**United States Securities and Exchange Commission**
**Washington, D.C. 20549**

# FORM 10-K

(Mark One)

☒ **ANNUAL REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
**FOR THE FISCAL YEAR ENDED DECEMBER 31, 2011**

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
**FOR THE TRANSITION PERIOD FROM _____ TO _____**

Commission File Number **0-54402**

# BIORESTORATIVE THERAPIES, INC.

(Exact name of registrant as specified in its charter)

| **Nevada** | **91-1835664** |
|---|---|
| (State or other jurisdiction of incorporation or organization) | (I.R.S. Employer Identification No.) |
| **555 Heritage Drive, Jupiter, Florida** | **33458** |
| (Address of principal executive offices) | (Zip Code) |

**(561) 904-6070**
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Name of each exchange on which registered |
|---|---|
| **None** | **Not applicable** |

Securities registered pursuant to Section 12(g) of the Act:
**Common Stock, par value $0.001 per share**
(Title of Class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes £ No ☒

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

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

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

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

| | |
|---|---|
| Large accelerated filer ☐ | Accelerated filer ☐ |
| Non-accelerated ☐ (Do not check if a smaller reporting company) | Smaller reporting company ☒ |

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

As of June 30, 2011, the aggregate market value of the registrant's common stock held by non-affiliates of the registrant was $9,563,385 based on the closing sale price as reported on the OTC Markets. As of April 10, 2012, there were 647,991,911 shares of common stock outstanding.

**DOCUMENTS INCORPORATED BY REFERENCE**
None

**INDEX**

## PART I

### Forward-Looking Statements

This Annual Report contains forward-looking statements as that term is defined in the federal securities laws. The events described in forward-looking statements contained in this Annual Report may not occur. Generally these statements relate to business plans or strategies, projected or anticipated benefits or other consequences of our plans or strategies, projected or anticipated benefits from acquisitions to be made by us, or projections involving anticipated revenues, earnings or other aspects of our operating results. The words “may,” “will,” “expect,” “believe,” “anticipate,” “project,” “plan,” “intend,” “estimate,” and “continue,” and their opposites and similar expressions are intended to identify forward-looking statements. We caution you that these statements are not guarantees of future performance or events and are subject to a number of uncertainties, risks and other influences, many of which are beyond our control, that may influence the accuracy of the statements and the projections upon which the statements are based. Factors which may affect our results include, but are not limited to, the risks and uncertainties discussed in Item 7 of this Annual Report under “Factors That May Affect Future Results and Financial Condition”.

Any one or more of these uncertainties, risks and other influences could materially affect our results of operations and whether forward-looking statements made by us ultimately prove to be accurate. Our actual results, performance and achievements could differ materially from those expressed or implied in these forward-looking statements. We undertake no obligation to publicly update or revise any forward-looking statements, whether from new information, future events or otherwise.

**ITEM 1. BUSINESS.**

**(a) Business Development**

**General**

As used in this Annual Report on Form 10-K (the "Annual Report"), references to the "Company", "we", "us", or "our" refer to BioRestorative Therapies, Inc. and its subsidiaries.

We are a development stage enterprise. Our primary activities have been the development of our business plan, negotiating strategic alliances and other agreements, and raising capital. We have not generated any revenues from our operations.

We were incorporated in Nevada on June 13, 1997 under the name "Columbia River Resources Inc." We changed our name to "Traxxec Inc." on August 11, 2008 and to "Stem Cell Assurance, Inc." on June 29, 2009. On August 15, 2011, we changed our name to "BioRestorative Therapies, Inc."

During the year ended December 31, 2011, we raised an aggregate of $2,962,500 in debt financing, including $2,050,000 through Stem Cell Cayman Ltd., our Cayman Islands subsidiary. As of December 31, 2011, our outstanding debt of $3,190,000, together with interest at rates ranging between 10% and 15% per annum, was due between November 2011 and November 2012. Subsequent to December 31, 2011 and through April 10, 2012, we have received aggregate debt and equity financing of $1,600,500 and $650,000, respectively, the due date for the repayment of $1,610,000 of debt has been extended, $175,000 of debt has been converted to equity and we have repaid $50,000 of debt.

See Item 7 ("Management's Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and Capital Resources – Availability of Additional Funds").

**(b) Business**

**Overview**

Every human being has stem cells in his or her body. These cells exist from the early stages of human development until the end of a person's life. Throughout our lives, our body continues to produce stem cells that regenerate to produce differentiated cells that make up various aspects of the body such as skin, blood, muscle and nerves. These are generally referred to as adult stem cells (non-embryonic). These cells are important for the purpose of medical therapies aiming to replace lost or damaged cells or tissues or to otherwise treat disorders.

Our goal is to become a medical center of excellence using cell and tissue protocols, primarily involving a patient's own (autologous) adult stem cells, allowing patients to undergo cellular-based treatments. As more and more cellular-based therapies become standard of care, we intend to focus on the unity of medical and scientific explanations for future clinical procedures and outcomes and the provision of adult stem cells for future personal medical and aesthetic applications. Among the initiatives that we are currently pursuing is our ThermoStem™ Program that would involve the use of brown fat in connection with the cell-based treatment of obesity, weight loss, diabetes, hypertension, other metabolic disorders and cardiac deficiencies. We have also obtained a license which permits us to use technology for adult stem cell treatment of disc and spine conditions, including bulging and herniated discs. The technology is an advanced stem cell injection procedure that may offer relief from lower back pain, buttock and leg pain, and numbness and tingling in the legs and feet. See "Brown Adipose (Fat) Program" and "Disc/Spine Program" below.

We also operate a wholly-owned subsidiary, Stem Pearls, LLC, which offers facial creams and other skin care products with certain ingredients that may include plant stem cells and/or other plant derived stem cell optimization or regenerative compounds. See "Stem Pearls®" below.

We currently are seeking to develop an infrastructure to establish a laboratory for the possible development of cellular-based treatment protocols, stem cell-related intellectual property ("IP") and research applications. See "Laboratory" below.

We are a development stage enterprise. Our primary activities in the stem cell area have been the development of our business plan, negotiating strategic alliances and other agreements, and raising capital. We have not generated any revenues from our operations. The implementation of our business plan, as discussed below, will require the receipt of sufficient equity and/or debt financing to purchase necessary equipment, technology and materials, retire our outstanding debt (see Item 7 – "Management's Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and Capital Resources – Availability of Additional Funds"), establish our laboratory, and otherwise fund our research and development and other operations. We intend to seek such financing from current shareholders and debtholders as well as from other accredited investors. We anticipate that we will require an aggregate of between approximately $20,000,000 and $40,000,000 in funding to repay our outstanding debt ($3,190,000 as of December 31, 2011, excluding debt discount) (assuming that no debt is converted into equity) and implement our business plan as further discussed in this Item 1 (assuming the receipt of no revenues from operations). In the event we do not obtain the required aggregate amount of financing or revenues, we intend to use funds received in the following order of priority:

| Program | Anticipated Amount of Required Funding | Purpose | Anticipated Timeframe |
|---|---|---|---|
| ThermoStem™ (see “Brown Adipose (Fat) Program” below) | $1,000,000 | Development of data and know-how with regard to the extraction of brown fat cells, the modification of cellular culturing protocols and the undertaking of preclinical studies. | Second quarter of 2012 through fourth quarter of 2012 |
| Laboratory (see “Laboratory” below) | $500,000 | Commencement of laboratory operations, including purchase of necessary equipment | Third quarter of 2012 |
| Stem Pearls® (see “Stem Pearls®” below) | $100,000 | Marketing efforts | Third quarter of 2012 |
| Stem Cell Treatments (see “Disc/Spine Program” below) | $100,000 | Development of reproducible cell-based culture system | Third quarter of 2012 |
| Stem Cell Treatments (see “Disc/Spine Program” below) | $1,000,000 | Pre-IND/IDE (investigational new drug/investigational device exemption) study with respect to development of treatment protocol | Third quarter of 2012 through first quarter of 2013 |
| Stem Cell Treatments (see “Disc/Spine Program” below) | $5,000,000 - $20,000,000 | Pre-IND/IDE meeting with FDA, filing of IND/IDE and commencement of Phase I clinical trials | First quarter of 2013 through third quarter of 2013 |
| ThermoStem (see “Brown Adipose (Fat) Program” below) | $5,000,000 - $10,000,000 | Pre-IND/IDE meeting with FDA, filing of IND/IDE and commencement of Phase I clinical trials | Second quarter of 2013 through first quarter of 2015 |

No assurance can be given that the anticipated amounts of required funding are correct or that we will be able to accomplish the above goals within the timeframes set forth in the above table. We will also require a substantial amount of additional funding to further implement our business plan beyond the Phase I clinical trials and other efforts discussed above. No assurance can be given that we will be able to obtain any required financing on commercially reasonable terms or otherwise. We may also seek to have our debtholders convert all or a portion of their debt into equity. No assurance can be given that we will be able to convert such debt into equity on commercially reasonable terms or otherwise. If we are unable to obtain adequate funding, we may be required to significantly curtail or discontinue our proposed operations. See Item 7 (“Management’s Discussion and Analysis of Financial Condition and Results of Operations – Factors That May Affect Future Results and Financial Condition - We will need to obtain additional financing to satisfy debt obligations and continue our operations.”) on page 33.

**Strategy**

We are concentrating our initial efforts with respect to an initiative related to the use of brown adipose (fat) for therapeutic and aesthetic purposes. Recent studies have demonstrated that brown fat is present in the adult human body and may be correlated with the maintenance and regulation of metabolism, thus potentially being involved in caloric regulation. We intend to initiate research activities in this area in connection with the treatment of obesity, weight loss, diabetes, hypertension, other metabolic disorders and cardiac deficiencies. We have labeled this initiative our ThermoStem™ Program. See "Brown Adipose (Fat) Program" below.

We will also be concentrating on an initiative for the development of a stem cell delivery system designed to deliver cells and other potential therapeutic material to the spine and discs, as well as the development of appropriate stem cells to be used for transplantation into a disc. We intend to advance the design of the stem cell delivery device and enhance the therapeutic protocols in preparation for clinical trials related to the treatment of bugling and herniated discs and degenerative disc disease. See "Disc/Spine Program" below.

In connection with the technology license discussed in "Disc/Spine Program" below, we intend to establish stem cell therapy facilities, or sublicense the technology to third parties who would establish stem cell therapy facilities, that would offer cellular-based treatment programs with regard to disc and spine conditions. As our operations grow, we plan to extend our services to include cellular therapy for the treatment of other diseases, injuries and disorders. We expect that any such adult stem cell therapy facilities will be established initially outside the United States. Subject to our compliance with all domestic regulatory restrictions, as discussed in "Government Regulation – U.S. Government Regulation" below, and in the event that demand for stem cell therapies increases, we intend to establish additional stem cell therapy facilities within the United States as well.

We also offer facial creams and other skin care products with certain ingredients that may include plant stem cells and/or other plant derived stem cell optimization or regenerative compounds. See "Stem Pearls®" below.

We intend to develop a laboratory capable of performing cellular characterization and culturing and therapeutic outcomes analysis with the goal of producing a clinically-approved adult stem cell product and stem cell-related IP.

**Treatment**

Regenerative cell therapy relies on replacing diseased, damaged or dysfunctional cells with healthy, functioning ones or repairing damaged or diseased tissue. A great range of cells can serve in cell therapy, including cells found in peripheral and umbilical cord blood, bone marrow and adipose (fat) tissue. Physicians have been using adult stem cells from bone marrow to treat various blood cancers for over 40 years. Recently, the use of stem cells has begun to be used to treat various other diseases. We intend to use and develop cell and tissue regenerative therapy protocols, primarily involving a patient's own (autologous) adult stem cells (non-embryonic) to allow patients to undergo cellular-based treatments.

