MILESTONE SCIENTIFIC INC.
Form 424B2
July 22, 2016
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Registration No. 333-209466

$250,080

MILESTONE SCIENTIFIC INC.

Common Stock

We are offering 104,200 shares of common stock, par value $0.001 per share pursuant to this prospectus supplement and the accompanying prospectus.

Our common stock is listed on the NYSE MKT under the symbol “MLSS”. The last reported sale price of our shares of common stock on July 20, 2016 was $2.81 per share. One-third of the aggregate market value of the shares of our outstanding common stock held by non-affiliates, computed by reference to the highest price at which a share was last sold within the 60-day period ending on the date hereof was $18,150,663 based on 17,565,158 shares of our outstanding common stock held by non-affiliates. We have not sold any securities pursuant to General Instruction I.B.6. of Form S-3 during the prior 12 calendar month period that ends on and includes the date hereof.

Before you invest, you should carefully read this prospectus supplement, the accompanying prospectus and all information incorporated by reference therein. These documents contain information you should consider when making your investment decision.

Investing in these securities involves significant risks. Please read “Risk Factors” on page S-7 of this prospectus supplement, on page 3 of the accompanying prospectus and in the documents incorporated by reference into this prospectus supplement.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement is truthful or complete. Any representation to the

contrary is a criminal offense.

We have retained Graviton Capital S.A. to act as our placement agent in connection with the arrangement of this transaction. We have agreed to pay the placement agent the placement agent fee set forth in the table below, which assumes that we sell all of the shares of common stock that we are offering. The placement agent is not required to arrange for the sale of any specific number of shares or dollar amount but will use its "reasonable best efforts" to arrange for the sale of the shares.

	Per Share	**Total**
Offering price	$ 2.40	$250,080
Placement agent fees (1)	$ 0.24	$25,008
Proceeds, before expenses, to us	$ 2.16	$225,072

(1) We have agreed to pay the placement agent a cash fee equal to 10% of the gross proceeds received in this offering. See "Plan of Distribution" on page S-8 of this prospectus supplement for more information regarding these arrangements.

We estimate the total expenses of this offering, excluding the placement agent fees, will be approximately $30,000. Because there is no minimum offering amount required as a condition to closing in this offering, the actual offering amount, the placement agent fees and net proceeds to us, if any, in this offering may be substantially less than the maximum offering amount set forth above.

We expect to deliver the securities being offered pursuant to this prospectus supplement on or about July 26, 2016.

The date of this prospectus supplement is July 21, 2016.

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Prospectus Supplement

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Prospectus

ABOUT THIS PROSPECTUS SUPPLEMENT

This prospectus supplement and the accompanying prospectus form part of a registration statement on Form S-3 that we filed with the Securities and Exchange Commission, or the "SEC," using a "shelf" registration process. This document contains two parts. The first part consists of this prospectus supplement, which provides you with specific information about this offering. The second part, the accompanying prospectus, provides more general information, some of which may not apply to this offering. Generally, when we refer only to the "prospectus," we are referring to both parts combined.

All references in this prospectus supplement to "Milestone," "us,", "our", "we" or "Milestone Scientific" refer to Milestone Scientific Inc. and its wholly owned subsidiary, Wand Dental Inc., a Delaware corporation, unless the context otherwise indicates. Milestone has rights to the following trademarks: *CompuDent*®, *CompuMed*®, *CompuFlo*®*, The Wand*®, *The Wand Plus*®, *The SafetyWand*®, *Dynamic Pressure Sensing Technology*®, and *STA Single Tooth Anesthesia*™, (STA Instrument, instruments and handpieces). References to our "common stock" refer to the common stock of Milestone Scientific Inc.

This prospectus supplement, and the information incorporated herein by reference, may add, update or change information in the accompanying prospectus. You should read both this prospectus supplement and the accompanying prospectus together with additional information described under the heading "Where You Can Find More Information." If there is any inconsistency between the information in this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

You should rely only on the information contained in or incorporated by reference to this prospectus supplement and the accompanying prospectus. We have not authorized any other person to provide information different from that contained in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein and therein. If anyone provides you with different or inconsistent information, you should not rely on it. You should assume that the information appearing in the prospectus and this prospectus supplement is accurate as of the dates on their respective covers, regardless of time of delivery of the prospectus and this prospectus supplement or any sale of securities. Our business, financial condition, results of operations and prospects may have changed since those dates.

All references in this prospectus supplement to our consolidated financial statements include, unless the context indicates otherwise, the related notes.

The industry and market data and other statistical information contained in this prospectus supplement, the accompanying prospectus and the documents we incorporate by reference are based on management's own estimates,

independent publications, government publications, reports by market research firms or other published independent sources, and, in each case, are believed by management to be reasonable estimates. Although we believe these sources are reliable, we have not independently verified the information. None of the independent industry publications used in this prospectus supplement, the accompanying prospectus or the documents we incorporate by reference were prepared on our or our affiliates' behalf and none of the sources cited by us consented to the inclusion of any data from its reports, nor have we sought their consent.

FORWARD-LOOKING STATEMENTS

Certain information set forth in this prospectus or incorporated by reference in this prospectus may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), that are intended to be covered by the "safe harbor" created by those sections. Forward-looking statements, which are based on certain assumptions and describe our future plans, strategies and expectations, can generally be identified by the use of forward-looking terms such as "believe," "expect," "may," "will," "should," "would," "could," "seek," "intend," "plan," "estim "anticipate," "project" or other comparable terms. Forward-looking statements involve inherent risks and uncertainties which could cause actual results to differ materially from those in the forward-looking statements, as a result of various factors including those risks and uncertainties included in this prospectus under the caption "Risk Factors," and those risks and uncertainties described in the documents incorporated by reference into this prospectus. We urge you to consider those risks and uncertainties in evaluating our forward-looking statements. All subsequent written and oral forward-looking statements attributable to us or to persons acting on our behalf are expressly qualified in their entirety by the applicable cautionary statements. We further caution readers not to place undue reliance upon any such forward-looking statements, which speak only as of the date made. Except as otherwise required by the federal securities laws, we disclaim any obligation or undertaking to publicly release any updates or revisions to any forward-looking statement contained herein or in the accompanying prospectus (or elsewhere) to reflect any change in our expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

PROSPECTUS SUMMARY

The information below is only a summary of more detailed information included elsewhere in or incorporated by reference in this prospectus supplement and the accompanying prospectus. This summary may not contain all the information that is important to you or that you should consider before making a decision to invest in our common stock. Please read this entire prospectus supplement and the accompanying prospectus, including the risk factors, as well as the information incorporated by reference in this prospectus supplement and the accompanying prospectus, carefully.

About Milestone Scientific Inc.

Milestone Scientific Inc. (NYSE MKT: MLSS) is a medical research and development company that designs and patents innovative injection technology. Our computer-controlled injection systems make injections precise, efficient, and virtually painless.

Since our inception we have engaged in pioneering proprietary, innovative, computer-controlled injection technologies and solutions for the medical and dental markets. We have focused our energy and resources on redefining the worldwide standard of care for injection techniques by making the experience more comfortable for the patient and by reducing the anxiety and stress of administering injections for the healthcare provider.

We and our technology are widely recognized by key opinion leaders, industry experts and medical and dental practitioners as the leader in the emerging, high growth, computer-controlled injection industry; and remains intent on expanding the use and application of its proprietary, patented technologies to achieve greater operational efficiencies, enhanced patient safety and therapeutic adherence, and improved quality of care within a broad range of medical disciplines.

We have developed and commercialized an array of proprietary, innovative, computer controlled injection instruments and related disposable, single-use handpieces for the medical and dental markets. Our dental instruments have set a new standard of care for dental injections and our newly commercialized instruments for the administration of epidural anesthetic injections and intra-articular injections of various medicaments are expected to set new standards for these procedures. Our technology is proven and well established and our dental instruments have been used to administer millions of injections world-wide. Each of our instruments has a related single use disposable leading to a continuing revenue stream following sale of the instrument.

Our first commercial product, the *Compudent*® and its associated disposable *Wand*® handpiece for the dental market allowed the dentist to consistently provide painless injections for virtually all dental procedures including routine cleanings and fillings as well as more sophisticated implants, root canals and crowns. New injections made possible by the *Compudent*® eliminate collateral numbness of the tongue, lips and facial muscles and often hasten the onset of anesthesia by eliminating the need for preliminary mandibular blocks. The pencil-grip used with the *Wand*® handpieces provide the practitioner with unprecedented tactile sense and acute control and allows bi-directional rotation eliminating needle deflection thus resulting in a greater success rate. Since the *Wand*® handpiece does not look like a typical syringe it also reduces patient anxiety and helps needle phobics to see their dentists receive the benefits of dental treatment. The *Compudent*® instrument is considered one of the major advances in dentistry in the 20th Century and has been favorably evaluated in more than 50 peer reviewed or independent clinical research reports.

Our next significant intellectual property advance was the development of our proprietary patented *CompuFlo*® technology for the precise delivery of anesthetics and other medicaments into various tissues and bodily cavities. The *CompuFlo*® technology has been U.S. Food and Drug Administration ("FDA") approved and allows the practitioner to precisely regulate and control the flow rate of the injectable material while receiving "real time" pressure feed-back information allowing the practitioner to determine the tissue or bodily cavity into which the injectable material is being delivered. The *CompuFlo*® technology continues the painless delivery benefits of the *Compudent*® while allowing the practitioner to know which tissues have been penetrated and to inject medicaments precisely into the desired location. With *CompuFlo*® the injection of chemotherapeutics and other toxic substances outside the targeted area can be avoided. The instruments developed using the *CompuFlo*® also provide a digital record of the time and amount of anesthetic or medicament injected.

Our first system utilizing the *CompuFlo*® technology was our *STA*® instrument and related handpiece for the dental market. The *STA*® instrument and handpiece continue to provide all of the benefits of the *Compudent*® system while better facilitating single tooth anesthesia (now generally performed with a high pressure spring loaded gun-like instrument) by allowing the practitioner to monitor and precisely control pressure, rate and volume. Instruments using the *CompuFlo*® technology can be used to inject a wide variety of liquid medicaments as well as anesthetics. *CompuFlo*® avoids the negative side effects from the use of traditional hypodermic drug delivery injection instruments, which are well documented in dental and medical literature and include risk of death, transient or permanent paralysis, pain, tissue damage and post-operative complications. Pain and tissue damage are a direct result of uncontrolled flow rates and pressure created during the administration of drug solutions into human tissue. While several technologies have been capable of controlling flow rate, the ability to accurately and precisely control pressure has been unobtainable until the development of *CompuFlo*®.

