following transactions shall occur:

1.1 Filing of New Certificate of Designations. As soon as practicable following the date hereof (or such other time as agreed by the parties hereto), the Company shall file the New Certificate of Designations with the Secretary of State of the State of Delaware.

1.2 Delivery. In exchange for the Holder Existing Preferred Shares, the Company shall deliver or cause to be delivered to the Holder the certificate evidencing Holder Exchanged Preferred Shares bearing the same restrictive legends as currently set forth on the certificate evidencing the Holder Existing Preferred Shares. The Holder shall deliver or cause to be delivered to the Company (or its designee) the certificate evidencing the Holder Existing Preferred Shares as soon as commercially practicable following the Closing (as defined below). As of the Closing Date, all of the Holder’s rights under the Holder Existing Preferred Shares shall be extinguished.

1.3 Other Documents. The Company and the Holder shall execute and/or deliver such other documents and agreements as are customary and reasonably necessary to effectuate the Exchange.

1.4 No Additional Consideration. The parties acknowledge and agree that the Holder Exchanged Preferred Shares shall be issued to the Holder in exchange for the Holder Existing Preferred Shares, in each case, without the payment of any additional consideration.

1.5 Closing. Upon confirmation that the conditions to closing specified in this Agreement have been satisfied or duly waived by the Holder or the Company, as applicable, prior to the Termination Date (as defined below) the closing of the Exchange as it specifically relates to the Holder (the “**Closing**”) shall occur on such date and at such location as is mutually acceptable to the Holder and the Company (the “**Closing Date**”). The Company and the Holder acknowledge that the Company may conduct additional subsequent Closings with regards to the Other Holders.

2. AMENDMENTS TO TRANSACTION DOCUMENTS.

2.1 Ratifications. Except as otherwise expressly provided herein, the Existing Subscription Agreement and the related Registration Rights Agreement (the “**Registration Rights Agreement**” and, collectively with the Existing Subscription Agreement, the “**Transaction Documents**”), is, and shall continue to be, in full force and effect and is hereby ratified and confirmed in all respects, except that on and after the Closing Date and solely as it pertains to the Holder: (i) all references in the Existing Subscription Agreement to “this Agreement”, “hereto”, “hereof”, “hereunder” or words of like import referring to the Existing Subscription Agreement shall mean the Existing Subscription Agreement, as amended, and as further amended by this Agreement, and (ii) all references in the Registration Rights Agreement, to the “Subscription Agreement”, “thereto”, “thereof”, “thereunder” or words of like import referring to the Subscription Agreement shall mean the Existing Subscription Agreement as amended by this Agreement.

2.2 Amendments to Transaction Documents. On and after the Closing Date, as it pertains solely to the Holder, each of the Transaction Documents are hereby amended as follows:

(a) The defined terms “Preferred Shares” and “Series F Preferred Stock” is hereby amended and restated as “Exchanged Preferred Shares (as defined in the Amendment and Exchange Agreements)”.

(b) The defined term “Series F Certificate of Designation” is hereby amended and restated as “New Certificate of Designation (as defined in the Amendment and Exchange Agreement)”.

(c) The defined term “Amendment and Exchange Agreements” shall mean “those certain Amendment and Exchange Agreements, each by and between the Company and each Stockholder”.

3. REPRESENTATIONS AND WARRANTIES.

3.1 Holder Bring Down. (a) The Holder hereby makes the representations and warranties as to itself only as set forth in Section 3 of the Subscription Agreement (as amended hereby) as if such representations and warranties were made as of the date hereof and set forth in their entirety in this Agreement, *mutatis mutandis*.