We intend to concentrate initially on therapeutic areas where risk to the patient is low, recovery is relatively easy, and where (i) results can be demonstrated through sufficient clinical data; (ii) patients and referring doctors will be comfortable with the procedure; and (iii) recovery, monitoring, patient follow-up and data collection/analysis is far less complicated than more invasive protocols. We believe that there will be readily identifiable groups of patients who will benefit from these procedures.

Accordingly, we plan to focus our initial therapy efforts in offering cellular-based treatment programs in selective areas of medicine where the treatment protocol is minimally invasive. Such areas may include the treatment of the disc and spine and metabolic-related disorders, as well as for aesthetic purposes. We anticipate that substantially all of our procedures will be private pay (meaning that they will not be subject to reimbursement by governmental and other third party payers).

Due to current domestic regulatory limitations, in all likelihood, any treatment centers that we establish will initially need to be established outside the United States. We are investigating the Caribbean region for such purposes; however, we have no definitive plans or arrangements to open a treatment facility in the Caribbean region or elsewhere. Alternatively, we may seek to license our technology to third parties for use at their treatment facilities. In the event we determine to establish such a center, we anticipate that it would require between $1,000,000 and $2,000,000 in funding for such purposes and that it would take approximately six to twelve months to become operational. As indicated above, we have no definitive plans or arrangements in this regard and it is unlikely that we will establish a treatment facility within the next twelve months. Subject to our compliance with all domestic regulatory restrictions, as discussed in "Government Regulation – U.S. Government Regulation" below, and in the event that demand for stem cell therapies increases, we intend to establish treatment facilities in the United States.

Following our initial efforts in this regard, we intend to extend our services to cellular therapy for the treatment of diseases and other injuries, that may include heart disease, diabetes, wounds, burns and autoimmune diseases (including rheumatoid arthritis, Type 1 diabetes, Crohn's Disease and multiple sclerosis). The costs of entry into these market places will be higher, in that most procedures would need to be performed in a hospital or hospital-like setting to better assure the well-being of the patient and success of the outcome.

We intend that the majority of our procedures will involve adult stem cells harvested from a patient's own (autologous) cells so that there is no chance of rejection or disease being spread from donor to patient. We intend to focus on developing personalized, patient-specific treatment programs that provide for additional or follow-on therapies, patient outcome monitoring, and the accumulation/analysis of critical medical data. We also intend to carefully monitor patient response and satisfaction.

**Brown Adipose (Fat) Program**

Brown fat is one of two types of known adipose (fat) tissue found in the human body and is involved in homeostasis by creating a metabolic tissue capable of producing heat. Recent studies have demonstrated that brown fat is present in the adult human body and may be correlated with the maintenance and regulation of metabolism, thus potentially being involved in caloric regulation.

In June 2011, we launched the initial research phase of what we believe will develop into a technology that involves the use of brown fat in a cell-based therapeutic/aesthetic program referred to as the ThermoStem™ Program. The ThermoStem™ Program will focus on treatments for obesity, weight loss, diabetes, hypertension, other metabolic disorders and cardiac deficiencies and will involve the study of stem cells, several genes, proteins and/or mechanisms that are related to these diseases and disorders.

We intend to use autologous cells (i.e., stem cells isolated from individual patients) that may be differentiated into progenitor or fully differentiated brown adipocytes, or a related cell type, that can be used therapeutically or aesthetically in patients. In addition to the brown fat stem cell platform, as the cellular program advances, we will seek to determine whether data from the program can lead to the use of allogeneic cells (i.e., stem cells from a genetically similar but not identical donor) or can be used in the development of a small molecule drug.

Our ThermoStem™ Program is in the initial research stage and, to date, we have not developed a clinical application or product. In August 2011, we entered into a Tangible Property License Agreement with the University of Utah Research Foundation and the University of Utah. Pursuant to the agreement, which has a two year term, we have been granted a non-exclusive license to use discarded adipose (fat) tissue samples for internal research purposes. Our initial research efforts in this regard will relate to the identification of tissue as brown fat. We anticipate that such initial efforts will be completed by the second quarter of 2012. Following such initial efforts, we intend to develop a brown fat cell line that can be used in preclinical studies. We expect that such development effort will be completed by the fourth quarter of 2012. We then intend to undertake preclinical studies in order to determine whether our proposed treatment protocol is safe. Such studies are expected to begin by the fourth quarter of 2012. Following the completion of such studies, if required, we intend to file an investigational new drug ("IND") application with the U.S. Food and Drug Administration (the "FDA") and initiate Phase I clinical trials. See "Government Regulation" below and Item 7 ("Management's Discussion and Analysis of Financial Condition and Results of Operations – Factors That May Affect Future Results and Financial Condition – We operate in a highly regulated environment and may be unable to comply with applicable federal, state, local, and international requirements. Failure to comply with applicable government regulation may result in a loss of licensure, registration, and approval or other government enforcement actions.") on page 37. The FDA approval process can be lengthy, expensive and uncertain and there is no guarantee of ultimate approval or clearance. We expect that clinical trials will commence by the first quarter of 2014.

We anticipate that much of our development work in this area will take place at the University of Utah research laboratory; alternatively, we may seek to either use other outside contractors or develop our laboratory for such purposes. See "Laboratory" below.

We anticipate that we will require approximately $1,000,000 in funding in order to develop data and know-how with regard to the extraction of brown fat stem cells, the modification of cellular culturing protocols and to undertake preclinical studies. We expect that we will require between $5,000,000 and $20,000,000 in funding in connection with our intended Phase I clinical studies.

**Disc/Spine Program**

On April 6, 2012, a license agreement between Regenerative Sciences, LLC ("Regenerative") and us became effective. Pursuant to the license agreement, we have obtained, among other things, a worldwide, exclusive, royalty-bearing license from Regenerative to utilize or sublicense a certain medical device for the administration of specific cells and/or cell products to the disc and/or spine (and other parts of the body) and a worldwide (excluding Asia and Argentina), exclusive, royalty-bearing license to utilize or sublicense a certain method for culturing cells for use in treating, among other things, disc and spine conditions, including bulging and herniated discs. The technology being licensed is an advanced stem cell injection procedure that may offer relief from lower back pain, buttock and leg pain, and numbness and tingling in the legs and feet.

The license agreement provides for the requirement that we achieve certain milestones or pay certain minimum royalty amounts in order to maintain the exclusive nature of the licenses. The license agreement also provides for a royalty-bearing sublicense of the technology to Regenerative for use for certain purposes. Further, the license agreement provides that Regenerative will furnish certain training, assistance and consultation services with regard to the licensed technology. Pursuant to the license agreement, on the effective date, we paid to Regenerative a net license fee of $990,000 and issued to Regenerative a five year warrant for the purchase of 50,000,000 shares of our common stock.

We intend to develop a reproducible cell-based culture system in either a laboratory that we develop or an outside laboratory. We expect that we will require approximately $100,000 in funding for such purpose and that such development efforts will be completed by the third quarter of 2012. We then intend to initiate a pre-IND study with respect to the development of a treatment protocol. We expect that such study will be completed by the first quarter of 2013 at an anticipated cost of approximately $1,000,000. Following such study, we intend to file an IND with the FDA with respect to our proposed treatment protocol and initiate Phase 1 clinical trials. We expect that our IND will be filed with the FDA by the first quarter of 2013, our clinical trials will begin by the third quarter of 2013 and we will require between $5,000,000 and $20,000,000 in funding for such purposes. See "Government Regulation" below and Item 7 ("Management's Discussion and Analysis of Financial Condition and Results of Operations – Factors That May Affect Future Results and Financial Condition – We operate in a highly regulated environment and may be unable to comply with applicable federal, state, local, and international requirements. Failure to comply with applicable government regulation may result in a loss of licensure, registration, and approval or other government enforcement actions.") on page 37. The FDA approval process can be lengthy, expensive and uncertain and there is no guarantee of ultimate approval or clearance.

In 2010, the FDA brought an action to permanently enjoin Regenerative from using its Regenexx™ procedure to process mesenchymal stem cells ("MSCs") for the treatment of various orthopedic conditions. The lawsuit relates to a procedure utilized by Regenerative whereby a patient's own MSC cells are extracted and isolated from the patient's bone marrow, processed at a laboratory on site for two to three weeks to undergo expansion, and then returned to the same patient to treat a medical condition. The FDA has asserted that Regenerative's stem cell procedure is subject to FDA jurisdiction and regulation as an unapproved drug and/or biologic. Regenerative takes the position that the Regenexx™ procedure is the practice of medicine and thereby is outside of the FDA's jurisdiction. It also contends that the manipulation of the stem cells occurs in the normal course of medical practice which is regulated by Colorado, the state in which Regenerative is located. The FDA contends that it is not impinging on Regenerative's ability to practice medicine; instead, it considers the product being reinjected into the patient to be a cultured cell product subject to the FDA's regulations governing the use of human cells, tissues, and cellular and tissue-based products ("HCT/Ps"). According to the FDA's position, the Regenexx™ procedure involves growth factors, reagents and drug products that cross state lines thereby placing the product in interstate commerce. Moreover, the FDA contends that the product is more than "minimally manipulated" and, consequently, does not meet the conditions listed in 21 C.F.R. Part 1271 that exempt HCT/Ps from being regulated as drugs, devices, and/or biological products. Regenerative has agreed to cease production of the cultured cell product while the case is pending. The outcome of this action could have a material effect on our business. In the event that the FDA prevails, in all likelihood, we will need to proceed with the FDA approval process for our initiatives as discussed above. If Regenerative succeeds in the action, depending upon the breadth of the decision or the settlement of the lawsuit, the extent of FDA oversight may be limited or the scope of the clinical trials needed to be performed in connection with our FDA approval process may be reduced. We can give no assurances in this regard. See "Government Regulation" below.

**Stem Pearls®**

In February 2010, we established Stem Cellutrition, LLC, a stem cell-based cosmetic skincare company, to offer plant derived stem cell cosmetic products. In July 2011, Stem Cellutrition, LLC changed its name to Stem Pearls, LLC. We anticipate that Stem Pearls® cosmetic products will be sold and used as an adjunct to the therapy programs developed by us. We also intend to offer Stem Pearls® products directly to stores, through web-related sales or through cosmetic distributor companies to retail, spa, or other medical locations.

Stem Pearls, LLC has developed an initial product formulation derived from the stem cells of a rare-variety 18$^{th}$ century Swiss apple and has prepared and selectively distributed product samples. Stem Pearls, LLC has also developed a new logo and website design and has rebranded its product line. Stem Pearls, LLC has not yet marketed its products or generated any revenue. We anticipate that such marketing efforts will commence by the third quarter of 2012 at a cost of approximately $100,000.

**Laboratory**

We intend to develop a state-of-the-art facility to be used as a laboratory for the possible development of cellular-based treatment protocols and research applications. We anticipate that our laboratory will commence operations by the third quarter of 2012 and that we will require approximately $500,000 in funding for such purposes. Pending the establishment of our laboratory operations, we intend to seek to utilize existing laboratories at medical centers and elsewhere.

As operations grow, our plans include the expansion of our laboratory to perform cellular characterization and culturing, stem cell-related IP development and therapeutic outcome analysis. As we develop our business and additional stem cell treatments are approved, we intend to establish ourselves as the provider of adult stem cells for therapies and expand to provide cells in other market areas for stem cell therapy, including with regard to the treatment of diabetes and other metabolic disorders, heart disease and autoimmune disease.