The next systems utilizing the *CompuFlo*® technology were instruments for administering epidural injections and related disposable and an instrument for administering highly viscous hyaluronic acid and other medicaments into both major and minor joints for the alleviation of pain associated with arthritis and other deleterious joint conditions.

Our epidural injection instrument using *CompuFlo*® pressure sensing technology, provides an objective tool that consistently and accurately identifies the epidural space by detecting the difference in pressure between the ligamentum flavum and the extraligamentary tissue. In studies utilizing the *CompuFlo*® technology the epidural space has been correctly identified 100% of the time. Knowing the precise location of a needle during an epidural injection procedure provides a measure of safety not presently available to doctors using conventional syringes, in the absence of fluoroscopy, who identify the epidural space by relying on the subjective perception of loss of resistance to saline.

Precisely controlling in-tissue pressure increases patient safety by reducing the risk of tissue damage and post-treatment pain related to excessive pressure that may occur during certain injections. Identification of the tissue, in which the needle tip is imbedded, is believed to be highly important in epidural injections, intra-articular injections and numerous organ, subcutaneous and intramuscular injections.

Our intra-articular injection instrument is believed to be particularly efficacious for arthritis patients who are obliged to endure multiple painful injections annually for a lifetime. Often these injections are not efficacious, because the doctor using a syringe failed to locate the intra-articular space or did not inject the appropriate volume of hyaluronic acid or other medicament into that space. The *CompuFlo*® technology has been successful in administering viscous hyaluronic acid and other medicaments into the intra-articular space in both small and large joints using its computer-controlled pressure sensing capabilities in an independent animal study.

Both the epidural and intra-articular instruments have obtained CE mark approval and may now be marketed and sold in most European countries and many other countries accepting CE approved instruments. In the United States, we have completed required testing for the epidural instruments for birthing and pain management and expect to submit

the favorable results of these tests to the FDA in the near future and to receive FDA approval by year-end. We also expect to shortly submit the results of clinical testing to the FDA for our intra-articular instrument. The development of an international marketing network of independent distributors awaits the receipt of FDA approval, although a limited number of European distributors have already been appointed.

At earlier stages of development are our products using our *CompuFlo*® technology for less painful injections into the eye, for the subcutaneous injection of fillers and other substances in the dermatology market and for the self-injectable market. In the self-injectable market there are a number of injectable drugs routinely self-administered in a home or office setting using spring loaded automatic injection devices by people who suffer from long term chronic conditions such as Multiple Sclerosis, diseases of the auto immune system and Rheumatoid Arthritis. The *CompuFlo*® technology, using pressure sensing capabilities, can serve as a painless subcutaneous injection method for these self-administered drugs. A significant reduction in pain during delivery should have a positive impact on compliance, which is a major consideration when physicians are treating patients.

In 2016 we established new distribution arrangements for our dental products for the United Stated States and Canada with Henry Schien and Co, Inc. Under these arrangements we will, for the first time, have a dedicated independent sales force visiting dentists. We believe that these arrangements will be more effective than previous arrangements relying on appearances at dental shows and catalog sales. In China, where the dental market lags behind other health care services and has largely been neglected in the past, a CS Market Research report indicates that 50% of adults and 70% of children out of China’s estimated 1.3 billion plus population have tooth decay problems and over 90% have periodontal disease. With increasing affluence and increasing attention towards personal care the provision of dental services has been growing rapidly. We have established exclusive distribution arrangements with Milestone China, Ltd, a 40% owned subsidiary, which has placed our dental instruments in clinics serving major cities in China. We expect this initial limited distribution of instruments to lead to both increased sales of dental instruments and our single-use handpieces.

Due to the proprietary impacted nature of our products they face only limited competition from products providing similar benefits. In dentistry the main competition is provided by the syringe, a product that has been in use and virtually unchanged for more than 150 years. For epidurals, we face competition from the established method of providing epidurals with the use of two medical practitioners, one to insert and place the needle and the other to inject the anesthesia and potentially from a computer controlled injection instrument that claims to be able to reliably identify the epidural space but has had no success in the marketplace. More detailed information about our company and business is included in the section entitled “The Company” of the accompanying prospectus.

Corporate Information

We were organized in August 1989 under the laws of the State of Delaware. Our principal executive office is located at 220 South Orange Avenue, Livingston, New Jersey 07039, telephone number (973) 535-2717. Our web address is www.milestonescientific.com. None of the information on our website is part of this prospectus.

THE OFFERING

Issuer:	Milestone Scientific Inc.
Shares of Common Stock offered by us:	104,200 shares.
Shares of Common Stock outstanding after the offering (1):	27,318,864 shares.
Use of proceeds:	Any net proceeds we may receive will be used for working capital and general corporate purposes. See "Use of Proceeds."
NYSE MKT Listing:	Our common stock is listed on the NYSE MKT under the symbol "MLSS."
Risk factors:	Investing in our common stock involves a high degree of risk and purchasers of our common stock may lose their entire investment. See "Risk Factors" and the other information included and incorporated by reference into this prospectus supplement and the accompanying prospectus for a discussion of risk factors you should carefully consider before deciding to invest in our securities.

(1) The number of shares of our Common Stock to be outstanding after this offering is based on 27,214,664 shares of our Common Stock outstanding as of July 21, 2016.

RISK FACTORS

Investing in our securities involves a high degree of risk. You should carefully consider risk factors described in our Annual Report on Form 10-K for our fiscal year ended December 31, 2015 (together with any material changes thereto contained in subsequently filed Quarterly Reports on Form 10-Q) and those contained in our other filings with the SEC, which are incorporated by reference into this prospectus supplement and any accompanying prospectus and all other information contained in this prospectus supplement before making a purchasing any of our common stock. Some statements in this prospectus supplement and the accompanying prospectus, constitute forward-looking statements. If any of these risks actually occurs, our business, financial condition, liquidity and results of operations would suffer and cause the value of our securities to decline. You could lose all or part of your investment. Please refer to the section entitled "Forward-Looking Statements."

USE OF PROCEEDS

We estimate the net proceeds from this offering will be approximately $195,000, after deducting estimated offering expenses payable by us. We intend to use the net proceeds from this offering for general corporate and working capital purposes, including the funding of strategic initiatives that we may undertake from time to time.

DESCRIPTION OF COMMON STOCK

The following description of our common stock is only a summary. This description and the description contained in any prospectus supplement is subject to, and qualified in its entirety by reference to, our restated certificate of incorporation and bylaws, each as amended, each of which has previously been filed with the SEC and the Delaware General Corporation Law ("DCGL").

Common Stock

Our authorized capital stock includes 50,000,000 shares of common stock, par value $0.001 per share. As of the date of this prospectus, there are 27,780,539 shares of common stock issued, of which 27,214,664 were outstanding and 33,333 shares were held in the treasury.

Subject to preferences that may apply to preferred shares outstanding at the time, the holders of outstanding common stock are entitled to receive dividends out of assets legally available therefor at such times and in such amounts as the board of directors may from time to time determine. Each stockholder is entitled to one vote for each share of common stock held on all matters submitted to a vote of stockholders. Directors are elected by plurality vote. Therefore, the holders of a majority of the common stock voted can elect all of the directors then standing for election. The common stock is not entitled to preemptive rights and are not subject to conversion. If we are liquidated or dissolved or our business is otherwise wound up, the holders of common stock would be entitled to share ratably in the distribution of all of our assets remaining available for distribution after satisfaction of all our liabilities and the payment of the liquidation preference of any outstanding preferred shares. Each outstanding share of common stock is, and all shares of common stock to be outstanding upon completion of any offering under the registration statement of which this prospectus forms a part, will be, fully paid and nonassessable.

Authorized but Unissued Common Stock

The DCGL does not require stockholder approval for any issuance of authorized shares, except in certain limited circumstances. However, the listing requirements of the NYSE MKTS, which would apply for so long as our common stock are listed on the NYSE MKTS, require stockholder approval of certain issuances (other than a public offering) equal to or exceeding 20% of the then outstanding voting power or then outstanding number of shares of common stock, as well as for certain issuances of stock in compensatory transactions. These additional shares may be used for a variety of corporate purposes, including future public offerings, to raise additional capital or to facilitate acquisitions. One of the effects of the existence of unissued and unreserved shares of common stock may be to enable our board of directors to sell shares to persons friendly to current management, for such consideration, in form and amount, as is acceptable to the board, which issuance could render more difficult or discourage an attempt to obtain control of our company by means of a merger, tender offer, proxy contest or otherwise, and thereby protect the continuity of our management and possibly deprive stockholders of opportunities to sell their common stock at prices higher than prevailing market prices.

Transfer Agent and Registrar

The transfer agent and registrar for our common stock is Continental Stock Transfer & Trust Company.

PLAN OF DISTRIBUTION

Pursuant to a placement agency agreement between us and Graviton Capital S.A., a Polish corporation ("Graviton"), we have engaged Graviton as our placement agent to solicit offers to purchase the shares of common stock in this offering. The placement agent is not purchasing or selling any of the shares we are offering, and it is not required to arrange the purchase or sale of any specific number of shares or dollar amount, but it has agreed to use commercially reasonable efforts to arrange for the sale of the shares. The placement agent may retain sub-agents and selected dealers in connection with this offering.

The placement agent proposes to arrange for the sale of the shares we are offering pursuant to this prospectus supplement to one or more investors. All of the shares will be sold at the same price and, we expect, at a single closing. We established the price following negotiations with the placement agent and with reference to the prevailing market price of our common stock, recent trends in such price and other factors. It is possible that not all of the shares we are offering pursuant to this prospectus supplement will be sold at the closing, in which case our net proceeds would be reduced. We anticipate that the sale of the shares will be completed on the date indicated on the cover page of this prospectus supplement, subject to customary closing conditions. On the closing date, the following will occur:

- we will receive funds in the amount of the aggregate purchase price;
- Graviton, as placement agent, will receive the placement agent fees in accordance with the terms of the placement agency agreement; and
- we will deliver the shares purchased in this offering to the investors.