(b) Additionally, the Holder represents and warrants that Holder (i) owns the Holder Existing Preferred Shares free and clear of all any and all liens, claims, encumbrances, preemptive rights, right of first refusal and adverse interests of any kind; (ii) Holder has the requisite power and authority to enter into this Agreement and to consummate the transactions contemplated hereby and otherwise to carry out Holder’s obligations hereunder and no consent, approval or agreement of any individual or entity is required to be obtained by the Holder in connection with the execution and performance by the Holder of this Agreement or the execution and performance by the Holder of any agreements, instruments or other obligations entered into in connection with this Agreement; (iii) there is no private or governmental action, suit, proceeding, claim, arbitration or investigation pending before any agency, court or tribunal, foreign or domestic, or, to the Holder’s knowledge, threatened against the Holder or any of Holder’s properties and there is no judgment, decree or order against the Holder that could prevent, enjoin, alter or delay any of the transactions contemplated by this Agreement; (iv) there are no material claims, actions, suits, proceedings, inquiries, labor disputes or investigations pending or, to the Holder’s knowledge, threatened against the Holder or any of its assets, at law or in equity or by or before any governmental entity or in arbitration or mediation and no bankruptcy, receivership or debtor relief proceedings are pending or, to the Holder’s knowledge, threatened against the Holder; and (v) Holder is an “accredited investor,” as such term is defined in Rule 501 of Regulation D promulgated under the Securities Act of 1933, as amended, and the Purchaser is able to bear the economic risk of an investment in the Holder Exchanged Preferred Shares.

3.2 Company Bring Down. The Company hereby makes the representations and warranties to the Holder as set forth in Section 4 of the Subscription Agreement (as amended hereby) as if such representations and warranties were made as of the date hereof and set forth in their entirety in this Amendment, *mutatis mutandis*.

4. Covenants.

4.1 Reasonable Best Efforts. The Company shall use its reasonable best efforts to timely satisfy each of the conditions to be satisfied by it as provided in Section 6 of this Agreement. The Holder shall use its reasonable best efforts to timely satisfy each of the conditions to be satisfied by it as provided in Section 5 of this Agreement.

4.2 Disclosure of Transactions and Other Material Information. On or before 9:30 a.m., New York time, on the first (1st) Business Day following the date of the first Closing of the transactions contemplated by this Agreement, the Company shall file a Current Report on Form 8-K describing all the material terms of the transactions contemplated by the Agreements in the form required by the Securities Exchange Act of 1934, as amended and attaching all the material agreements (including, without limitation, this Agreement and the form of the New Certificate of Designations) (including all attachments, the “**8-K Filing**”). From and after the issuance of the 8-K Filing, the Company shall have disclosed all material, non-public information (if any) delivered to the Holder by the Company or any of its Subsidiaries, or any of their respective officers, directors, employees or agents in connection with the transactions contemplated by this Agreement.

4.3 Holding Period. For the purposes of Rule 144, the Company acknowledges that the holding period of the Holder Exchanged Preferred Shares (and the shares of Common Stock issuable upon conversion of the Holder Exchanged Preferred Shares) may be tacked onto the holding period of the Holder Existing Preferred Shares, and the Company agrees not to take a position contrary to this Section 4.4.

5. CONDITIONS TO COMPANY’S OBLIGATIONS HEREUNDER.

The obligations of the Company to the Holder hereunder are subject to the satisfaction of each of the following conditions, provided that these conditions are for the Company’s sole benefit and may be waived by the Company at any time in its sole discretion by providing the Holder with prior written notice thereof:

5.1 The Holder shall have duly executed this Agreement and delivered the same to the Company.

5.2 The Holder shall have delivered to the Company the certificates representing the Holder Existing Preferred Shares.

5.3 The representations and warranties of the Holder contained herein shall be true and correct in all material respects as of the date when made and as of the Closing Date as though made at that time (except for representations and warranties that speak as of a specific date which shall be true and correct as of such specified date), and the Holder shall have performed, satisfied and complied in all material respects with the covenants, agreements and conditions required by this Agreement to be performed, satisfied or complied with by the Holder at or prior to the Closing Date.