We plan to eventually open additional laboratories that are capable of supplying stem cells to physicians who use those cells to treat disease. We intend to position ourselves as a source and leader in providing those cells for treatments.

**Technology**

We intend to utilize our laboratory or a third party laboratory in connection with cellular research activities. We also intend to seek to obtain cellular-based therapeutic technology licenses. We intend to seek to develop potential stem cell delivery systems or devices. The goal of these specialized devices is to deliver cells into specific areas of the body, control the rate, amount and types of cells used in a treatment, and populate these areas of the body with sufficient stem cells so that engraftment occurs.

We also intend to perform research to develop certain stem cell optimization compounds or "recipes" to enhance cellular growth and regeneration for the purpose of improving pre-treatment and post-treatment outcomes.

As laboratory and treatment procedures evolve, we may also seek to develop proprietary diagnostic methods using cellular biomarkers as a source for determining the potential development of disease and to evaluate the efficacy of anti-aging therapeutics and other pharmaceuticals.

We do not currently have any proprietary technology; however, we have filed for certain provisional patents and Regenerative (see "Disc/Spine Program") has filed certain patent applications with regard to the technology that is the subject of the license agreement between us. We have trademark rights with respect to the names BioRestorative Therapies™, Stem The Tides of Time™, Stem Pearls®, ThermoStem™ and Stem Cellutrition™. Our success will depend in large part on our ability to develop and protect our proprietary technology. We intend to rely on a combination of patent, trade secret and know-how, copyright and trademark laws, as well as confidentiality agreements, licensing agreements and other agreements, to establish and protect our proprietary rights. Our success will also depend upon our ability to avoid infringing upon the proprietary rights of others, for if we are judicially determined to have infringed such rights, we may be required to pay damages, alter our services, products or processes, obtain licenses or cease certain activities.

During the years ended December 31, 2011 and 2010, we incurred $12,000 and $11,620, respectively, in research and development expenses.

**Scientific Advisors; Consultants**

We have established a Scientific Advisory Board whose purpose is to provide advice and guidance in connection with scientific matters relating to our business. Our initial two Scientific Advisory Board members are Dr. Naiyer Imam and Dr. Amit Patel. See Item 10 ("Directors, Executive Officers and Corporate Governance – Scientific Advisory Board") for a listing of the principal positions for Drs. Imam and Patel.

We have engaged two consultants, TDA Consulting Services, Inc. ("TDA") and Vintage Holidays L.L.C. ("Vintage"), to assist us with the implementation of our business plan. Pursuant to a February 17, 2011 consulting agreement with TDA, TDA is to provide consultation and assistance with regard to our efforts to establish an offshore stem cell treatment facility, develop business, including with regard to acquisition and joint venture opportunities, develop a physician distribution network for the sale of our stem cell skin care products, comply with regulatory requirements and have our securities listed on a securities exchange. Pursuant to the agreement with TDA, we paid TDA $35,000 in consideration of services rendered to date and a $25,000 retainer for services to be rendered during the term. We also agreed to pay TDA an aggregate of an additional $130,000 and issue to TDA an aggregate of 10,500,100 shares of common stock. The agreement with TDA expired on March 31, 2012; however, we are continuing to utilize TDA's services and are negotiating the terms of an extension to the agreement.

Pursuant to a February 17, 2011 consulting agreement with Vintage, as amended, which has a term that expires on December 31, 2012, Vintage is to provide consultation and assistance with regard to our efforts to market ourselves with respect to medical tourism, establish business relationships with governmental officials, and establish an offshore stem cell treatment facility. Pursuant to the agreement with Vintage, we paid Vintage $20,000 in consideration of services rendered to date and a $10,000 retainer for services to be rendered during the term. We also agreed to pay Vintage an aggregate of an additional $170,000, issue to Vintage an aggregate of 5,000,000 shares of common stock and grant to Vintage options for the purchase of 2,000,000 shares of common stock.

**Competition**

We will compete with many pharmaceutical, biotechnology, and medical device companies, as well as other private and public stem cell companies involved in the development and commercialization of cell-based medical technologies and therapies.

Regenerative medicine is rapidly progressing, in large part through the development of cell-based therapies or devices designed to isolate cells from human tissues. Most efforts involve cell sources, such as bone marrow, embryonic and fetal tissue, umbilical cord and peripheral blood and skeletal muscle.

Companies working in the area of regenerative medicine include, among others, Cytori Therapeutics, Osiris, Aastrom Biosciences, Aldagen, BioTime, Baxter International, Celgene, Geron, Harvest Technologies, Mesoblast, NeoStem, Stem Cells, Athersys, and Tissue Genesis. Many of our competitors and potential competitors have substantially greater financial, technological, research and development, marketing and personnel resources than we do. We cannot with any accuracy forecast when or if these companies are likely to bring cell therapies to market for procedures that we are also pursuing.

Our skincare company will compete with other companies that offer a plant derived stem cell skin care line, such as EmergeLabs, Amatokin, Andalou Naturals, Xtemcell, Jeunesse Luminesce, Lifeline Skin Care, Reprint, Dermelect, G.M. Collin and Goldfaden, as well as generally with cosmetic companies, many of whom have substantially greater financial, technological, research and development, marketing and personnel resources than we do.

**Customers**

Our treatment services are intended to be marketed to the general public via the Internet, and at trade shows to physicians and other health care professionals, skin care professionals and beauty product distributors. We intend to market our product portfolio for clinical applications and to research institutions and large pharmaceutical companies. Our Stem Pearls® product line is intended to be sold via the Internet (www.stempearls.com, which became operational during the first quarter of 2012, and www.biorestorative.com) and to stores either directly or by way of distributors.

**Governmental Regulation**

***U.S. Government Regulation***

The health care industry is highly regulated in the United States. The federal government, through various departments and agencies, state and local governments, and private third-party accreditation organizations regulate and monitor the health care industry, associated products, and operations. The following is a general overview of the laws and regulations pertaining to our business.

***FDA Regulation of Stem Cell Treatment and Products***

The FDA regulates the manufacture of human stem cell treatments and associated products under the authority of the Public Health Safety Act ("PHSA") and the Federal Food, Drug, and Cosmetic Act ("FDCA"). Stem cells can be regulated under FDA's Human Cells, Tissues, and Cellular and Tissue-Based Products Regulations ("HCT/Ps"), or may also be subject to FDA's drug, biological product, or medical device regulations.

***Human Cells, Tissues, and Cellular and Tissue-Based Products ("HCT/Ps") Regulation***

Under Section 361 of the PHSA, the FDA issued specific regulations governing the use of HCT/Ps in humans. Pursuant to Part 1271 of Title 21 of the Code of Federal Regulations ("CFR"), the FDA established a unified registration and listing system for establishments that manufacture and process HCT/Ps. The regulations also include provisions pertaining to donor eligibility determinations; current good tissue practices covering all stages of production, including harvesting, processing, manufacture, storage, labeling, packaging, and distribution; and other procedures to prevent the introduction, transmission, and spread of communicable diseases.

The HCT/P regulations strictly constrain the types of products that may be regulated solely under these regulations. Factors considered include the degree of manipulation, whether the product is intended for a homologous function, whether the product has been combined with noncellular or non-tissue components, and the product's effect or dependence on the body's metabolic function. In those instances where cells, tissues, and cellular and tissue-based products have been only minimally manipulated, are intended strictly for homologous use, have not been combined with noncellular or nontissue substances, and do not depend on or have any effect on the body's metabolism, the manufacturer is only required to register with the FDA, submit a list of manufactured products, and adopt and implement procedures for the control of communicable diseases. If one or more of the above factors has been exceeded, the product would be regulated as a drug, biological product, or medical device rather than an HCT/P.

Because we are a development stage enterprise and have not generated any revenues from operations, it is difficult to anticipate the likely regulatory status of the array of products and services that we may offer. We believe that some of the adult autologous (self-derived) stem cells that will be used in our cellular therapy and biobanking products and services, including the brown adipose (fat) tissue that we intend to use in our ThermoStem Program, may be regulated by the FDA as HCT/Ps under 21 C.F.R. Part 1271. This regulation defines HCT/Ps as articles "containing or consisting of human cells or tissues that are intended for implantation, transplantation, infusion or transfer into a human recipient." However, the FDA may disagree with this position or conclude that some or all of our stem cell therapy products or services do not meet the applicable definitions and exemptions to the regulation. If we are not regulated solely under the HCT/P provisions, we would need to expend significant resources to comply with the FDA's broad regulatory authority under the FDCA. There is also third party litigation pending that may result in the FDA further restricting or expanding the application of the regulation. In such litigation, the FDA has asserted that the defendants' use of cultured stem cells to treat musculoskeletal and spinal injuries without FDA approval is in violation of the FDCA, claiming that the defendants' product is a drug. The defendants have asserted that their procedure is part of the practice of medicine and therefore beyond the FDA's regulatory authority. The uncertainty as to the outcome of the litigation makes the assessment of the regulatory status of our products and services even more unsettled.

If regulated solely under the FDA's HCT/P statutory and regulatory provisions, once our laboratory in the United States becomes operational, it will need to satisfy the following requirements, among others, to process and store stem cells:

- registration and listing of HCT/Ps with the FDA;
- donor eligibility determinations, including donor screening and donor testing requirements;
- current good tissue practices, specifically including requirements for the facilities, environmental controls, equipment, supplies and reagents, recovery of HCT/Ps from the patient, processing, storage, labeling and document controls, and distribution and shipment of the HCT/Ps to the laboratory, storage, or other facility;
- tracking and traceability of HCT/Ps and equipment, supplies, and reagents used in the manufacture of HCT/Ps;
- adverse event reporting;
- FDA inspection;

- importation of HCT/Ps; and

- abiding by any FDA order of retention, recall, destruction, and cessation of manufacturing of HCT/Ps.

Non-reproductive HCT/Ps and non-peripheral blood stem/progenitor cells that are offered for import into the United States and regulated solely under Section 361 of the PHSA must also satisfy the requirements under 21 C.F.R. § 1271.420. Section 1271.420 requires that the importer of record of HCT/Ps offered for import must notify the appropriate FDA official prior to, or at the time of, importation and provide sufficient information for the FDA to make an admissibility decision. In addition, the importer must hold the HCT/P intact and under conditions necessary to prevent transmission of communicable disease until an admissibility decision is made by the FDA.

If the FDA determines that we have failed to comply with applicable regulatory requirements, it can impose a variety of enforcement actions including public warning letters, fines, consent decrees, orders of retention, recall or destruction of product, orders to cease manufacturing, and criminal prosecution. If any of these events were to occur, it could materially adversely affect us.

To the extent that our cellular therapy activities are limited to developing products and services outside the United States, as described in detail below, the products and services would not be subject to FDA regulation, but will be subject to the applicable requirements of the foreign jurisdiction. We intend to comply with all applicable foreign governmental requirements.

***Drug and Biological Product Regulation***

An HCT/P product that does not meet the criteria for being solely regulated under Section 361 of the PHSA will be regulated as a drug, device or biological product under the FDCA and/or Section 351 of the PHSA, and applicable FDA regulations. The FDA has broad regulatory authority over drugs and biologics marketed for sale in the United States. The FDA regulates the research, clinical testing, manufacturing, safety, effectiveness, labeling, storage, recordkeeping, promotion, distribution, and production of drugs and biological products. The FDA also regulates the export of drugs and biological products manufactured in the United States to international markets.