In connection with this offering, the placement agent may distribute this prospectus supplement and the accompanying prospectus electronically.

We will pay the placement agent cash fees equal to ten percent (10%) of the gross proceeds from the sale of the shares in this offering. The following table shows the per share and total placement agent fee we will pay to the placement agent in connection with the sale of the shares, assuming the purchase of all of the shares we are offering.

Per unit	$0.24
Total	$25,008

The estimated offering expenses payable by us, excluding the placement agent fees, will be approximately $30,000, which includes legal and printing costs and various other fees associated with registering and listing the shares. After deducting the fee due to the placement agent and our estimated offering expenses, we expect the net proceeds from this offering to be approximately $195,000.

The placement agency agreement will be included as an exhibit to our Current Report on Form 8-K that we will file with the SEC in connection with this offering.

Electronic Distribution

A prospectus supplement in electronic format may be made available on websites or through other online services maintained by the placement agent of the offering, or by its affiliates. Other than the prospectus supplement in electronic format, the information on the placement agent's websites and any information contained in any other website maintained by the placement agent is not part of this prospectus supplement or the registration statement of which this prospectus supplement forms a part, has not been approved and/or endorsed by us or the placement agent in its capacity as placement agent and should not be relied upon by investors.

Listing

Our common stock is listed on the NYSE MKT under the symbol “MLSS.”

Selling Restrictions

No action has been taken in any jurisdiction (except in the United States) that would permit a public offering of our common stock, or the possession, circulation or distribution of this prospectus supplement, the accompanying prospectus or any other material relating to us or our common stock in any jurisdiction where action for that purpose is required. Accordingly, our common stock may not be offered or sold, directly or indirectly, and none of this prospectus supplement, the accompanying prospectus or any other offering material or advertisements in connection with our common stock may be distributed or published, in or from any country or jurisdiction, except in compliance with any applicable rules and regulations of any such country or jurisdiction.

The placement agent will arrange to sell common stock offered hereby in the Republic of Poland, either directly or through affiliates, where they are permitted to do so.

INTERESTS OF NAMED EXPERTS AND COUNSEL

The validity of the securities being offered by this prospectus will be passed upon for us by Morse, Zelnick, Rose & Lander, LLP, 825 Third Avenue, New York, NY 10022. A partner in Morse, Zelnick, Rose & Lander, LLP owns 22,333 shares of Milestone common stock.

Baker Tilly Virchow Krause, LLP, an independent registered public accounting firm, has audited our consolidated financial statements for 2014 and 2015 included in our 2015 Annual Report, as set forth in their report, which is incorporated by reference in this Prospectus and elsewhere in the registration statement. Our consolidated financial statements for 2014 and 2015 are incorporated by reference in reliance on Baker Tilly Virchow Krause, LLP’s report, given on their authority as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and special reports, proxy statements and other information with the SEC. You can inspect and copy these reports, proxy statement and other information at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D. C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the Public Reference Room. The SEC also maintains a web site that contains reports, proxy and information statements and other information regarding issuers, such as Milestone Scientific Inc. (www.sec.gov). Our web site is located at www.milestonescientific.com. The information contained on our web site is not part of this prospectus.

We will provide, upon written or oral request, without charge to you, including any beneficial owner to whom this prospectus is delivered, a copy of any or all of the documents incorporated herein by reference other than the exhibits to those documents, unless the exhibits are specifically incorporated by reference into the information that this prospectus incorporates. You should direct a request for copies to us at Attention: Chief Executive Officer, Leonard Osser, Milestone Scientific Inc., 220 South Orange Avenue, Livingston New Jersey 07039 or you may call us at (973) 535-2717.

INFORMATION INCORPORATED BY REFERENCE

This prospectus "incorporates by reference" certain information that we have filed with the SEC under the Exchange Act. This means we are disclosing important information to you by referring you to those documents. We incorporate by reference the documents listed below and any future filings made by us with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act until the offering is terminated:

Annual Report on Form 10-K for the fiscal year ended December 31, 2015, filed on April 6, 2016 ("2015 Annual Report");

Quarterly Report on Form 10-Q for the quarter ended March 31, 2016, as filed on May 16, 2016;

Current Reports on Form 8-K, filed on April 26, 2016, June 1, 2016, June 30, 2016 and July 21, 2016; and

The description of Milestone's Common Stock contained in its Registration Statement on Form S-2, filed on November 10, 2003, including any further amendment or report filed hereafter for the purpose of updating such description.

You should rely only on the information incorporated by reference or provided in this prospectus. We have authorized no one to provide you with different information. You should not assume that the information in this prospectus is accurate as of any date other than the date on the front of this document. All documents that we file pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this prospectus or after the date of the registration statement of which this prospectus forms a part and prior to the termination of the offering will be deemed to be incorporated in this prospectus by reference and will be a part of this prospectus from the date of the filing of the document. Any statement contained in a document incorporated or deemed to be incorporated by reference in this prospectus will be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained in this prospectus or in any other subsequently filed document which also is or is deemed to be incorporated by reference in this prospectus modifies or supersedes that statement. Any statement that is modified or superseded will not constitute a part of this prospectus, except as modified or superseded.

$30,000,000

MILESTONE SCIENTIFIC INC.

Common Stock

Preferred Stock

Debt Securities

Warrants

Units

This prospectus relates to common stock, preferred stock, debt securities, warrants and units that we may sell from time to time in one or more offerings up to a total public offering price of $30,000,000 on terms to be determined at the time of sale. We will provide specific terms of these securities in supplements to this prospectus. You should read this prospectus and any supplement carefully before you invest. This prospectus may not be used to offer and sell securities unless accompanied by a prospectus supplement for those securities.

Our common stock is listed on the NYSE MKTS under the symbol “MLSS”. As of April 25, 2016, the aggregate market value of our outstanding common stock held by non-affiliates was $23,954,939 based on 21,687,164 shares of outstanding common stock, of which 16,633,292 shares are held by non-affiliates, and a per share price of $1.99 which was the closing sale price of our common stock as quoted on the NYSE MKTS on March 22, 2016. We have not sold any securities pursuant to General Instruction I.B.6. of Form S-3 during the prior 12 calendar month period that ends on and includes the date hereof.

These securities may be sold directly by us, through dealers or agents designated from time to time, to or through underwriters or through a combination of these methods. See “Plan of Distribution” in this prospectus. We may also describe the plan of distribution for any particular offering of these securities in any applicable prospectus supplement. If any agents, underwriters or dealers are involved in the sale of any securities in respect of which this prospectus is being delivered, we will disclose their names and the nature of our arrangements with them in a prospectus supplement. The net proceeds we expect to receive from any such sale will also be included in a prospectus supplement.

Investing in our securities involves certain risks. See "Risk Factors" beginning on page 3 of this prospectus and in any prospectus supplement before you make your investment decision.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is May 4, 2016.

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WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and special reports, proxy statements and other information with the Securities and Exchange Commission (the "SEC"). You can inspect and copy these reports, proxy statement and other information at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D. C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the Public Reference Room. The SEC also maintains a web site that contains reports, proxy and information statements and other information regarding issuers, such as Milestone Scientific Inc. (www.sec.gov). Our web site is located at www.milestonescientific.com. The information contained on our web site is not part of this prospectus.

This prospectus "incorporates by reference" certain information that we have filed with the SEC under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). This means we are disclosing important information to you by referring you to those documents. We incorporate by reference the documents listed below and any future filings made by us with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act until the offering is terminated:

Annual Report on Form 10-K for the fiscal year ended December 31, 2015, filed on April 6, 2016 ("2015 Annual Report");

Current Report on Form 8-K, filed on April 26, 2016; and

The description of Milestone's Common Stock contained in its Registration Statement on Form S-2, filed on November 10, 2003, including any further amendment or report filed hereafter for the purpose of updating such description.

You should rely only on the information incorporated by reference or provided in this prospectus. We have authorized no one to provide you with different information. You should not assume that the information in this prospectus is accurate as of any date other than the date on the front of this document. All documents that we file pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act after the date of this prospectus or after the date of the registration statement of which this prospectus forms a part and prior to the termination of the offering will be deemed to be incorporated in this prospectus by reference and will be a part of this prospectus from the date of the filing of the document. Any statement contained in a document incorporated or deemed to be incorporated by reference in this prospectus will be deemed to be modified or superseded for purposes of this prospectus to the extent that a statement contained in this prospectus or in any other subsequently filed document which also is or is deemed to be incorporated by reference in this prospectus modifies or supersedes that statement. Any statement that is modified or superseded will not constitute a part of this prospectus, except as modified or superseded.

We will provide, upon written or oral request, without charge to you, including any beneficial owner to whom this prospectus is delivered, a copy of any or all of the documents incorporated herein by reference other than the exhibits to those documents, unless the exhibits are specifically incorporated by reference into the information that this

prospectus incorporates. You should direct a request for copies to us at Attention: Chief Executive Officer, Leonard Osser, Milestone Scientific Inc., 220 South Orange Avenue, Livingston New Jersey 07039 or you may call us at (973) 535-2717.

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FORWARD-LOOKING STATEMENTS

Certain information set forth in this prospectus or incorporated by reference in this prospectus may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), that are intended to be covered by the "safe harbor" created by those sections. Forward-looking statements, which are based on certain assumptions and describe our future plans, strategies and expectations, can generally be identified by the use of forward-looking terms such as "believe," "expect," "may," "will," "should," "would," "could," "seek," "intend," "plan," "estim "anticipate," "project" or other comparable terms. Forward-looking statements involve inherent risks and uncertainties which could cause actual results to differ materially from those in the forward-looking statements, as a result of various factors including those risks and uncertainties included in this prospectus under the caption "Risk Factors," and those risks and uncertainties described in the documents incorporated by reference into this prospectus. We urge you to consider those risks and uncertainties in evaluating our forward-looking statements. All subsequent written and oral forward-looking statements attributable to us or to persons acting on our behalf are expressly qualified in their entirety by the applicable cautionary statements. We further caution readers not to place undue reliance upon any such forward-looking statements, which speak only as of the date made. Except as otherwise required by the federal securities laws, we disclaim any obligation or undertaking to publicly release any updates or revisions to any forward-looking statement contained herein or in the accompanying prospectus (or elsewhere) to reflect any change in our expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

PROSPECTUS SUMMARY

This prospectus is part of a registration statement on Form S-3 that we filed with the SEC utilizing a "shelf" registration process. Under this shelf process, we may from time to time, sell any combination of securities described in this prospectus in one or more offerings. This prospectus provides you with a general description of the securities we may offer. Each time we sell securities, we will provide a prospectus supplement that will contain specific information about the terms of the securities being offered and risk factors specific to that offering.