6. CONDITIONS TO HOLDER’S OBLIGATIONS HEREUNDER.

The obligations of the Holder hereunder are subject to the satisfaction of each of the following conditions, provided that these conditions are for the Holder’s sole benefit and may be waived by the Holder at any time in its sole discretion by providing the Company with prior written notice thereof:

6.1 The Company shall have duly executed and delivered this Agreement to the Holder.

6.2 The Company shall have filed the New Certificate of Designations with the Secretary of State of the State of Delaware and delivered a certified copy of the New Certificate of Designations as certified by the Secretary of State of the State of Delaware to the Holder.

6.3 The Company shall have duly executed and delivered to the Holder the Holder Exchanged Preferred Shares in such amounts as described below the Holder’s name on the signature page of the Holder.

6.4 Each and every representation and warranty of the Company contained herein shall be true and correct in all material respects as of the date when made and as of the Closing Date as though originally made at that time (except for representations and warranties that speak as of a specific date, which shall be true and correct as of such date) and the Company shall have performed, satisfied and complied in all material respects with the covenants, agreements and conditions required to be performed, satisfied or complied with by the Company at or prior to the Closing Date.

6.5 The Company shall have obtained all governmental, regulatory or third party consents and approvals, if any, necessary for the Exchange, including without limitation, those required by the principal market in which the Common Stock of the Company is trading on the Closing Date.

6.6 No statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by any court or governmental authority of competent jurisdiction that prohibits the consummation of any of the transactions contemplated by the Agreements.

6.7 The Company shall have delivered to the Holder such other documents relating to the transactions contemplated by this Agreement as the Holder or its counsel may reasonably request.

7. TERMINATION.

The offer by the Company to exchange the Holder Existing Preferred Shares for the Holder Exchanged Preferred Shares shall terminate on December 13, 2013.

8. MISCELLANEOUS.

8.1 Miscellaneous Provisions. Section 8 of the Existing Subscription Agreement, as amended (as further amended hereby) is hereby incorporated by reference herein, *mutatis mutandis*.

8.2 Most Favored Nation. The Company hereby represents and warrants as of the date hereof and covenants and agrees from and after the date hereof that none of the terms offered to any Person with respect to any consent, release, amendment, settlement or waiver relating to the terms, conditions and transactions contemplated hereby (each a "**Settlement Document**"), is or will be more favorable to such Person than those of the Holder and this Agreement. If, and whenever on or after the date hereof, the Company enters into a Settlement Document, then (i) the Company shall provide notice thereof to the Holder immediately following the occurrence thereof and (ii) the terms and conditions of this Agreement and the other Transaction Documents (other than any limitations on conversion or exercise set forth therein) shall be, without any further action by the Holder or the Company, automatically amended and modified in an economically and legally equivalent manner such that the Holder shall receive the benefit of the more favorable terms and/or conditions (as the case may be) set forth in such Settlement Document, provided that upon written notice to the Company at any time the Holder may elect not to accept the benefit of any such amended or modified term or condition, in which event the term or condition contained in this Agreement and the related Transaction Documents shall apply to the Holder as it was in effect immediately prior to such amendment or modification as if such amendment or modification never occurred with respect to the Holder. The provisions of this Section 8.2 shall apply similarly and equally to each Settlement Document.

8.3 Limited Release. Upon consummation of the Exchange on the Closing Date, the undersigned Holder releases and discharges the Company and the Company's heirs, executors, administrators, successors, partners, employees, and assigns (collectively, the "Releasees") from all actions, cause of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, extents, executions, claims, and demands whatsoever, in law, admiralty or equity, which against the Releasees, the Holder or its heirs, administrators, trustees, successors and assigns ever had, now have or hereafter can, shall or may, have for, upon, or by reason of any representation, warranty, covenant or condition, written or oral, made by Releasees to Holder in connection with Section 4 of the Existing Certificate of Designation, whether or not known or unknown, from the beginning of the world to the day of the date of this Agreement.

[The remainder of the page is intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

COMPANY:

SPHERIX INCORPORATED

Name:

Title:

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

HOLDER:

Name:

Title:

Number of Exchanged Preferred Shares to be delivered to the Holder on the Closing
Date: _____