For products that are regulated as drugs, an investigational new drug application (“IND”) and an approved new drug application (“NDA”) are required before marketing and sale in the United States pursuant to the requirements of 21 C.F.R. Parts 312 and 314, respectively. An IND application notifies the FDA of prospective clinical testing and allows the test product to be shipped in interstate commerce. Approval of a NDA requires a showing that the drug is safe and effective for its intended use and that the methods, facilities, and controls used for the manufacturing, processing, and packaging of the drug are adequate to preserve its identity, strength, quality, and purity. If regulated as a biologic, the product must be subject to an IND to conduct clinical trials and a manufacturer must obtain an approved Biologics License Application (“BLA”) before introducing a product into interstate commerce. To obtain a BLA, a manufacturer must show that the proposed product is safe, pure, and potent and that the facility in which the product is manufactured, processed, packed, or held meets established quality control standards.

Drug and biological products must also comply with applicable registration, product listing, and adverse event reporting requirements as well as FDA's general prohibition against misbranding and adulteration. Additionally, the FDA actively enforces regulations prohibiting marketing and promotion of drugs and biologics for indications or uses that have not been approved by the FDA (i.e., "off label" promotion).

We are a development stage enterprise and have not generated any revenues from operations. In the event that the FDA does not regulate our services in the United States solely under the HCT/P regulation, our products and activities could be regulated as drug or biological products under the FDCA. If regulated as drug or biological products, we will need to expend significant resources to ensure regulatory compliance. If an IND and NDA or BLA are required for any of our products, there is no assurance as to whether or when we will receive FDA approval of the product. The process of designing, conducting, compiling and submitting the non-clinical and clinical studies required for NDA or BLA approval is time-consuming, expensive and unpredictable. The process can take many years, depending on the product and the FDA's requirements.

If the FDA determines that we have failed to comply with applicable regulatory requirements, it can impose a variety of enforcement actions from public warning letters, fines, injunctions, consent decrees and civil penalties to suspension or delayed issuance of approvals, seizure of our products, total or partial shutdown of our production, withdrawal of approvals, and criminal prosecutions. If any of these events were to occur, it could materially adversely affect us.

***Medical Device Regulation***

The FDA also has broad authority over the regulation of medical devices marketed for sale in the United States. The FDA regulates the research, clinical testing, manufacturing, safety, labeling, storage, recordkeeping, premarket clearance or approval, promotion, distribution, and production of medical devices. The FDA also regulates the export of medical devices manufactured in the United States to international markets.

Under the FDCA, medical devices are classified into one of three classes- Class I, Class II, or Class III, depending upon the degree of risk associated with the medical device and the extent of control needed to ensure safety and effectiveness. Class I devices are subject to the lowest degree of regulatory scrutiny because they are considered low risk devices and need only comply with the FDA's General Controls. The General Controls include compliance with the registration, listing, adverse event reporting requirements, and applicable portions of the Quality System Regulation as well as the general misbranding and adulteration prohibitions.

Class II devices are subject to the General Controls as well as certain Special Controls such as 510(k) premarket notification. Class III devices are subject to the highest degree of regulatory scrutiny and typically include life supporting and life sustaining devices and implants. They are subject to the General Controls and Special Controls that include a premarket approval application ("PMA"). "New" devices are automatically regulated as Class III devices unless they are shown to be low risk, in which case they may be subject to de novo review to be moved to Class I or Class II. Clinical research of an investigational device is regulated under the IDE regulations of 21 C.F.R. Part 812. Nonsignificant risk devices are subject to abbreviated requirements that do not require a submission to FDA but must have Institutional Review Board (IRB) approval and comply with other requirements pertaining to informed consent, labeling, recordkeeping, reporting, and monitoring. Significant risk devices require the submission of an IDE application to FDA and FDA's approval of the IDE application.

The FDA premarket clearance and approval process can be lengthy, expensive and uncertain. It generally takes three to twelve months from submission to obtain 510(k) premarket clearance, although it may take longer. Approval of a PMA could take one to four years, or more, from the time the application is submitted and there is no guarantee of ultimate clearance or approval. Securing FDA clearances and approvals may require the submission of extensive clinical data and supporting information to the FDA. Additionally, the FDA actively enforces regulations prohibiting marketing and promotion of devices for indications or uses that have not been cleared or approved by the FDA. In addition, modifications or enhancements of products that could affect the safety or effectiveness or effect a major change in the intended use of a device that was either cleared through the 510(k) process or approved through the PMA process may require further FDA review through new 510(k) or PMA submissions.

In the event we develop processes, products or services which qualify as medical devices subject to FDA regulation, we intend to comply with such regulations. If the FDA determines that our products are regulated as medical devices and we have failed to comply with applicable regulatory requirements, it can impose a variety of enforcement actions from public warning letters, application integrity proceedings, fines, injunctions, consent decrees and civil penalties to suspension or delayed issuance of approvals, seizure of our products, total or partial shutdown of our production, withdrawal of approvals, and criminal prosecutions. If any of these events were to occur, it could materially adversely affect us.

***Current Good Manufacturing Practices and other FDA Regulations of Cellular Therapy Products***

Products that fall outside of the HCT/P regulations and are regulated as drugs, biological products, or devices must comply with applicable good manufacturing practice regulations. The current Good Manufacturing Practices ("cGMPs") regulations for drug products are found in 21 C.F.R. Parts 210 and 211; the General Biological Product Standards for biological products are found in 21 C.F.R. Part 610; and the Quality System Regulation for medical devices are found in 21 C.F.R. Part 820. These cGMPs and quality standards are designed to ensure the products that are processed at a facility meet the FDA's applicable requirements for identity, strength, quality, sterility, purity, and safety. In the event that our domestic U.S. operations are subject to the FDA's drug, biological product, or device regulations, we intend to comply with the applicable cGMPs and quality regulations.

If the FDA determines that we have failed to comply with applicable regulatory requirements, it can impose a variety of enforcement actions from public warning letters, fines, injunctions, consent decrees and civil penalties to suspension or delayed issuance of approvals, seizure of our products, total or partial shutdown of our production, withdrawal of approvals, and criminal prosecutions. If any of these events were to occur, it could materially adversely affect us.

***Good Laboratory Practices***

The FDA prescribes good laboratory practices ("GLPs") for conducting nonclinical laboratory studies that support applications for research or marketing permits for products regulated by the FDA. These regulations are published in Part 58 of Title 21 of the Code of Federal Regulations. GLPs are intended to assure the quality and integrity of the safety data filed in research and marketing permits. GLPs provide requirements for organization, personnel, facilities, equipment, testing facilities operation, test and control articles, protocol for nonclinical laboratory study, records, reports, and disqualification by the FDA. To the extent that we are required to, or the above regulation applies, we intend that our domestic laboratory activities will comply with GLPs.

***Promotion of Foreign-Based Cellular Therapy Treatment—"Medical Tourism"***

We intend to establish, or license technology to third parties in connection with their establishment of, adult stem cell therapy facilities outside the United States. We also intend to work with hospitals and physicians to make the stem cell-based therapies available for patients who travel outside the United States for treatment. "Medical tourism" is defined as the practice of traveling across international borders to obtain health care. We intend to market our treatment services on the Internet and at trade shows to physicians and other health care professionals, skin care professionals, and beauty product distributors.

The Federal Trade Commission ("FTC") has the authority to regulate and police advertising of medical treatments, procedures, and regimens in the United States under the Federal Trade Commission Act ("FTCA"). Under Sections 5(a) and 12 of the FTCA (15 U.S.C. §§45(a) and 52), the FTC has regulatory authority to prevent unfair and deceptive practices and false advertising. Specifically, the FTC requires advertisers and promoters to have a reasonable basis to substantiate and support claims. The FTC has many enforcement powers, one of which is the power to order disgorgement by promoters deemed in violation of the FTCA of any profits made from the promoted business and can order injunctions from further violative promotion. Advertising that we may utilize in connection with our medical tourism operations will be subject to FTC regulatory authority, and we intend to comply with such regulatory régime.

***Cosmetic and Skin Care Regulation***

We intend to develop skin care products derived from plant stem cells and have established Stem Pearls, LLC to develop and market plant-derived stem cell cosmetic products in the United States and abroad.

Depending upon product claims and formulation, skin care products may be regulated as cosmetics, drugs, devices, or combination cosmetics and drugs. We intend to only market cosmetic skin care products. The FDA has authority to regulate cosmetics marketed in the United States under the FDCA and the Fair Packaging and Labeling Act ("FPLA") and its implementing regulations. The FTC regulates the advertising of cosmetics under the FTCA.

The FDCA prohibits the marketing of adulterated and misbranded cosmetics. Cosmetic ingredients must also comply with the FDA's ingredient, quality and labeling requirements and the FTC's requirements pertaining to truthful and non-misleading advertising. Cosmetic products and ingredients, with the exception of color additives, are not required to have FDA premarket approval. Manufacturers of cosmetics are also not required to register their establishments, file data on ingredients, or report cosmetic-related injuries to the FDA.

Stem Pearls, LLC, our cosmetics subsidiary, will be responsible for substantiating the safety and product claims of the cosmetic products and ingredients before marketing. The FDA or FTC may disagree with our characterization of one or more of the skin care products as a cosmetic or the product claims. This could result in a variety of enforcement actions which could require the reformulation or relabeling of our products, the submission of information in support of the product claims or the safety and effectiveness of our products, or more punitive action, all of which could have a material adverse effect on our business. If the FDA determines we have failed to comply with applicable requirements under the FDCA or FPLA, it can impose a variety of enforcement actions from public warning letters, injunctions, consent decrees and civil penalties to seizure of our products, total or partial shutdown of our production, and criminal prosecutions. If any of these events were to occur, it could materially adversely affect us. If the FTC determines we have failed to substantiate our claims, it can pursue a variety of actions including disgorgement of profits, injunction from further violative conduct, and consent decrees.

Some types of skin-care products are regulated as both cosmetics and drugs under the FDCA. Examples of drug-cosmetic combination products are facial moisturizers that contain sunscreen and skin protectant hand lotions. Products that are both cosmetics and drugs because of ingredients or intended use must satisfy the regulatory requirements for both cosmetics and drugs. The drug requirements include either FDA premarket approval under an NDA or an abbreviated new drug application ("ANDA"), or, more typically, implicit approval through conformance with the applicable FDA final regulation (also known as an over-the-counter drug monograph) that specifies the conditions that must be met for the drug to be generally recognized as safe and effective.

At present, we do not anticipate any of the products marketed as Stem Pearls® will be regulated as a combination cosmetic and drug or solely as a drug or device. However, the FDA may disagree with such a determination which could result in a variety of enforcement actions and significant additional expenditure to comply with all FDA regulations applicable to such products.

***Domestic State and Local Government Regulation***

Some states and local governments in the United States regulate stem cell collection, processing, and administration facilities and require these facilities to obtain specific licenses. Our Florida laboratory will be required to comply with Florida law, including becoming licensed as a clinical laboratory and being subject to inspection. Some states, such as New York and Maryland, require licensure of out-of-state facilities that process cell, tissue and/or blood samples of residents of those states. To the extent we are required to seek other state licensure, we will obtain the applicable state licensures for our laboratory and treatment centers and comply with the current and any new licensing laws that become applicable in the future. There may also be applicable state and local requirements that apply to the labeling, operation, sale, and distribution of our skin care products, our stem cell therapy products, or any related services we may provide. To the extent additional state or local laws apply, we intend to comply with them.

***Federal Regulation of Clinical Laboratories***

Congress passed the Clinical Laboratory Improvement Amendments (“CLIA”) in 1988, which provided the Centers for Medicare and Medicaid Services (“CMS”) authority over all laboratory testing, except research, that are performed on humans in the United States. The Division of Laboratory Services, within the Survey and Certification Group, under the Center for Medicaid and State Operations (“CMSO”) has the responsibility for implementing the CLIA program.