We may add or modify in a prospectus supplement any of the information contained in this prospectus or in the documents that we have incorporated into this prospectus by reference. If there is any inconsistency between the information in this prospectus and a prospectus supplement, you should rely on the information in that prospectus supplement. You should read both this prospectus and any applicable prospectus supplement together with additional information described above under the heading "Where You Can Find More Information."

When acquiring any securities discussed in this prospectus, you should rely on the information provided in this prospectus and the prospectus supplement, including the information incorporated by reference. Neither we, nor any underwriters or agents, have authorized anyone to provide you with different information. We are not offering the

securities in any state where such an offer is prohibited. You should not assume that the information in this prospectus, any prospectus supplement, or any document incorporated by reference, is truthful or complete at any date other than the date mentioned on the cover page of those documents. You should also carefully review the section entitled "Risk Factors", which highlights certain risks associated with an investment in our securities, to determine whether an investment in our securities is appropriate for you.

All references in this prospectus to "Milestone," "us,", "our", "we" or "Milestone Scientific" refer to Milestone Scientific Inc. and its wholly owned subsidiary, Wand Dental Inc., a Delaware corporation, unless the context otherwise indicates. Milestone has rights to the following trademarks: *CompuDent*®, *CompuMed*®, *CompuFlo®, The Wand*®, *The Wand Plus*®, *The SafetyWand*®, *Dynamic Pressure Sensing Technology*®, and *STA Single Tooth Anesthesia*™, (STA Instrument, instruments and handpieces).

RISK FACTORS

Investing in our securities involves a high degree of risk. You should carefully consider risk factors described in our Annual Report on Form 10-K for our fiscal year ended December 31, 2015 (together with any material changes thereto contained in subsequently filed Quarterly Reports on Form 10-Q) and those contained in our other filings with the SEC, which are incorporated by reference in this prospectus and any accompanying prospectus supplement and all other information contained in this prospectus and in any supplementary prospectus relating to the offering of any of our securities before purchasing any of our securities. Some statements in this prospectu, constitute forward-looking statements. Please refer to the section entitled "Forward-Looking Statements."

The prospectus supplement applicable to each type or series of securities we offer may contain a discussion of risks applicable to the particular types of securities that we are offering under that prospectus supplement. Prior to making a decision about investing in our securities, you should carefully consider the specific factors discussed under the caption "Risk Factors" in the applicable prospectus supplement, together with all of the other information contained in the prospectus supplement or appearing or incorporated by reference in this prospectus. These risks could materially affect our business, results of operations or financial condition and cause the value of our securities to decline. You could lose all or part of your investment.

THE COMPANY

Business overview

We are a medical research and development company that designs and patents innovative injection technology. Our computer-controlled injection systems make injections precise, efficient, and virtually painless.

Since our inception we have engaged in pioneering proprietary, innovative, computer-controlled injection technologies and solutions for the medical and dental markets. We have focused our energy and resources on redefining the worldwide standard of care for injection techniques by making the experience more comfortable for the patient and by reducing the anxiety and stress of administering injections for the healthcare provider.

We and our technology are widely recognized by key opinion leaders, industry experts and medical and dental practitioners as the leader in the emerging, high growth, computer-controlled injection industry; and remains intent on expanding the use and application of its proprietary, patented technologies to achieve greater operational efficiencies, enhanced patient safety and therapeutic adherence, and improved quality of care within a broad range of medical

disciplines.

In 1997, Milestone first introduced *The Wand*® (*CompuDent*® instrument) and the disposable *Wand* handpiece. *CompuDent* provides painless injections for all routine dental treatments, including root canals, crowns, fillings and cleanings. Milestone's Computer-Controlled Local Anesthetic Delivery (C-CLAD) instrument handpiece does not look or feel like a syringe and works better than a syringe, resulting in a more pleasant experience for the patient and practitioner.

We subsequently expanded our product offerings with the introduction of the *CompuMed*® advanced injection instrument, designed for use in a wide range of applications within the medical industry, including cosmetic surgery, hair restoration surgery, podiatry, colorectal surgery, nasal and sinus surgery, dermatology and orthopedics, among others.

In 2007, Milestone received U.S. Food and Drug Administration ("FDA") pre-market clearance for marketing and sale of the *STA* instruments (dental instrument) under section 510(k). Milestone introduced the instrument to the market in February 2007 and this instrument is currently being marketed throughout the world.

Central to our intellectual property platform and current product development strategy is our patented *CompuFlo*® technology for the precise delivery of medicaments**.** The *CompuFlo* pressure/force Computer-Controlled Local Anesthetic Delivery (C-CLAD) technology is an advanced, patented and FDA-approved medical technology for the painless and accurate delivery of drugs, anesthetics and other medicaments into all tissue types, as well as for the aspiration of bodily fluids or previously injected substances. Its regulation and control of flow rate continues to provide the *CompuDent* and *CompuMed* benefits of painless injections, while its *Dynamic Pressure Sensing*® capability provides visual and audible in-tissue pressure feedback, identifying tissue types to the healthcare provider. This pressure feedback extends the benefit of painlessness from anesthetics with known viscosities to a wide range of liquid drugs and other medicaments with varying viscosities and flow rates. *Dynamic Pressure Sensing* also allows the healthcare provider to know when certain types of tissues have been penetrated and permits the healthcare provider to inject medicaments precisely at the desired location. Thus, pressure feedback can prevent the suffusion of tissue outside the intended target area, a vitally important characteristic in the injection of chemotherapeutics and other toxic substances.

The *CompuFlo* technology consists of two critical elements. One element is the ability to determine exit pressure *In Situ* (in the injection site tissue) at the tip of the needle in real time. This minimizes tissue damage (and eliminates the pain of the injection) because the flow rate and pressure of the injection are controlled. The other critical element of the technology is an integrated injection database of algorithms that have been defined which allow for the measurement of the exit pressure. This database of algorithms contains the critical components of specific drugs, parameters of needles, tubing and syringes and all other pertinent components for the safe and efficacious delivery of medications for all procedures.

The *CompuFlo* technology also consists of a disposable injection handpiece that provides for precise tactile control during the injection, an electromechanical (computer-controlled) fluid delivery instrument and the ability to record data from the injection event. As confirmed by numerous noted medical and dental experts within academia and the clinical practice arenas, *CompuFlo* has the potential to greatly increase the safety and efficacy of many drug delivery procedures that currently rely upon the over 150-year-old hypodermic syringe technology and the tactile senses and delivery expertise of the administrator.

On September 14, 2004, Milestone was issued United States Patent No. 6,786,885 for the *CompuFlo* technology, entitled “Pressure/Force Computer Controlled Drug Delivery Instrument with Exit Pressure.” Proprietary software, working with an innovative technology, allows the instrument to continuously monitor and control the exit pressure of fluid and/or medication during an injection. This same technology also enables doctors to accurately identify different tissue types based on exit pressure during an injection. The technology has numerous applications in both medicine and dentistry, including epidural and intra-articular injections.

In December 2004, the United States Patent Office issued a “Notice of Allowance” for patent protection on two additional critical elements of the *CompuFlo* automated drug delivery technology: “Drug Delivery Instrument with Profiles” and “Pressure/Force Computer Controlled Drug Delivery with Automated Charging”.

In December 2005, Milestone submitted a pre-market notification to the FDA on its *CompuFlo* technology, which was subsequently cleared by the FDA in July of 2006. This initial submission was critical for Milestone’s continuing efforts to develop and commercialize this important technology. Milestone has identified a number of potential applications for *CompuFlo*, including single-tooth dental injections, self-administered drug delivery, osteoarthritis joint pain management and epidurals.

Given Milestone’s experience and established brand awareness within the dental industry, it elected to focus its initial product development efforts on the integration of *CompuFlo* into its legacy computer-controlled dental injection instrument. As a result, Milestone developed the industry’s first solution for painlessly administering a single-tooth injection as the only injection necessary for achieving anesthesia, foregoing the need to administer a traditional nerve branch block. This new instrument, which also provides for use of a disposable handpiece, was trademarked the “*STA Single Tooth Anesthesia Instrument*,™ now more commonly known as the Wand *STA Instrument*.

After receiving FDA 510(k) Pre-market Notification acceptance for the marketing and sale of the *STA Instrument,* Milestone introduced the instrument to market in February 2007 at the Chicago Dental Society's 143rd Midwinter Meeting. The patented *STA Instrument* incorporates the "pressure feedback" elements of Milestone's patented *CompuFlo* technology, thereby allowing dentists to administer injections accurately and painlessly into the periodontal ligament space, effectively anesthetizing a single tooth. This injection is of significant value in that it allows the dentist to profoundly anesthetize the tooth within one or two minutes, versus up to 15-18 minutes for a block injection to take effect. Utilizing the *STA Instrument* single tooth injection, the patient will suffer neither pain nor collateral anesthesia in the cheek, lips or tongue at any time. The *STA Instrument* is capable of performing all of the injections that can be done with a conventional dental syringe, including the palatal-anterior superior alveolar, anterior middle superior alveolar and inferior alveolar nerve block. The *STA Instrument* achieves these injections predictably and reliably.

Initial market response to the *STA Instrument* following its commercial debut in February 2007 proved to be less than robust. Moreover, at that time, Milestone had granted exclusive U.S. and Canadian distribution and marketing rights for the *STA Instrument* to Henry Schein, Inc., the largest distributor of healthcare products and services to office-based practitioners in the combined North American and European markets. Following several months of lackluster sales and after making critical senior management changes, Milestone initiated an in-depth market study to reassess its positioning and marketing strategies for the *STA Instrument*. The insight gained from this study led management to redefine and implement a new messaging platform, created to emphasize key benefits that Milestone discovered are of most value to dental professionals. This new product messaging was launched in January 2008 and has remained in constant review.

In the spring of 2009, Milestone signed an Exclusive Distribution and Marketing Agreement with China National Medicines Corporation, dba Sinopharm, which is China's largest domestic manufacturer, distributor and marketer of pharmaceuticals and importer of medical devices and the country's largest domestic distributor of dental anesthetic carpules to the Chinese dental industry. Prior to the end of 2009, China National Medicines issued Milestone a blanket purchase order for 12,000 *STA instruments* and related handpieces to be delivered over 36 months, thereby marking Milestone's initial penetration into China's emerging dental market. The agreement was terminated in September 2014 and a new distributor, Milestone China Ltd., a Hong Kong corporation, owned forty (40) percent by Milestone, became the distributor for the *STA Instruments* and handpieces in China.

In early October 2012, the State Food and Drug Administration (SFDA) of the People's Republic of China approved Milestone's *Single Tooth Anesthesia System*® (STA System). Unfortunately, the SFDA bifurcated approval of the *STA* Systems from the *Wand*® handpieces. Approval of the *Wand*® handpieces was received in May 2014 and the distribution of these handpieces has begun in China

According to a report published by the U.S. Department of Commerce, titled "China's Emerging Markets: Opportunities in the Dental and Dental Lab Industry," China's dental market lags behind other healthcare services and has largely been neglected in the past. In fact, CS Market Research reports that "of China's 1.3 billion plus population, 50% of the adults and 70% of the children are estimated to have decayed tooth problems, and over 90% have periodontal disease." However, with increasing affluence of the Chinese population, as well as increasing attention towards personal care, demand for dental services has been growing. Market research firm Freedonia agrees, noting that demand for dental products in China is expected to climb due primarily to escalating personal income levels and government programs promoting awareness of the benefits of good oral care.

Shortly before the end of the second quarter of 2009, Milestone elected to refine its international marketing strategy to gain greater access to and penetration of the international dental markets. The new sales strategy provides for increasing hands-on oversight and support of its existing international distribution network, while also attracting new distributors throughout Europe, Asia and South America.

In November 2012, Milestone signed an exclusive distributor and marketing agreement with a well-known US domestic manufacturer and distributor, for the sale and distribution of the *STA instrument* and handpieces in the United States and Canada. The marketing initiative will include participation in U.S. and Canadian dental shows, as well as pediatric dental shows; an active advertising initiative targeting major dental publications; and direct mailing campaigns to over 150,000 dentists across the U.S. and Canada. This agreement was amended in December 2015 to a non-exclusive distributor arrangement, which is scheduled to terminate in March 2016.

On January 1, 2016, Henry Schein accepted an arrangement to become a non-exclusive distributor for the *STA Instruments* and handpieces in the USA and Canada. In addition, in August 2013, Milestone appointed Henry Schein as its exclusive distributor in the USA and Canada for the *CompuDent* handpieces.

CompuFlo® Advanced Injection Technology – Core Technology

The *CompuFlo* technology is patented and embedded in the *STA Instrument* that is being sold worldwide in the dental market. *CompuFlo* technology has been tried and proven in human and animal studies, as well as by dentists in most parts of the world who are using the *STA Instrument* in their practices.

CompuFlo is a new technology for injections which enables health care practitioners to monitor and precisely control “pressure,” “rate” and “volume” during all injections and can be used to inject all liquid medicaments as well as anesthetics. *CompuFlo* can also be used to aspirate body fluids.

Negative side effects from the use of traditional hypodermic drug delivery injection instruments are well documented in dental and medical literature and include risk of death, transient or permanent paralysis, pain, tissue damage and post-operative complications. The pain and tissue damage are a direct result of uncontrolled flow rates and pressures that are created during the administration of drug solutions into human tissue. While several technologies have been capable of controlling flow rate, the ability to accurately and precisely control pressure has been unobtainable until the development of *CompuFlo.*

Precisely controlling in-tissue pressure increases patient safety by reducing the risk of tissue damage and post-treatment pain related to excessive pressure that may occur during certain injections. Identification of the tissue, in which the needle tip is imbedded, is believed to be highly important in epidural injections, intra-articular injections and numerous organ, subcutaneous and intramuscular injections.

CompuFlo's pressure sensing technology provides an objective tool that consistently and accurately identifies the epidural space by detecting the difference in pressure between the ligamentum flavum and the extraligamentary tissue. In studies utilizing the *CompuFlo* technology the epidural space has been correctly identified 100% of the time. Knowing the precise location of a needle during an epidural injection procedure provides a measure of safety not presently available to doctors using conventional syringes, who identify the epidural space by relying on the subjective perception of loss of resistance to saline.

In the absence of curative procedures, arthritis patients are obliged to endure multiple painful injections annually for a lifetime. Often these injections are not efficacious, because the doctor using a syringe failed to locate the intra-articular space or did not inject the appropriate volume of hyaluronic acid or other medicament into that space. The *CompuFlo* technology has been successful in administering viscous hyaluronic acid and other medicaments into the intra-articular space in both small and large joints using its computer-controlled pressure sensing capabilities in an independent animal study.

There are a number of injectable drugs routinely self-administered in a home or office setting using spring loaded automatic injection devices by people who suffer from long term chronic conditions such as Multiple Sclerosis diseases of the auto immune system and Rheumatoid Arthritis. The *CompuFlo* technology, using pressure sensing capabilities, can serve as a painless subcutaneous injection method for these self-administered drugs. A significant reduction in pain during delivery should have a positive impact on compliance, which is a major consideration when physicians are treating patients.

Product Platform

Milestone has developed and brought to market a highly differentiated portfolio of industry innovations. Thus far, Milestone's proprietary solutions have succeeded in elevating the state of the art in the professional dental arena. The product portfolio includes:

STA Single Tooth Anesthesia Instrument™ (Wand STA Instrument)

The *STA Single Tooth Anesthesia Instrument™ (STA Instrument)* is a patented, computer-controlled local anesthesia delivery instrument that incorporates the "pressure feedback" elements of Milestone's patented *CompuFlo* technology, thereby allowing dentists to administer injections accurately into the periodontal ligament space, effectively anesthetizing a single tooth. While the periodontal ligament injection has been available for some time, there has been no effective technology that allows dentists to easily perform the procedure painlessly, safely and predictably until now. With this unique procedure dentists can easily and predictably anesthetize a single tooth root in one minute as the primary and sole injection, as compared to a general blocking injection and waiting up to 18 minutes (or longer if the blocking injection needs to be re-administered) before proceeding to perform a procedure on the targeted tooth. An instrument which allows dentists to effectively anesthetize a single tooth will greatly enhance the productivity of dental practices and, when combined with the painless injection capabilities already present in the *CompuDent* instrument, such an instrument should provide a compelling value in the marketplace. The *STA Instrument* will generate recurring revenues from per-patient disposable handpieces.

Since its market introduction in the spring of 2007, the *STA Instrument* has received favorable reviews and awards from the dental industry. In July 2007, noted industry publication *Dentistry Today* featured the *STA Instrument* as one of the "Top 100 Products in 2007," helping to promote much broader recognition of the instrument and validating *STA*'s value proposition for dentists and patients, alike. In early 2008, *Medical Device & Diagnostic Industry* magazine distinguished the *STA Instrument* as a 2008 Medical Design Excellence Award winner in the "Dental Instruments, Equipment and Supplies" product category. Of the 33 products to receive this coveted award, the *STA* was one of only two winning products that serve dental practitioners. In December 2008, Milestone continued to win broad acclaim for the *STA Instrument* by winning a "Townie Choice Award". The "Townie Choice" awards were originally started by Dr. Howard Darran and Farran Media, publisher of *Dentaltown Magazine*, to assist dentists in making product purchasing decisions, and are considered the "people's choice" of the products and services available to the dental industry today. That same month, the *STA Instrument* was also named as a *Dental Products Report* "Top 100 2008 Product of Distinction." Additionally, the *STA Instrument* was named one of Dentistry Today's "Top 100 Products" for the third consecutive year in 2010.

CompuDent®

CompuDent (also known as the *Wand Plus®* internationally) is Milestone's proprietary, patented Computer-Controlled Local Anesthetic Delivery (C-CLAD) instrument and predecessor of the *STA Instrument*. *CompuDent* delivers anesthesia at a precise and consistent rate below a patient's pain threshold. Over the years, *CompuDent* has been widely heralded as a revolutionary instrument, considered one of the major advances in dentistry in the 20th Century. The instrument has been favorably evaluated in more than 50 peer reviewed or independent clinical research reports. *CompuDent*, including its ergonomically designed single-use handpieces (*The Wand®)*, provides numerous, well documented benefits:

CompuDent minimizes the pain associated with palatal, mandibular block and all other injections, resulting in a more comfortable injection experience for the patient;

the pencil grip used with *The Wand* handpieces allows unprecedented tactile sense and accurate control;

new injections made possible with the *CompuDent* technology eliminate collateral numbness of the tongue, lips and facial muscles;

bi-directional rotation of The Wand handpieces eliminates needle deflection resulting in greater success and more rapid onset of anesthesia in mandibular block injections;

the use of a single patient use, disposable handpieces minimizes the risk of cross contamination; and

the ergonomic design of *The Wand* handpieces makes an injection easier and less stressful to administer, lowering the risk of carpal tunnel syndrome.

Despite *CompuDent's* many benefits, including the administration of less painful and more comfortable injections, dentists in the United States have been slow to give up the use of traditional syringes. Dentists have all been trained to use syringes in dental school and often have become accustomed to and are comfortable with their use during many years of clinical practice, despite the obvious reluctance and/or fear of the patient in relation to injections administered by hypodermic syringe. There are approximately 40 million dental phobics, those people afraid to visit a dentist, in the United States. Therefore, Milestone believes there is a disconnect in the way dentists perceive their patients' attitudes toward injection by hypodermic syringe. The *CompuDent* is used today by thousands of dentists around the world, many of whom have long since abandoned the over 150-year old syringe.