The CLIA program is designed to establish quality laboratory testing by ensuring the accuracy, reliability, and timeliness of patient test results. Under CLIA, a laboratory is a facility that does laboratory testing on specimens derived from humans and used to provide information for the diagnosis, prevention, treatment of disease, or impairment of, or assessment of health. Laboratories that handle stem cells and other biologic matter are, therefore, included under the CLIA program. Under the CLIA program, laboratories must be certified by the government, satisfy governmental quality and personnel standards, undergo proficiency testing, be subject to inspections, and pay fees. The failure to comply with CLIA standards could result in suspension, revocation, or limitation of a laboratory’s CLIA certificate. In addition, fines or criminal penalties could also be levied. To the extent that our business activities require CLIA certification, we intend to obtain and maintain such certification.

***Health Insurance Portability and Accountability Act—Protection of Patient Health Information***

The Health Insurance Portability and Accountability Act of 1996 (“HIPAA”) included the *Administrative Simplification* provisions that required the Secretary of the Department of Health and Human Services (“HHS”) to adopt regulations for the electronic exchange, privacy, and security of individually identifiable health information that HIPAA protects (called "protected health information"). HHS published the *Standards for Privacy of Individually Identifiable Health Information* (“Privacy Rule”) and the *Security Standards for the Protection of Electronic Protected Health Information* (“Security Rule”) to protect the privacy and security of protected health information. The Privacy Rule specifies the required, permitted and prohibited uses and disclosures of an individual’s protected health information by health plans, health care clearinghouses, and any health care provider that transmits health information in electronic format (collectively called "covered entities"). The Security Rule establishes a national security standard for safeguarding protected health information that is held or transferred in electronic form (called "electronic protected health information"). The Security Rule addresses the technical and non-technical safeguards that covered entities must implement to secure individuals’ electronic protected health information.

In addition to covered entities, the Health Information Technology and Clinical Health Act (the "HITECH Act") made certain provisions of the Security Rule, as well as the additional requirements HITECH imposed that relate to security and that are imposed on covered entities, directly applicable as a matter of law to individuals and entities that perform permitted functions on behalf of covered entities when those function involve the use or disclosure of protected health information. These individuals and entities are called "business associates." Covered entities are required to enter into a contract with business associates, called a "business associate agreement," that also imposes many of the Privacy Rule requirements on business associates as a matter of contract.

Companies failing to comply with HIPAA and the implementing regulations may be subject to civil money penalties or in the case of knowing violations, potential criminal penalties, including monetary fines, imprisonment, or both.

To the extent that we are a covered entity or a business associate of a covered entity, we must comply with HIPAA and the implementing regulations. We must also comply with other additional federal or state privacy laws and regulations that may apply to certain diagnoses, such as HIV/AIDS, to the extent that they apply to us.

***Other Applicable U.S. Laws***

In addition to the above-described regulation by United States federal and state government, the following are other federal and state laws and regulations that could directly or indirectly affect our ability to operate the business:

- state and local licensure, registration, and regulation of the development of pharmaceuticals and biologics;
- state and local licensure of medical professionals;
- state statutes and regulations related to the corporate practice of medicine;
- laws and regulations administered by U.S. Customs and Border Protection (“CBP”) related to the importation of biological material into the United States;
- other laws and regulations administered by the U.S. Food and Drug Administration;
- other laws and regulations administered by the U. S. Department of Health and Human Services;
- state and local laws and regulations governing human subject research and clinical trials;
- the federal physician self-referral prohibition, also known as Stark Law, and any state equivalents to Stark Law;
- the federal Anti-Kickback Law and any state equivalent statutes and regulations;
- Federal and state coverage and reimbursement laws and regulations;

- state and local laws and regulations for the disposal and handling of medical waste and biohazardous material;
- Occupational Safety and Health ("OSHA") regulations and requirements; and
- the Intermediate Sanctions rules of the IRS providing for potential financial sanctions with respect to "Excess Benefit Transactions" with HUMC or other tax-exempt organizations.

***Foreign Government Regulation***

In general, we will need to comply with the government regulations of each individual country in which our therapy centers are located and products are to be distributed and sold. These regulations vary in complexity and can be as stringent, and on occasion even more stringent, than FDA regulations in the United States. Due to the fact that there are new and emerging cell therapy and cell banking regulations that have recently been drafted and/or implemented in various countries around the world, the application and subsequent implementation of these new and emerging regulations have little to no precedence. Therefore, the level of complexity and stringency is not always precisely understood today for each country, creating greater uncertainty for the international regulatory process. Furthermore, government regulations can change with little to no notice and may result in up-regulation of our product(s), thereby creating a greater regulatory burden for our cell processing and cell banking technology products. We have not yet thoroughly explored the applicable laws and regulations that we will need to comply with in foreign jurisdictions. It is possible that we may not be permitted to expand our business into one or more foreign jurisdictions.

We do not have any definitive plans or arrangements with respect to the establishment by us of stem cell therapy clinics in any country. We intend to explore any such opportunities as they arise.

**Offices**

Our principal executive offices are located at 555 Heritage Drive, Jupiter, Florida, and our telephone number is (561) 904-6070. Our website is www.biorestorative.com. Our internet website and the information contained therein or connected thereto are not intended to be incorporated by reference into this Annual Report.

**Employees**

We currently have four employees all of whom are full-time employees. We believe that our employee relations are good.

**ITEM 1A**. **RISK FACTORS**.

Not applicable. See, however, Item 7 ("Management's Discussion and Analysis of Financial Condition and Results of Operations - Factors That May Affect Future Results and Financial Condition").

**ITEM 1B**. **UNRESOLVED STAFF COMMENTS**.

Not applicable.

**ITEM 2.** **PROPERTIES**.

Our principal executive offices and laboratory are located at 555 Heritage Drive, Jupiter, Florida. We occupy the premises pursuant to a three year lease that expires on January 31, 2014 and provides that no base rent is payable during the initial year and that a base monthly rent of $6,234 and $6,422 is payable during the second and third years, respectively.

Pursuant to the lease, we are responsible for our share of operating expenses (as defined in the lease), and we have the right to extend the term of the lease for a period of three years at a rent equal to the market rate (as defined in the lease).

Our Jupiter, Florida premises are suitable and adequate for our intended near-term domestic operations.

**ITEM 3.** **LEGAL PROCEEDINGS**.

None.

**ITEM 4.** **MINE SAFETY DISCLOSURES.**

Not applicable.

## PART II

**ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES**.

**Market Information**

Transactions in our common stock are reported under the symbol "BRTX" on the OTCQB tier of the OTC Markets. The following table sets forth the range of high and low bids reported in the over-the-counter market for our common stock. The prices shown below represent prices in the market between dealers in securities; they do not include retail markup, markdown or commissions, and do not necessarily represent actual transactions.

| | High | Low |
|---|---|---|
| **2010 Calendar Year** | | |
| First Quarter | $ 0.025 | $ 0.007 |
| Second Quarter | $ 0.029 | $ 0.016 |
| Third Quarter | $ 0.019 | $ 0.015 |
| Fourth Quarter | $ 0.018 | $ 0.010 |

| | High | Low |
|---|---|---|
| **2011 Calendar Year** | | |
| First Quarter | $ 0.015 | $ 0.010 |
| Second Quarter | $ 0.026 | $ 0.018 |
| Third Quarter | $ 0.025 | $ 0.010 |
| Fourth Quarter | $ 0.020 | $ 0.010 |

**Holders**

As of March 26, 2012, there were 202 record holders of our shares of common stock.

**Dividends**

Holders of our shares of common stock are entitled to dividends when, as and if declared by our Board of Directors out of funds legally available.

We have not declared or paid any dividends in the past to the holders of our common stock and do not currently anticipate declaring or paying any dividends in the foreseeable future. We intend to retain earnings, if any, to finance the development and expansion of our business. Future dividend policy will be subject to the discretion of our Board of Directors and will be contingent upon future earnings, if any, our financial condition, capital requirements, general business conditions, and other factors. Therefore, we can give no assurance that any dividends of any kind will ever be paid to holders of our common shares.

**Recent Sales of Unregistered Securities**

During the three months ended December 31, 2011, we sold the following securities in transactions not involving any public offering. For each of the following transactions, we relied upon Section 4(2) of the Securities Act of 1933, as amended, as transactions by an issuer not involving any public offering. For each such transaction, we did not use general solicitation or advertising to market the securities, the securities were offered to a limited number of persons, the investors had access to information regarding us (including information contained in our Registration Statement on Form 10, as amended, our quarterly reports and current reports filed with the Securities and Exchange Commission and press releases made by us), and we were available to answer questions by prospective investors. We reasonably believe that each of the investors is an accredited investor.

| Date Issued | Number of Shares | Purchaser(s) | Consideration(1) |
|---|---|---|---|
| October 1, 2011 | 807,700 | TDA Consulting Services LLC (“TDA”) | $ 6,672(2) |
| October 13, 2011 | 4,000,000(3) | (4) | $ 100,000 |
| November 1, 2011 | 807,700 | TDA | $ 6,672(2) |
| November 4, 2011 | 20,000,000 | (4) | $ 141,780(5) |
| November 7, 2011 | 250,000 | (4) | $ 1,983(6) |
| November 10, 2011 | 1,500,000 | (4) | $ 10,633(5) |
| November 28, 2011 | 250,000 | (4) | $ 1,983(6) |
| December 1, 2011 | 807,700 | TDA | $ 6,672(2) |
| December 20, 2011 | 4,000,000(3) | (4) | $ 100,000 |

(1) The value of the non-cash consideration was estimated to be the fair value (relative fair value in the case of shares issued in connection with debt issuance) of our restricted common stock. Since our shares are not currently publicly traded, the fair value of our equity instruments was estimated using a share price derived from the quarterly rolling weighted average cash price paid to us for the purchase of shares of common stock.

(2) Issued in consideration of business advisory services.

(3) Also received warrants for the purchase of 1,000,000 shares of common stock.

(4) Accredited investor.

(5) Issued as debt discount in connection with loans.

(6) Issued in consideration of debt extension.

**Issuer Purchases of Equity Securities**

The following table set forth certain information with respect to purchases of common stock made by us or any “affiliated purchaser” during the quarter ended December 31, 2011:

| Period | Total Number of Shares Purchased (1) | Average Price Paid per Share | Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs | Maximum Number of Shares that May Be Purchased Under the Plans or Programs |
|---|---|---|---|---|
| 10/1/11 – 10/31/11 | - | - | - | - |
| 11/1/11 – 11/30/11 | - | - | - | - |
| 12/1/11 – 12/31/11 | 50,000,000 | $ 0.001 | - | - |
| Total | 50,000,000 | $ 0.001 | - | - |

(1) Purchases made by "affiliated purchasers".

**ITEM 6. SELECTED FINANCIAL DATA.**

Not applicable.

**ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.**

The following discussion of results of operations and financial condition is based upon, and should be read in conjunction with, our consolidated financial statements and accompanying notes thereto, included elsewhere in this Annual Report following Item 15. This discussion contains forward-looking statements. Actual results could differ materially from the results discussed in the forward-looking statements. Reference is made to "Forward-Looking Statements" and Item 7 ("Management's Discussion and Analysis of Financial Condition and Results of Operations – Factors That May Affect Future Results and Financial Condition") on page 33 for a discussion of some of the uncertainties, risks and assumptions associated with these statements.