CompuMed®

CompuMed is a patented computer-controlled injection instrument geared to the needs of the medical market and providing benefits similar to *CompuDent. CompuMed* allows many medical procedures, now requiring intravenous sedation, to be performed with only local anesthesia due to dramatic pain reduction. Also, dosages of local anesthetic can often be significantly reduced, thus reducing side effects, accelerating recovery times, lowering costs and eliminating potential complications. *CompuMed* has accumulated clinical evidence demonstrating benefits from use in colorectal surgery; podiatry; dermatology, including surgery for the removal of basal cell carcinomas and other oncological dermatologic procedures; nasal and sinus surgery, including rhinoplasty; hair transplantation and cosmetic surgery, among others. The *CompuMed* is being replaced by instruments that include *CompuFlo* technology geared to specific medical disciplines.

The Wand®

The Wand handpiece is used in conjunction with the *STA, CompuDent* and *CompuMed* instruments. It is an ergonomically designed and patented handpiece that enables all traditional and newer injections, such as AMSA, P-ASA and Modified-PDL, to be more comfortable and easier to deliver. Moreover, the pen-like grasp of *The Wand* allows bi-directional rotation during injection, which prevents needle deflection that occurs with a traditional syringe. A straighter path results in a more accurate injection, meaning fewer missed mandibular blocks, and more rapid onset of anesthesia. Missed blocks are reported in the literature to occur 30% of the time. This raises both patient anxiety and difficulties for the dentists in managing their business. While awaiting profound anesthesia, the dentist is losing time and money.

Competition

Milestone's proprietary, patented Computer-Controlled Local Anesthesia Delivery (C-CLAD) instruments compete with disposable and reusable syringes that generally sell at lower prices and that use established and well-understood methodologies in both the dental and medical marketplaces.

Milestone's instruments compete on the basis of their performance characteristics and the benefits provided to both the practitioner, patient and the dental business operations. Clinical studies have shown that the instruments reduce fear, pain and anxiety for many patients, and Milestone believes that they can reduce practitioner stress levels, as well. Milestone's newest product introduction, the *STA Instrument*, can be used for all dental injections that can be performed with a traditional dental syringe. Moreover, the *STA Instrument* can also be used for new and modified dental injection techniques that cannot be performed with traditional syringes. These new techniques allow for faster procedures shortening chair-time, minimizing the numbing of the lips and facial muscles, enhancing practice productivity, reducing stress and virtually eliminating pain and anxiety for both the patient and the dentist.

Milestone faces intense competition from many companies in the medical and dental device industry, possessing substantially greater financial, marketing, personnel, and other resources. Most competitors have established reputations, stemming from their success in the development, sale, and service of competing dental products. Further, rapid technological change and research may affect the products. Current or new competitors could, at any time, introduce new or enhanced products with features that render the products less marketable or even obsolete. Therefore, Milestone must devote substantial efforts and financial resources to improve existing products, bring products to market quickly, and develop new products for related markets. In addition, the ability to compete successfully requires that Milestone establish an effective distribution network with a strong marketing plan. Historically, Milestone has been unsuccessful in executing the marketing plans for the products, primarily due to resource constraints. New products must be approved by regulatory authorities before they may be marketed. Milestone cannot assure you that it can compete successfully; that competitors will not develop technologies or products that render the products less marketable or obsolete; or, that Milestone will succeed in improving the existing products, effectively develop new products, or obtain required regulatory approval for those products.

Patents and Intellectual Property

Milestone holds the following U.S. utility and design patents:

	U.S. NUMBER	**DATE OF ISSUE**

Computer Controlled Drug Delivery Systems	6,022,337	2/8/2000
Dental Anesthetic and Delivery Injection Unit		
Cartridge Holder for Injection Device	6,132,414	10/17/2000
Dental Anesthetic Delivery Injection Unit	6,152,734	11/28/2000
Microprocessor-controlled Fluid Dispensing Apparatus	6,159,161	12/12/2000
Pressure/Force Computer Controlled Drug Delivery System	6,200,289	3/13/2001
Dental Anesthetic and Delivery Injection Unit with Automated Rate Control	6,652,482	11/25/2003
Pressure/Force Computer Controlled Drug Delivery System with Exit Pressure	6,786,885	9/14/2004
Pressure/Force Computer Controlled Drug Delivery System with Automated Charging	6,887,216	5/3/2005
Drug Delivery System with Profiles	6,945,954	9/20/2005
Cartridge Holder for Anesthetic and Delivery Injection Device	D558,340	12/25/2007
Design for Drive Unit for Anesthetic	D566,265	4/8/2008
Design for Drive Unit for Anesthetic	D579,540	10/28/2008
Drug Infusion Device with Tissue Identification Using Pressure Sensing	7,449,008	11/11/2008
Computer Controlled Drug Delivery Systems with Pressure Sensing	7,618,409	11/17/2009
Hand Piece for Fluid Administration	7,625,354	12/1/2009
Self-Administration Injection System	7,740,612	6/22/2010
Computer controlled drug delivery system with dynamic pressure sensing	7,896,833	3/1/2011
Injection Device Adaptor	D741,811	10/27/2015
Engineered Sharps Injury Protection Devices		
Handpiece for Injection Device with a Retractable and Rotating Needle	6,428,517	8/6/2002
Safety IV Catheter Device	6,726,658	4/27/2004
Safety IV Catheter Infusion Device	6,905,482	6/14/2005
Handpiece for Injection Device with a Retractable and Rotating Needle	6,966,899	11/22/2005

Milestone relies on a combination of patent, copyright, trade secret, and trademark laws and employee and third party non-disclosure agreements to protect intellectual property rights. Despite the precautions taken by Milestone to protect the products, unauthorized parties may attempt to reverse engineer, copy, or obtain and use products and information that Milestone regarded as proprietary, or may design products serving similar purposes that do not infringe on Milestone's patents. Milestone's failure to protect its proprietary information and the expenses of doing so could have a material adverse effect on the operating results and financial condition.

In the event that the products infringe upon patent or proprietary rights of others, Milestone may be required to modify processes or to obtain a license. There can be no assurance that Milestone would be able to do so in a timely manner, upon acceptable terms and conditions, or at all. The failure to do so would have a material adverse effect on Milestone.

Government Regulation

The FDA cleared the *CompuDent* instrument and its disposable handpieces for marketing in the U.S. for dental applications in July 1996; the *CompuMed* instrument for marketing in the U.S. for medical applications in May 2001; and, the *Safety Wand* for marketing in the U.S. for dental applications in September 2003. For us to commercialize the other products in the U.S., Milestone will have to submit additional 510(k) applications with the FDA. Milestone received FDA 510 (k) approval for the *STA Instrument* in August 2006.

The manufacture and sale of medical devices and other medical products are subject to extensive regulation by the FDA pursuant to the FDC Act, and by other federal, state and foreign authorities. Under the FDC Act, medical devices must receive FDA clearance before they can be marketed commercially in the U.S. Some medical products must undergo rigorous pre-clinical and clinical testing and an extensive FDA approval process before they can be marketed. These processes can take a number of years and require the expenditure of substantial resources. The time required for completing such testing and obtaining such approvals is uncertain, and FDA clearance may never be obtained. Delays or rejections may be encountered based upon changes in FDA policy during the period of product development and FDA regulatory review of each product submitted. Similar delays also may be encountered in other countries. Following the enactment of the Medical Device Amendments to the FDC Act in May 1976, the FDA classified medical devices in commercial distribution into one of three classes. This classification is based on the controls necessary to reasonably ensure the safety and effectiveness of the medical device. Class I devices are those devices whose safety and effectiveness can reasonably be ensured through general controls, such as adequate labeling, pre-market notification, and adherence to the FDA's Quality Systems Regulation ("QSR"), also referred to as "Good Manufacturing Practices" ("GMP") regulations. Some Class I devices are further exempted from some of the general controls. Class II devices are those devices whose safety and effectiveness reasonably can be ensured through the use of special controls, such as performance standards, post-market surveillance, patient registries, and FDA guidelines. Class III devices are those which must receive pre-market approval by the FDA to ensure their safety and effectiveness. Generally, Class III devices are limited to life-sustaining, life-supporting or implantable devices.

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If a manufacturer or distributor can establish that a proposed device is "substantially equivalent" to a legally marketed Class I or Class II medical device or to a Class III medical device for which the FDA has not required pre-market approval, the manufacturer or distributor may seek FDA marketing clearance for the device by filing a 510(k) Pre-market Notification. The 510(k) Pre-market Notification and the claim of substantial equivalence may have to be supported by various types of data and materials, including test results indicating that the device is as safe and effective for its intended use as a legally marketed predicate device. Following submission of the 510(k) Pre-market Notification, the manufacturer or distributor may not place the device into commercial distribution until an order is issued by the FDA. By regulation, the FDA has no specific time limit by which it must respond to a 510(k) Pre-market Notification. At this time, the FDA typically responds to the submission of a 510(k) Pre-market Notification within 180 days. The FDA response may declare that the device is substantially equivalent to another legally marketed device and allow the proposed device to be marketed in the U.S. However, the FDA may determine that the proposed device is not substantially equivalent or may require further information, such as additional test data, before the FDA is able to make a determination regarding substantial equivalence. Such determination or request for additional information could delay market introduction of products and could have a material adverse effect on us. If a device that has obtained 510(k) Pre-market Notification clearance is changed or modified in design, components, method of manufacture, or intended use, such that the safety or effectiveness of the device could be significantly affected, separate 510(k) Pre-market Notification clearance must be obtained before the modified device can be marketed in the U.S.. If a manufacturer or distributor cannot establish that a proposed device is substantially equivalent to a legally marketed device, the manufacturer or distributor will have to seek pre-market approval of the proposed device, a more difficult procedure requiring extensive data, including pre-clinical and human clinical trial data, as well as extensive literature to prove the safety and efficacy of the device.

Though the *STA Instrument, CompuDent*, the *Safety Wand* and *CompuMed* have received FDA marketing clearance, there can be no assurance that any of the other products under development will obtain the required regulatory clearance in a timely manner, or at all. If regulatory clearance of a product is granted, such clearance may entail limitations on the indicated uses for which the product may be marketed. In addition, modifications may be made to the products to incorporate and enhance their functionality and performance based upon new data and design review. There can be no assurance that the FDA will not request additional information relating to product improvements; that any such improvements would not require further regulatory review, thereby delaying the testing, approval and commercialization of product improvements; or, that ultimately any such improvements will receive FDA clearance.

Compliance with applicable regulatory requirements is subject to continual review and will be monitored through periodic inspections by the FDA. Later discovery of previously unknown problems with a product, manufacturer, or facility may result in restrictions on such product or manufacturer, including fines, delays or suspensions of regulatory clearances, seizures or recalls of products, operating restrictions and criminal prosecution and could have a material adverse effect on Milestone.

Milestone is subject to pervasive and continuing regulation by the FDA, whose regulations require manufacturers of medical devices to adhere to certain QSR requirements as defined by the FDC Act. QSR compliance requires testing, quality control and documentation procedures. Failure to comply with QSR requirements can result in the suspension or termination of production, product recall or fines and penalties. Products also must be manufactured in registered establishments. In addition, labeling and promotional activities are subject to scrutiny by the FDA and, in certain

circumstances, by the Federal Trade Commission. The export of devices is also subject to regulation in certain instances.

The Medical Device Reporting ("MDR") regulation obligates us to provide information to the FDA on product malfunctions or injuries alleged to have been associated with the use of the product or in connection with certain product failures that could cause serious injury. If, as a result of FDA inspections, MDR reports or other information, the FDA believes that Milestone is not in compliance with the law, the FDA can institute proceedings to detain or seize products, enjoin future violations, or assess civil and/or criminal penalties against us, the officers or employees. Any action by the FDA could result in disruption of operations for an undetermined time.

In March 2012, Milestone received approval for the *Wand STA Single Tooth Anesthesia Instrument* from ANVISA in Brazil. In June 2007, Milestone received a CE mark for the marketing of the *STA Instrument* in Europe. In June 2003 Milestone received a CE mark for marketing of the *Safety Wand* and *The Wand* Handpieces with Needle in Europe. In July 2003, Milestone obtained regulatory approval to sell *CompuDent* and its handpieces in Australia and New Zealand.

As of May 2014, China National Medicines received the appropriate registration approval from the regulatory body in China, therefore, shipment of *STA* handpieces began in China. In the fourth quarter of 2014, the distribution agreement with China National Medicines was terminated and Milestone China Ltd. (owned 40% by Milestone Scientific) became the authorized distributor of the *STA* instruments and handpieces in China.

Product Liability

Failure to use any of the products in accordance with recommended operating procedures could potentially result in health hazards or injury. Failures of the products to function properly could subject Milestone to claims of liability. Milestone maintains liability insurance in an amount that Milestone believes is adequate. However, there can be no assurance that the insurance coverage will be sufficient to pay product liability claims brought against Milestone. A partially or completely uninsured claim, if successful and of significant magnitude, could have a material adverse effect on Milestone.

Corporate Information

We were organized in August 1989 under the laws of the State of Delaware. Our principal executive office is located at 220 South Orange Avenue, Livingston, New Jersey 07039, telephone number (973) 535-2717. Our web address is www.milestonescientific.com. None of the information on our website is part of this prospectus.

USE OF PROCEEDS

We currently intend to use the estimated net proceeds from the sale of these securities for general corporate and working capital purposes, including the funding of strategic initiatives that we may undertake from time to time. We have not yet determined the amount of net proceeds to be used specifically for any of the foregoing purposes. Accordingly, our management will have significant discretion and flexibility in applying the net proceeds from the sale of these securities. Our plans to use the estimated net proceeds from the sale of these securities may change, and if they do, we will update this information in a prospectus supplement.

DESCRIPTION OF COMMON STOCK WE MAY OFFER

The following description of our common stock is only a summary. This description and the description contained in any prospectus supplement is subject to, and qualified in its entirety by reference to, our restated certificate of

incorporation and bylaws, each as amended, each of which has previously been filed with the SEC and the Delaware General Corporation Law ("DCGL").

Common Stock

Our authorized capital stock includes 50,000,000 shares of common stock, par value $0.001 per share. As of the date of this prospectus, there are 21,720,497 shares of common stock issued, of which 21,687,164 were outstanding and 33,333 shares were held in the treasury.

Subject to preferences that may apply to preferred shares outstanding at the time, the holders of outstanding common stock are entitled to receive dividends out of assets legally available therefor at such times and in such amounts as the board of directors may from time to time determine. Each stockholder is entitled to one vote for each share of common stock held on all matters submitted to a vote of stockholders. Directors are elected by plurality vote. Therefore, the holders of a majority of the common stock voted can elect all of the directors then standing for election. The common stock is not entitled to preemptive rights and are not subject to conversion. If we are liquidated or dissolved or our business is otherwise wound up, the holders of common stock would be entitled to share ratably in the distribution of all of our assets remaining available for distribution after satisfaction of all our liabilities and the payment of the liquidation preference of any outstanding preferred shares. Each outstanding share of common stock is, and all shares of common stock to be outstanding upon completion of any offering under the registration statement of which this prospectus forms a part, will be, fully paid and nonassessable.

Authorized but Unissued Common Stock

The DCGL does not require stockholder approval for any issuance of authorized shares, except in certain limited circumstances. However, the listing requirements of the NYSE MKTS, which would apply for so long as our common stock are listed on the NYSE MKTS, require stockholder approval of certain issuances (other than a public offering) equal to or exceeding 20% of the then outstanding voting power or then outstanding number of shares of common stock, as well as for certain issuances of stock in compensatory transactions. These additional shares may be used for a variety of corporate purposes, including future public offerings, to raise additional capital or to facilitate acquisitions. One of the effects of the existence of unissued and unreserved shares of common stock may be to enable our board of directors to sell shares to persons friendly to current management, for such consideration, in form and amount, as is acceptable to the board, which issuance could render more difficult or discourage an attempt to obtain control of our company by means of a merger, tender offer, proxy contest or otherwise, and thereby protect the continuity of our management and possibly deprive stockholders of opportunities to sell their common stock at prices higher than prevailing market prices.

Transfer Agent and Registrar

The transfer agent and registrar for our common stock is Continental Stock Transfer & Trust Company.

DESCRIPTION OF PREFERRED STOCK AND PREFERRED STOCK WE MAY OFFER

The following description of the terms of our preferred stock is only a summary. This description and the description contained in any prospectus supplement is subject to, and qualified in its entirety by reference to, our restated certificate of incorporation and bylaws, each as amended, each of which has previously been filed with the SEC and the DGCL. In addition, the specific terms of any series of preferred shares will be described in the applicable prospectus supplement.

Our restated certificate of incorporation authorizes us to issue up to 5,000,000 shares of undesignated preferred stock, par value $0.001 per share. We may issue preferred stock from time to time in one or more series, without shareholder approval, when authorized by our board of directors. As of May 14, 2014, our board of directors had authorized 7,000 shares of Series A Stock (described below) all of which are issued and outstanding. No other shares of preferred stock were issued or are outstanding.

This section describes the general terms and provisions of the preferred stock we may offer as well as the terms of our Series A Stock which may affect other securities that we may offer by this prospectus. This information may not be complete in all respects and is qualified entirely by reference to our certificate of incorporation, with respect to each series of preferred stock, including the Series A Stock.

The specific terms of any series of preferred stock will be described in a prospectus supplement. Those terms may differ from the terms discussed below. Any series of preferred stock we issue will be governed by our certificate of incorporation and by the certificate of designations relating to that series. We will file the certificate of designations with the SEC and incorporate it by reference as an exhibit to our registration statement at or before the time we issue any preferred stock of that series.

Series A Convertible Preferred Stock

In May 2014, Milestone issued 7,000 shares of Series A Convertible Preferred Stock (the "Series A Stock"), with a stated value of $1,000 per share to an accredited investor for $7 million in a Rule 506, Regulation D offering. The Series A Stock votes together with the common stock on an as converted basis and as a single class, except that such shares have class voting rights as to amendments to the certificate of incorporation adversely affecting the Series A Stock, increases in the number of authorized shares of Series A Stock, issuance of additional shares of Series A Stock, increases in the size of the board prior to the time the holders of the Series A Stock no longer have a right to nominate a designee for election to the board or issuance of "senior stock" or "parity stock." The Series A Stock is also entitled to a liquidation preference equal to the greater of 100% of its $1,000 per share stated value or the amount the Series A Stock would receive on conversion into common stock and is convertible into common stock at $2.545 per share at the option of the holder or mandatorily convertible at this price on May 14, 2019, unless certain "threshold" prices have not been achieved prior to that date.

Future Classes or Series of Preferred Stock

Our board of directors is authorized, without shareholder approval, to issue additional series of preferred stock with conversion and other rights, may adversely affect the rights of holders of our common stock or other series of preferred stock that may be outstanding.

Upon issuance of a new series of preferred stock, our board of directors is authorized, to specify:

the number of shares to be included in the series;

the annual dividend rate for the series, if any, and any restrictions or conditions on the payment of dividends;

the redemption price, if any, and the terms and conditions of redemption;

any sinking fund provisions for the purchase or redemption of the series;

if the series is convertible, the terms and conditions of conversion;

the amounts payable to holders upon our liquidation, dissolution or winding up; and

any other rights, preferences and limitations relating to the series, including voting rights.

Specific Terms of a Series of Preferred Stock

The new preferred stock we may offer will be issued in one or more series. The preferred stock will have the dividend, liquidation, redemption and voting rights discussed below, unless otherwise described in a prospectus supplement relating to a particular series. A prospectus supplement will discuss the following features of the series of preferred stock to which it relates:

the designations and stated value per share;

the number of shares offered;

the amount of liquidation preference per share;

the public offering price at which the preferred stock will be issued;

the dividend rate, the method of its calculation, the dates on which dividends would be paid and the dates, if any, from which dividends would cumulate;

any redemption or sinking fund provisions;

any conversion or exchange rights; and

any additional voting, dividend, liquidation, redemption, sinking fund and other rights, preferences, privileges, limitations and restrictions.

Rank

Unless otherwise stated in the prospectus supplement, the new preferred stock will have priority over our common stock with respect to dividends and distribution of assets, but will rank junior to all our outstanding indebtedness for borrowed money. Any series of preferred stock could rank senior, equal or junior to our other capital stock, as may be specified in a prospectus supplement, as long as our certificate of incorporation so permit.