**Overview**

Our goal is to become a medical center of excellence using cell and tissue regenerative therapy protocols, primarily involving a patient's own (autologous) adult stem cells allowing patients to undergo cellular-based treatments. As more and more cellular therapies become standard of care, we intend to focus on the unity of medical and scientific explanations for future clinical procedures and outcomes and the provision of adult stem cells for future personal medical applications. Among the initiatives that we are currently pursuing is one that would involve the use of brown fat in connection with the cell-based treatment of obesity, weight loss, diabetes, hypertension, other metabolic disorders and cardiac deficiencies. We have also entered into a license agreement which permits us to use technology for adult stem cell treatment of disc and spine conditions, including bulging and herniated discs. The technology is an advanced stem cell injection procedure that may offer relief from lower back pain, buttock and leg pain, and numbness and tingling in the legs and feet.

We also operate a wholly-owned subsidiary, Stem Pearls, LLC, which offers facial creams and other skin care products with certain ingredients that may include stem cells and/or other stem cell optimization or regenerative compounds.

We currently are developing an infrastructure to establish a laboratory for the possible development of cellular-based treatment protocols, stem cell-related intellectual property, and research applications.

We are a development stage enterprise. Our primary activities in the stem cell area have been the development of our business plan, negotiating strategic alliances and other agreements and raising capital. We have not generated any revenues. Our web site address is www.biorestorative.com.

Since inception on December 30, 2008, we have incurred substantial losses. As of December 31, 2011 and December 31, 2010, our accumulated deficit was $7,524,498 and $3,450,561, respectively, our stockholders' deficiency was $3,686,397 and $744,222, respectively, and our working capital deficiency was $3,788,947 and $997,778, respectively. We have not yet generated revenues and our losses have principally been operating expenses incurred in development, marketing and promotional activities in order to commercialize our products and services. We expect to continue to incur substantial costs for development, marketing and promotional activities over at least the next year.

Based upon our working capital deficiency as of December 31, 2011 and the lack of any revenues, we require equity and/or debt financing to continue our operations. Between June 2009 and December 31, 2011, we raised an aggregate of $3,573,639 in debt financing. As of December 31, 2011, our outstanding debt of $3,190,000, together with interest at rates ranging between 10% and 15% per annum, was due between November 2011 and November 2012. Subsequent to December 31, 2011 and through April 10, 2012, we have received aggregate debt financing of $1,600,500 and equity financing of $650,000, the due date for repayment of $1,610,000 of debt has been extended, $175,000 of debt has been converted to equity and we have repaid $50,000 of debt. As a result, we expect that the cash we have available will fund our operations only until May 2012. We are currently considering several different financing alternatives to support our operations thereafter. If we are unable to obtain such additional financing on a timely basis and, notwithstanding any request we may make, our debt holders do not agree to convert their notes into equity or extend the maturity dates of their notes, we may have to curtail our development, marketing and promotions activities, which would have a material adverse effect on our business, financial condition and results of operations, and ultimately we could be forced to discontinue our operations and liquidate. See "Liquidity and Capital Resources" below.

**Consolidated Results of Operations**

**Year Ended December 31, 2011 compared with Year Ended December 31, 2010**

The following table presents selected items in our consolidated statements of operations for the years ended December 31, 2011 and 2010, respectively.

| | Year Ended December 31, | |
|---|---|---|
| | 2011 | 2010 |
| Operating Expenses: | | |
| Marketing and promotion | $ 103,696 | $ 124,850 |
| Payroll and benefits | 1,380,867 | 760,171 |
| Consulting expense | 682,171 | 682,152 |
| General and administrative | 1,373,271 | 490,544 |
| Research and development | 12,000 | 11,620 |
| Loss From Operations | (3,552,005) | (2,069,337) |
| Other income | - | 11,432 |
| Interest expense | (260,011) | (24,155) |
| Amortization of debt discount | (345,369) | (181,739) |
| Gain on settlement of note and payables, net | 83,448 | - |
| Net loss | $ (4,073,937) | $ (2,263,799) |

***Marketing and promotion expenses***

Marketing and promotion expenses include advertising and promotion, marketing and seminars, meals, and entertainment and travel expenses. For the year ended December 31, 2011, marketing and promotion expenses decreased by $21,154, or 17%, as compared to the year ended December 31, 2010. The decrease was primarily due to the fact that we spent much of 2011 reassessing and developing our business initiatives, rather than marketing products or services.

We expect that marketing and promotion expenses will increase in the future as we increase our marketing activities following full commercialization of our products and services.

***Payroll and benefits***

Payroll and benefits consist primarily of salaries, bonuses, payroll taxes, severance costs and stock-based compensation to employees. For the year ended December 31, 2011, payroll and benefits increased by $620,696, or 82%, as compared to the year ended December 31, 2010. The increase resulted primarily due to an increase in salary and bonus payroll, plus severance payments, partially offset by reduced employee stock-based compensation expense.

***Consulting expenses***

Consulting expenses consist of consulting fees and stock-based compensation to consultants. For the year ended December 31, 2011, consulting expenses were consistent with those for the year ended December 31, 2010. Consulting expenses remained consistent primarily due to an increase in business development consulting services, offset by a decrease in marketing and medical advisory consulting services and a decrease in consultant stock-based compensation expense.

***General and administrative expenses***

General and administrative expenses consist primarily of corporate support expenses such as legal and professional fees, investor relations and telecommunications expenses. For the year ended December 31, 2011, general and administrative expenses increased $882,727, or 180%, as compared to the year ended December 31, 2010. The increase resulted primarily from an increase in professional fees as a result of fees incurred in connection with our filings with the Securities and Exchange Commission.

We expect that our general and administrative expenses will continue to increase as we expand our staff, develop our infrastructure and incur additional costs to support the growth in our business.

***Research and development expenses***

Research and development expenses are expensed as they are incurred. For the year ended December 31, 2011, research and development increased by $380, or 3%, as compared to the year ended December 31, 2010.

We believe that a substantial investment in research and development is essential in the long term to remain competitive. Accordingly, we expect that, subject to the receipt of necessary additional financing, our research and development expenses will increase as we grow.

***Other income***

Other income for the year ended December 31, 2010 represents income from the sale of sample products. No such samples were sold in 2011.

***Interest expense***

For the year ended December 31, 2011, interest expense increased $235,856, or 976%, as compared to the year ended December 31, 2010. The increase was due to an increase in short-term borrowings.

***Amortization of debt discount***

For the year ended December 31, 2011, amortization of debt discount increased $163,630, or 90%, as compared to the year ended December 31, 2010. The increase was due to the additional common stock issued in connection with the increase in, and negotiated extensions of short-term borrowings.

***Gain on settlement of note and payables, net***

Gain on settlement of note and payables for the year ended December 31, 2011 represented the difference between our recorded payment obligations and the agreed amount that was ultimately paid pursuant to various settlement agreements.

**Liquidity and Capital Resources**

**Liquidity**

We measure our liquidity in a number of ways, including the following:

| | December 31, | |
|---|---|---|
| | 2011 | 2010 |
| Cash | $ 71,508 | $ 18,074 |
| Working Capital Deficiency | $ (3,788,947) | $ (997,778) |
| Notes Payable, current (excluding debt discount) | $ 3,190,000 | $ 533,523 |

From inception on December 30, 2008 through December 31, 2011, we raised a total of $3,573,639 from debt financing and $891,300 from equity financing. As of December 31, 2011, we had $71,508 in unrestricted cash and a working capital deficiency of $3,788,947. Subsequent to December 31, 2011 and through April 10, 2012, we have received aggregate debt financing of $1,600,500, we have received aggregate equity financing of $650,000, the due date for repayment of $1,610,000 of debt has been extended, $175,000 of debt has been converted to equity, and we have repaid $50,000 of debt. The Company currently has notes payable aggregating $250,000 which are past their maturity dates. The Company is currently in the process of negotiating extensions or discussing conversions to equity with respect to these notes.

**Availability of Additional Funds**

Based upon our working capital deficiency of $3,788,947 as of December 31, 2011 and the lack of any revenues, we require equity and/or debt financing to continue our operations. Between June 2009 and December 31, 2011, we raised $3,573,639 in debt financing. As of December 31, 2011, our outstanding debt of $3,190,000, together with interest at rates ranging between 10% and 15% per annum, was due between November 2011 and November 2012. Subsequent to December 31, 2011 and through April 10, 2012, we have received aggregate debt financing of $1,600,500, we have received aggregate equity financing of $650,000, the due date for repayment of $1,610,000 of debt has been extended, $175,000 of debt has been converted to equity, and we have repaid $50,000 of debt. The Company currently has notes payable aggregating $250,000 which are past their maturity dates. The Company is currently in the process of negotiating extensions or discussing conversions to equity with respect to these notes.

As a result, we believe that the cash we have available will fund our operations only until May 2012. Thereafter, we will need to raise further capital, through the sale of additional equity securities or otherwise, to support our future operations and to repay our debt (unless, if requested, the debt holders agree to convert their notes into equity or extend the maturity dates of their notes). Our operating needs include the planned costs to operate our business, including amounts required to fund working capital and capital expenditures. Our future capital requirements and the adequacy of our available funds will depend on many factors, including our ability to successfully commercialize our products and services, competing technological and market developments, and the need to enter into collaborations with other companies or acquire other companies or technologies to enhance or complement our product and service offerings.

We may be unable to raise sufficient additional capital when we need it or to raise capital on favorable terms. Debt financing may require us to pledge certain assets and enter into covenants that could restrict certain business activities or our ability to incur further indebtedness, and may contain other terms that are not favorable to our stockholders or us. If we are unable to obtain adequate funds on reasonable terms, we may be required to significantly curtail or discontinue operations or to obtain funds by entering into financing agreements on unattractive terms.

These conditions raise substantial doubt about our ability to continue as a going concern. Our consolidated financial statements included elsewhere in this Annual Report following Item 15 have been prepared in conformity with accounting principles generally accepted in the United States of America, which contemplate our continuation as a going concern and the realization of assets and satisfaction of liabilities in the normal course of business. The carrying amounts of assets and liabilities presented in the financial statements do not necessarily purport to represent realizable or settlement values. The financial statements do not include any adjustment that might result from the outcome of this uncertainty.

During the year ended December 31, 2011, our sources and uses of cash were as follows:

**Net Cash Used in Operating Activities**

We experienced negative cash flow from operating activities for the years ended December 31, 2011 and 2010 in the amounts of $2,810,867 and $729,218, respectively. The cash used in operating activities for the year ended December 31, 2011 was due to cash used to fund a net loss of $4,073,937, reduced by net non-cash items related to depreciation and amortization, amortization of debt discount, a loss on the sale of property and equipment, a gain on the restructuring of a note and payables, and stock-based compensation in the aggregate amount of $830,773, partially offset by $432,297 of cash provided by changes in the levels of operating assets and liabilities primarily as a result of conserving cash by extending the payment of payables. The cash used in operating activities for the year ended December 31, 2010 was due to cash used to fund a net loss of $2,263,799, adjusted for non-cash expenses related to depreciation, amortization of debt discount, and stock-based compensation in the aggregate amount of $1,125,705, as well as a change in accounts payable and accrued expenses and other current liabilities of $402,926.

**Net Cash Provided by (Used in) Investing Activities**

Investing activities provided cash of $14,228 during the year ended December 31, 2011. During such year, we received proceeds from the sale of property and equipment of $32,000 and used $17,772 to purchase property and equipment. We used $48,784 of cash during the year ended December 31, 2010 to acquire property and equipment and intangibles. The cash used in the year ended December 31, 2010 includes the cost to acquire medical equipment ($23,060) and furniture and fixtures ($22,323).