Dividends

Holders of each series of newly issued preferred stock shall be entitled to receive cash dividends to the extent specified in the prospectus supplement when, as and if declared by our board of directors, from funds legally available for the payment of dividends. The rates and dates of payment of dividends of each series of preferred stock will be stated in the prospectus supplement. Dividends will be payable to the holders of record of preferred stock as they appear on our books on the record dates fixed by our board of directors. Dividends on any series of preferred stock may be cumulative or non-cumulative, as discussed in the applicable prospectus supplement.

Convertibility

Shares of a new series of preferred stock may be exchangeable or convertible into shares of our common stock, another series of preferred stock or other securities or property. The conversion or exchange may be mandatory or optional. The prospectus supplement will specify whether the preferred stock being offered has any conversion or exchange features, and will describe all the related terms and conditions.

Redemption

The terms, if any, on which shares of preferred stock of a new series may be redeemed will be discussed in the applicable prospectus supplement.

Liquidation

Upon any voluntary or involuntary liquidation, dissolution or winding up of the affairs of Milestone, holders of each series of newly issued preferred stock will be entitled to receive distributions upon liquidation in the amount described in the related prospectus supplement. These distributions will be made before any distribution is made on any securities ranking junior to the preferred stock with respect to liquidation, including our common stock. If the liquidation amounts payable relating to the preferred stock of any series and any other securities ranking on a parity regarding liquidation rights are not paid in full, the holders of the preferred stock of that series will share ratably in proportion to the full liquidation preferences of each security. Holders of our preferred stock will not be entitled to any other amounts from us after they have received their full liquidation preference.

Voting

The holders of preferred stock of each new series will have no voting rights, except as required by law and as described below or in a prospectus supplement. Our board of directors may, upon issuance of a series of preferred stock, grant voting rights to the holders of that series to elect additional board members if we fail to pay dividends in a timely fashion.

Without the affirmative vote of a majority of the shares of preferred stock of any series then outstanding, we may not:

increase or decrease the aggregate number of authorized shares of that series;

increase or decrease the par value of the shares of that series; or

alter or change the powers, preferences or special rights of the shares of that series so as to affect them adversely.

No Other Rights

The shares of a new series of preferred stock will not have any preferences, voting powers or relative, participating, optional or other special rights except:

- as discussed above or in the prospectus supplement;
- as provided in our certificate of incorporation and in the certificate of designations; and
- as otherwise required by law.

DESCRIPTION OF WARRANTS WE MAY OFFER

The following description of warrants is only a summary. This description is subject to, and qualified in its entirety by reference to, the provisions of the applicable warrant agreement.

We may issue warrants for the purchase of debt securities, preferred stock, common stock or units. Warrants may be issued independently or together with debt securities, preferred stock, common stock or units and may be attached to or separate from any offered securities. Any issue of warrants will be governed by the terms of the applicable form of warrant and any related warrant agreement which we will file as an exhibit to our registration statement at or before the time we issue any warrants.

The particular terms of any issue of warrants will be described in the prospectus supplement relating to the issue. Those terms may include:

- the title of such warrants;
- the aggregate number of such warrants;
- the price or prices at which such warrants will be issued;
- the currency or currencies (including composite currencies) in which the price of such warrants may be payable;

the terms of the securities purchasable upon exercise of such warrants and the procedures and conditions relating to the exercise of such warrants;

the price at which the securities purchasable upon exercise of such warrants may be purchased;

the date on which the right to exercise such warrants will commence and the date on which such right shall expire;

any provisions for adjustment of the number or amount of securities receivable upon exercise of the warrants or the exercise price of the warrants;

if applicable, the minimum or maximum amount of such warrants that may be exercised at any one time;

if applicable, the designation and terms of the securities with which such warrants are issued and the number of such warrants issued with each such security;

if applicable, the date on and after which such warrants and the related securities will be separately transferable;

information with respect to book-entry procedures, if any; and

any other terms of such warrants, including terms, procedures and limitations relating to the exchange or exercise of such warrants.

The prospectus supplement relating to any warrants to purchase equity securities may also include, if applicable, a discussion of certain U.S. federal income tax and ERISA considerations.

Warrants for the purchase of preferred stock and common stock will be offered and exercisable for U.S. dollars only.

Each warrant will entitle its holder to purchase the principal amount of debt securities or the number of shares of preferred stock, common stock or units at the exercise price set forth in, or calculable as set forth in, the applicable prospectus supplement.

After the close of business on the expiration date, unexercised warrants will become void. We will specify the place or places where, and the manner in which, warrants may be exercised in the applicable prospectus supplement.

Prior to the exercise of any warrants to purchase debt securities, preferred stock, common stock or units, holders of the warrants will not have any of the rights of holders of the debt securities, preferred stock, common stock or units purchasable upon exercise.

DESCRIPTION OF DEBT SECURITIES WE MAY OFFER

The following description of the terms of debt securities that we may issue and the related indenture, if any, is only a summary. This description and the description contained in any prospectus supplement are subject to and qualified in their entirety by reference to the applicable indentures, which will be incorporated by reference as exhibits to the registration statement of which this prospectus is a part.

We may offer secured or unsecured debt securities in one or more series which may be senior, subordinated or junior subordinated, and which may be convertible or exchangeable into another security. Unless otherwise specified in the applicable prospectus supplement, our debt securities will be issued in one or more series under an indenture to be entered into by us and a bank or trust company. As of the date of this prospectus, we have not entered into any indenture agreements.

The following description briefly sets forth certain general terms and provisions of the debt securities. The particular terms of the debt securities offered by any prospectus supplement and the extent, if any, to which these general provisions may apply to the debt securities, will be described in the applicable prospectus supplement.

The terms of the debt securities will include those set forth in the applicable indenture and those made a part of the applicable indenture by the Trust Indenture Act of 1939, or TIA, if any. You should read this summary, the applicable prospectus supplement and the provisions of the applicable indenture or supplemental indenture, if any, in their entirety before investing in our debt securities.

The aggregate principal amount of debt securities that may be issued under the respective indentures may be unlimited. The prospectus supplement relating to any series of debt securities that we may offer will contain the specific terms of the debt securities. These terms may include the following:

the issuer or co-obligors of such debt securities;
the guarantors of each series, if any, and the terms of the guarantees (including provisions relating to seniority, subordination and release of the guarantees), if any;
the title and aggregate principal amount of the debt securities and any limit on the aggregate principal amount;
whether the debt securities will be senior, subordinated or junior subordinated;
whether the debt securities will be secured or unsecured;
any applicable subordination provisions;
the maturity date(s) or method for determining same;
the interest rate(s) or the method for determining same;
the dates on which interest will accrue or the method for determining dates on which interest will accrue and dates on which interest will be payable and whether interest shall be payable in cash or additional securities;
whether the debt securities are convertible or exchangeable into other securities and any related terms and conditions;
redemption or early repayment provisions;
authorized denominations;
form;
if other than the principal amount, the principal amount of debt securities payable upon acceleration;

place(s) where payment of principal and interest may be made, where debt securities may be presented and where notices or demands upon the company may be made;
whether such debt securities will be issued in whole or in part in the form of one or more global securities and the date as of which the securities are dated if other than the date of original issuance;
amount of discount or premium, if any, with which such debt securities will be issued;
any covenants applicable to the particular debt securities being issued;
any defaults and events of default applicable to the particular debt securities being issued;
the currency, currencies or currency units in which the purchase price for, the principal of and any premium and any interest on, such debt securities will be payable;
the time period within which, the manner in which and the terms and conditions upon which the holders of the debt securities or the issuer or co-obligors, as the case may be, can select the payment currency;
our obligation or right to redeem, purchase or repay debt securities under a sinking fund, amortization or analogous provision;
any restriction or conditions on the transferability of the debt securities;
the securities exchange(s) on which the debt securities will be listed, if any;
whether any underwriter(s) will act as a market maker(s) for the debt securities;
the extent to which a secondary market for the debt securities is expected to develop;
provisions granting special rights to holders of the debt securities upon occurrence of specified events;
compensation payable to and/or reimbursement of expenses of the trustee of the series of debt securities;
provisions for the defeasance of the debt securities or related to satisfaction and discharge of the indenture;
provisions relating to the modification of the indenture both with and without the consent of holders of debt securities issued under the indenture and the execution of supplemental indentures for such series; and
any other terms of the debt securities (which terms shall not be inconsistent with the provisions of the TIA, but may modify, amend, supplement or delete any of the terms of the indenture with respect to such series debt securities).

General

We may sell the debt securities, including original issue discount securities, at par or at a substantial discount below their stated principal amount. Unless we inform you otherwise in a prospectus supplement, we may issue additional debt securities of a particular series without the consent of the holders of the debt securities of such series or any other series outstanding at the time of issuance. Any such additional debt securities, together with all other outstanding debt securities of that series, will constitute a single series of securities under the applicable indenture.

We will describe in the applicable prospectus supplement any other special considerations for any debt securities we sell which are denominated in a currency or currency unit other than U.S. dollars. In addition, debt securities may be issued where the amount of principal and/or interest payable is determined by reference to one or more currency exchange rates, commodity prices, equity indices or other factors. Holders of such securities may receive a principal amount or a payment of interest that is greater than or less than the amount of principal or interest otherwise payable on such dates, depending upon the value of the applicable currencies, commodities, equity indices or other factors. Information as to the methods for determining the amount of principal or interest, if any, payable on any date, the currencies, commodities, equity indices or other factors to which the amount payable on such date is linked.

United States federal income tax consequences and special considerations, if any, applicable to any such series will be described in the applicable prospectus supplement. Unless we inform you otherwise in the applicable prospectus supplement, the debt securities will not be listed on any securities exchange.

We expect most debt securities to be issued in fully registered form without coupons and in denominations of U.S. $2,000 and any integral multiples of $1,000 in excess thereof. Subject to the limitations provided in the applicable indenture and in the prospectus supplement, debt securities that are issued in registered form may be transferred or exchanged at the designated corporate trust office of the trustee, without the payment of any service charge, other than any tax or other governmental charge payable in connection therewith.

Global Securities

Unless we inform you otherwise in the applicable prospectus supplement, the debt securities of a series may be issued in whole or in part in the form of one or more global securities that will be deposited with, or on behalf of, a depositary identified in t