**Net Cash Provided by Financing Activities**

Cash provided by financing activities during the years ended December 31, 2011 and 2010 was $2,850,073 and $796,034, respectively. During the year ended December 31, 2011, the net proceeds were from debt financing activities ($2,962,500) and equity financing activities ($200,000), offset by repayments of debt financing ($308,427). During the year ended December 31, 2010, the net proceeds were from debt financing activities ($332,654) and equity financing activities ($668,175), offset by repayments of debt financing ($176,795) and repurchases of common stock ($28,000).

**Critical Accounting Policies and Estimates**

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at dates of the financial statements and the reported amounts of revenue and expenses during the periods. Actual results could differ from these estimates. Our significant estimates and assumptions include the recoverability and useful lives of long-lived assets, the fair value of our stock, stock-based compensation, debt discount and a valuation allowance relating to our deferred tax assets.

**Deferred Tax Valuation Allowance**

We believe significant uncertainties exist regarding the future realization of deferred tax assets, and, accordingly, a full valuation allowance has been established. In subsequent periods, if and when we generate pre-tax income, a tax expense will not be recorded to the extent that the remaining valuation allowance can be used to offset that expense. Once a consistent pattern of pre-tax income is established or other events occur that indicate that the deferred tax assets will be realized, some or all of the existing valuation allowance will be reversed back to income. Should we generate pre-tax losses in subsequent periods, a tax benefit will not be recorded and the valuation allowance will be increased.

**Stock-Based Compensation**

We account for equity instruments issued to non-employees in accordance with accounting guidance which requires that such equity instruments are recorded at their fair value on the measurement date, which is typically the date the services are performed.

We account for equity instruments issued to employees in accordance with accounting guidance that requires awards are recorded at their fair value on the date of grant and are amortized over the vesting period of the award. We recognize compensation costs over the requisite service period of the award, which is generally the vesting term of the options associated with the underlying employment agreement, if applicable.

Since the shares underlying our 2010 Equity Participation Plan are not currently registered, the fair value of our restricted equity instruments was estimated by management based on observations of the cash sales prices of both restricted shares and freely tradable shares.

The fair value of options is estimated using the Black-Scholes valuation model. These fair values were estimated using the following additional assumptions:

| | Year Ended December 31, 2011 |
|---|---|
| Risk free interest rate | 1.54% |
| Expected term (years) | 4.51 |
| Expected volatility | 205% |
| Expected dividends | 0% |

*Risk-Free Interest Rate*. This is the United States Treasury rate for the day of the grant having a term equal to the expected term of the option. An increase in the risk-free interest rate will increase the fair value and the related compensation expense.

*Stock Price.* Since our shares are not currently publicly traded, the fair value of our equity instruments was estimated by management based on observations of the cash sales prices of both restricted shares and freely tradable shares.

*Expected Term.* This is the period of time over which the award is expected to remain outstanding. The expected term of options granted during the periods was calculated using the simplified method set out in SEC Staff Accounting Bulletin, No. 107, as amended by No. 110, using the vesting period set forth in the option agreements and the expected contractual term of 10 years. The simplified method defines the expected term as the average of the contractual term and vesting period. An increase in the expected term will increase the fair value and the related compensation expense.

*Expected Volatility.* This is a measure of the amount by which our share price has fluctuated or is expected to fluctuate. Since the Company's stock has not been publicly traded for a long period of time, we use the average of the historic volatility of comparative companies. An increase in the expected volatility will increase the fair value and the related compensation expense.

*Dividend Yield.* We have not made any dividend payment nor do we have plans to pay dividends in the foreseeable future. An increase in the dividend yield will decrease the fair value and the related compensation expense.

**Recently Issued Accounting Pronouncements**

In May 2011, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) No. 2011-04, “Fair Value Measurement (Topic 820) - Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs." This ASU addresses fair value measurement and disclosure requirements within Accounting Standards Codification ("ASC") Topic 820 for the purpose of providing consistency and common meaning between U.S. GAAP and IFRSs. Generally, this ASU is not intended to change the application of the requirements in Topic 820. Rather, this ASU primarily changes the wording to describe many of the requirements in U.S. GAAP for measuring fair value or for disclosing information about fair value measurements. This ASU is effective for periods beginning after December 15, 2011. It is not expected to have any impact on our consolidated financial statements or disclosures.

**Off-Balance Sheet Arrangements**

We have no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

**Factors That May Affect Future Results and Financial Condition**

The risk factors listed in this section provide examples of risks, uncertainties and events that may cause our actual results to differ materially from the expectations we describe in our forward-looking statements. Readers should be aware that the occurrence of any of the events described in these risk factors could have a material adverse effect on our business, results of operations and financial condition. We undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events, or otherwise.

***We have a very limited operating history; we have incurred substantial losses since inception; we expect to continue to incur losses for the near term; we have a substantial working capital deficiency and a stockholders’ deficiency; the report of our independent registered public accounting firm contains an explanatory paragraph that expresses substantial doubt about our ability to continue as a going concern.***

We have a very limited operating history. Since our inception, we have incurred net losses. As of December 31, 2011, we had a working capital deficiency of $3,788,947 and stockholders’ deficiency of $3,686,397. The report of our independent registered public accounting firm with respect to our financial statements as of December 31, 2011 and 2010 and for the years then ended indicates that our financial statements have been prepared assuming that we will continue as a going concern. The report states that, since we are in the development stage, we have incurred net losses since inception and we need to raise additional funds to meet our obligations, there is substantial doubt about our ability to continue as a going concern. Our plans in regard to these matters are described in footnote 2 to our audited financial statements as of December 31, 2011 and 2010 and for the years then ended, and for the period from December 30, 2008 (inception) to December 31, 2011, which are included following Item 15 (“Exhibits and Financial Statement Schedules”). Our financial statements do not include any adjustments that might result from the outcome of this uncertainty.

***We will need to obtain additional financing to satisfy debt obligations and continue our operations.***

As described in Item 7 ("Management's Discussion and Analysis of Financial Condition and Results of Operations – Liquidity and Capital Resources – Availability of Additional Funds"), between June 2009 and December 31, 2011, we raised an aggregate of $3,573,629 in debt financing. Subsequent to December 31, 2011 and through April 10, 2012, we have received aggregate debt and equity financing of $1,600,500 and $650,000, respectively, $175,000 of debt has been converted to equity and we have repaid $50,000 of debt. As of April 10, 2012, the outstanding balance of our debt of $4,565,500, together with accrued interest, was due and payable between February 2012 and March 2013. Unless we obtain additional financing or, upon our request, the debtholders agree to convert their debt into equity or extend the maturity dates of the debt, we will not be able to repay such debt. Even if we are able to satisfy our debt obligations, our cash balance and the revenues for the foreseeable future from our anticipated operations will not be sufficient to fund the development of our business plan, including in connection with the license obtained from Regenerative. Accordingly, we will be required to raise capital from one or more sources. There is no guarantee that adequate funds will be available when needed from additional debt or equity financing, or from other sources, or on terms attractive to us. Our inability to obtain sufficient funds in the future would, at a minimum, require us to delay, scale back, or eliminate some or all of our contemplated activities, which could have a substantial negative effect on our results of operations and financial condition. See Item I ("Business-Overview") for a discussion of our financing requirements.

***Our business strategy is high-risk.***

We are focusing our resources and efforts primarily on the development of cellular-based services and products which will require extensive cash for research, development and commercialization activities. This is a high-risk strategy because there is no assurance that our services and products, including our recently launched brown fat research initiative, will ever become commercially viable (commercial risk), that we will prevent other companies from depriving us of market share and profit margins by offering services and products based on our inventions and developments (legal risk), that we will successfully manage a company in a new area of business, regenerative medicine, and on a different scale than we have operated in the past (operational risk), that we will be able to achieve the desired therapeutic results using stem and regenerative cells (scientific risk), or that our cash resources will be adequate to develop our services and products until we become profitable, if ever (financial risk). We are using our cash in one of the riskiest industries in the economy (strategic risk). This may make our stock an unsuitable investment for many investors.

***Except for the Regenerative license agreement, we do not have any agreements or understandings in place with respect to the implementation of our business strategy.***

Except for the Regenerative license agreement, we do not have any material agreements or understandings in place with respect to the implementation of our business strategy. No assurances can be given that we will be able to enter into any necessary agreements with respect to the development of our business. Our inability to enter into any such agreements would have a material adverse effect on our results of operations and financial condition.

***We do not have any agreements, understandings or governmental approvals in place with respect to the establishment of treatment facilities.***

Due to current stringent regulatory restrictions in the United States, we anticipate that any stem cell therapy facilities that we establish would be outside the United States. We do not have any agreements, understandings or governmental approvals in place with respect to the establishment of any such facilities in any country. No assurances can be given that we will be able to obtain any required approvals, or enter into necessary agreements, for the establishment and operation of therapy centers.

***We depend on our executive officers and on our ability to attract and retain additional qualified personnel. A pending action against our Research Scientist may limit our ability to utilize fully his capabilities. We do not currently have a Chief Financial Officer.***

Our performance is substantially dependent on the performance of Mark Weinreb, our Chief Executive Officer. We rely upon him for strategic business decisions and guidance. Mr. Weinreb is subject to an employment agreement with us that is scheduled to expire in October 2015. We are also dependent on the performance of Francisco Silva, our Research Scientist, in establishing and developing our laboratory business. Mr. Silva is also subject to an employment agreement with us. In May 2011, Mr. Silva's former employer, DaVinci BioSciences, LLC (of which Mr. Silva is a member), obtained a preliminary injunction against Mr. Silva. Such injunction restrains and enjoins Mr. Silva from using or disseminating information he obtained from his former employer, including using such information to solicit his former employer's customers. A ruling on a permanent injunction motion is pending. Such motion also seeks to restrain and enjoin Mr. Silva from violating certain provisions of the operating agreement of his former employer that provide, among other things, that Mr. Silva shall not, while he is a member of his former employer and for a period of two years thereafter, engage in, or have any interest in, any entity that engages in the business of stem cell research tools and therapeutic applications or otherwise in a business that competes with his former employer's business in the geographic area in which his former employer conducts business. We are not a party to the action. We have been advised by Mr. Silva and his counsel that the enforceability of the noncompetition provision has been and will be challenged. The court has not yet further ruled on the permanent injunctive relief sought by the former employer and, pending resolution of this matter, Mr. Silva's ability to provide services to us that relate to the business of stem cell research tools and/or therapeutic applications, or otherwise in a business that competes with his former employer's business in the geographic area in which his former employer conducts business, may be limited. In the event we determine that any such limitation on the scope of Mr. Silva's responsibilities has a material adverse effect upon our business, we may find it necessary to seek to employ a new Research Scientist who has similar skills in the area of cellular biology. In addition, we do not currently have a Chief Financial Officer. Pending the hiring of a Chief Financial Officer, we are utilizing financial consultants with regard to the preparation of our financial statements. We believe that our future success in developing marketable services and products and achieving a competitive position will depend in large part upon whether we can attract and retain additional qualified management and scientific personnel, including a Chief Financial Officer. Competition for such personnel is intense, and there can be no assurance that we will be able to attract and retain such personnel. The loss of the services of Mr. Weinreb and/or Mr. Silva (or, in the case of Mr. Silva, any significant limitation on his ability to provide services to us) or the inability to attract and retain additional personnel, including a Chief Financial Officer and possibly a new Research Scientist, and develop expertise as needed would have a substantial negative effect on our results of operations and financial condition. In addition, if we are named as a defendant in the action against Mr. Silva, we may incur substantial costs and our efforts and attention to the development of our business could be diverted.

***We may not be able to protect our proprietary rights.***

Our commercial success will depend in large part upon our ability to protect our proprietary rights. There is no assurance, for example, that any patents issued to us will not become the subject of a re-examination, will provide us with competitive advantages, will not be challenged by any third parties, or that the patents of others will not prevent the commercialization of services and products incorporating our technology. Furthermore, there can be no guarantee that others will not independently develop similar services and products, duplicate any of our services and products, or design around our patents.

Our commercial success will also depend upon our ability to avoid infringing patents issued to others. If we were judicially determined to be infringing on any third-party patent, we could be required to pay damages, alter our services, products or processes, obtain licenses, or cease certain activities. If we are required in the future to obtain any licenses from third parties for some of our services and/or products, there can be no guarantee that we would be able to do so on commercially favorable terms, if at all. U.S. patent applications are not immediately made public, so we might be surprised by the grant to someone else of a patent on a technology we are actively using.

Litigation, which would result in substantial costs to us and the diversion of effort on our part, may be necessary to enforce or confirm the ownership of any patents issued or licensed to us, or to determine the scope and validity of third-party proprietary rights. If our competitors claim technology also claimed by us and prepare and file patent applications in the United States, we may have to participate in interference proceedings declared by the U.S. Patent and Trademark Office or a foreign patent office to determine priority of invention, which could result in substantial costs to and diversion of effort, even if the eventual outcome is favorable to us. Any such litigation or interference proceeding, regardless of outcome, could be expensive and time-consuming.

Successful challenges to our patents through oppositions, re-examination proceedings or interference proceedings could result in a loss of patent rights in the relevant jurisdiction. If we are unsuccessful in actions we bring against the patents of other parties, and it is determined that we infringe upon the patents of third-parties, we may be subject to litigation, or otherwise prevented from commercializing potential services and/or products in the relevant jurisdiction, or may be required to obtain licenses to those patents or develop or obtain alternative technologies, any of which could harm our business. Furthermore, if such challenges to our patent rights are not resolved in our favor, we could be delayed or prevented from entering into new collaborations or from commercializing certain services and/or products, which could adversely affect our business and results of operations.

Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential or sensitive information could be compromised by disclosure in the event of litigation. In addition, during the course of litigation there could be public announcements of the results of hearings, motions or other interim proceedings or developments. If securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our common stock.

In addition to patents, we intend to also rely on unpatented trade secrets and proprietary technological expertise. Some of our intended future cell-related therapeutic services and/or products may fit into this category. We intend to rely, in part, on confidentiality agreements with our partners, employees, advisors, vendors, and consultants to protect our trade secrets and proprietary technological expertise. There can be no guarantee that these agreements will not be breached, or that we will have adequate remedies for any breach, or that our unpatented trade secrets and proprietary technological expertise will not otherwise become known or be independently discovered by competitors.

Failure to obtain or maintain patent protection, failure to protect trade secrets, third-party claims against our patents, trade secrets, or proprietary rights or our involvement in disputes over our patents, trade secrets, or proprietary rights, including involvement in litigation, could divert our efforts and attention from other aspects of our business and have a substantial negative effect on our results of operations and financial condition.

***We may not be able to protect our intellectual property in countries outside of the United States.***

Intellectual property law outside the United States is uncertain and, in many countries, is currently undergoing review and revisions. The laws of some countries do not protect our patent and other intellectual property rights to the same extent as United States laws. Third parties may attempt to oppose the issuance of patents to us in foreign countries by initiating opposition proceedings. Opposition proceedings against any of our patent filings in a foreign country could have an adverse effect on our corresponding patents that are issued or pending in the United States. It may be necessary or useful for us to participate in proceedings to determine the validity of our patents or our competitors' patents that have been issued in countries other than the U.S. This could result in substantial costs, divert our efforts and attention from other aspects of our business, and could have a material adverse effect on our results of operations and financial condition.

***We operate in a highly-regulated environment and may be unable to comply with applicable federal, state, local, and international requirements. Failure to comply with applicable government regulation may result in a loss of licensure, registration, and approval or other government enforcement actions.***

We intend to develop stem cell based therapeutic and aesthetic products. These products and operations are subject to regulation in the United States by the FDA, FTC, CMS, state authorities and comparable authorities in foreign jurisdictions. Government regulation is a significant factor affecting the research, development, formulation, manufacture, and marketing of our products. If we fail to comply with applicable regulations, we may be subject to, among other things, fines, suspension or withdrawal of regulatory approvals, product recalls, operating restrictions and criminal prosecution.

The FDA requires facilities that are engaged in the recovery, processing, storage, labeling, packaging, or distribution of human cells, tissues, cellular and tissue-based products ("HCT/Ps") or in the screening or testing of donors of HCT/Ps to register and list the HCT/Ps that it manufactures, comply with current Good Tissue Practices ("cGTPs"), and other procedures to prevent the introduction, transmission, and spread of communicable diseases. Our Florida-based laboratory, biobanking facility, and any treatment centers we open in the United States may be required to comply with the HCT/P regulations. In addition, any third party retained by us that engages in the manufacture of an HCT/P on our behalf must also comply with the HCT/P regulations. If we or our third-party contractors fail to register, update registration information, or comply with any HCT/P regulation, we will be out of compliance with FDA regulations, which could adversely affect our business. Furthermore, adverse events in the field of stem cell therapy may result in greater governmental regulation, which could create increased expenses, potential delays, or otherwise affect our business.

Because we are a development stage enterprise and have not generated any revenues from operations, it is difficult to anticipate the likely regulatory status of the array of products and services we may offer. We believe that some of our products and services may be regulated solely as HCT/Ps; however, it is possible that some or all of our products may be regulated as drugs, medical devices, and/or biological products and therefore will likely require FDA regulatory approval or clearance prior to being marketed in the United States. The FDA approval process can be lengthy, expensive, and uncertain and there is no guarantee of ultimate approval or clearance. FDA decisions regarding labeling and other matters could adversely affect the availability or commercial potential of our products. There are also many factors that can affect our ability to market a drug, biologic or medical device, including regulatory delays, the inability to successfully complete clinical studies, concerns about safety or efficacy and claims about adverse side effects. These products must also comply with the applicable current Good Manufacturing Practices (for drug products), Quality System Regulations (for medical devices), or General Biological Product Standards (for biological products) as set forth in Title 21 of the Code of Federal Regulations. These regulations govern the manufacture, processing, packaging, and holding of the products and include quality control, quality assurance, and maintenance of records and documentation. The FDA conducts inspections to enforce compliance with these regulations. We and any third-party contractor that manufactures these products on our behalf must comply with the applicable regulations. If we or any third party retained by us that engages in the manufacture of a drug, medical device, or biological product on our behalf fails to comply with the applicable regulations, we will be out of compliance with FDA regulations, which could adversely affect our business.

In addition, the FDA regulates and prescribes good laboratory practices ("GLPs") for conducting nonclinical laboratory studies that support applications for research or marketing permits for products regulated by the FDA. GLPs provide requirements for organization, personnel, facilities, equipment, testing, facilities operation, test and control articles, protocol for nonclinical laboratory study, records, reports, and disqualification by the FDA to ensure the quality and integrity of the safety data filed in research and marketing permits. Failure to comply with the GLPs could adversely affect our business.

Although cosmetic products are subject to fewer regulatory requirements than drugs or medical devices, in the United States cosmetic products are subject to FDA and FTC requirements as well as applicable state and local requirements. It is also possible that some of the skin care products developed and marketed by our Stem Pearls® cosmetic skincare company may be regulated as both cosmetics and drugs under the FDCA. These products must satisfy the regulatory requirements of both drugs and cosmetics. Failure to comply with the appropriate regulations could result in a restraining order, seizure, or criminal action, which could have an adverse effect on our business.

The Federal Trade Commission (“FTC”) regulates and polices advertising in the United States of medical treatments, procedures, and regimens that take place inside and outside of the United States. FTC regulations are designed to prevent unfair and deceptive practices and false advertising. The FTC requires advertisers and promoters to have a reasonable basis to substantiate and support claims. Failure to sufficiently substantiate and support claims can lead to enforcement action by the FTC, such as a disgorgement order of any profits made from the promoted business or an injunction from further violative promotion. Such enforcement actions could have an adverse effect on our business.

State and local governments impose additional licensing and other requirements for clinical laboratories and facilities that collect, process, and administer stem cells. Our laboratory and any future treatment facilities that we operate in the United States must comply with these additional licensing and other requirements. The licensing regulations require personnel with specific education, experience, training, and other credentials. There can be no assurance that these individuals can be retained or will remain retained or that the cost of retaining such individuals will not materially and adversely affect our ability to operate our business profitably. There can be no assurance that we can obtain the necessary licensure required to conduct business in any state or that the cost of compliance will not adversely affect our ability to operate our business profitably.

The Centers for Medicare and Medicaid Services (“CMS”) have authority to implement the Clinical Laboratories Improvement Amendments (“CLIA”) program. When we begin operations in the United States, we will need to comply with the CLIA program standards. CLIA is designed to establish quality laboratory testing by ensuring the accuracy, reliability, and timeliness of patient test results. Laboratories that handle stem cells and other biologic matter are included under the CLIA program. Under the CLIA program, laboratories must be certified by the government, satisfy governmental quality and personnel standards, undergo proficiency testing, be subject to inspections, and pay fees. The failure to comply with CLIA standards could result in suspension, revocation, or limitation of a laboratory’s CLIA certificate. In addition, fines or criminal penalties could also be levied. To the extent that our business activities require CLIA certification, we intend to obtain and maintain such certification. There is no guarantee that we will be able to gain CLIA certification. Failure to gain CLIA certification or comply with the CLIA requirements will adversely affect our business.

HHS published the *Standards for Privacy of Individually Identifiable Health Information* (“Privacy Rule”) and the *Security Standards for the Protection of Electronic Protected Health Information* (“Security Rule”) pursuant to the Health Insurance Portability and Accountability Act (“HIPAA”). The Privacy Rule specifies the required, permitted and prohibited uses and disclosures of an individual’s protected health information by health plans, health care clearinghouses, and any health care provider that transmits health information in electronic format (collectively called "covered entities"). The Security Rule establishes a national security standard for safeguarding protected health information that is held or transferred in electronic form (called "electronic protected health information"). The Security Rule addresses the technical and non-technical safeguards that covered entities must implement to secure individuals’ electronic protected health information.

In addition to covered entities, the Health Information Technology and Clinical Health Act (the "HITECH Act") made certain provisions of the Security Rule, as well as the additional requirements HITECH imposed that relate to security and that are imposed on covered entities, directly applicable as a matter of law to individuals and entities that perform permitted functions on behalf of covered entities when those function involve the use or disclosure of protected health information. These individuals and entities are called "business associates." Covered entities are required to enter into a contract with business associates, called a "business associate agreement," that also imposes many of the Privacy Rule requirements on business associates as a matter of contract.

Companies failing to comply with HIPAA and the implementing regulations may be subject to civil money penalties or in the case of knowing violations, potential criminal penalties, including monetary fines, imprisonment, or both.

To the extent that our business requires compliance with HIPAA, we intend to fully comply with all requirements as well as to other additional federal or state privacy laws and regulations that may apply to us. As HIPAA is amended and changed, we will incur additional compliance burdens. We may be required to spend substantial time and money to ensure compliance with ever-changing federal and state standards as electronic and other means of transmitting protected health information evolve

In addition to the above-described regulation by United States federal and state government, the following are other federal and state laws and regulations that could directly or indirectly affect our ability to operate the business:

- state and local licensure, registration, and regulation of the development of pharmaceuticals and biologics;
- state and local licensure of medical professionals;
- state statutes and regulations related to the corporate practice of medicine;
- laws and regulations administered by U.S. Customs and Border Protection (“CBP”) related to the importation of biological material into the United States;
- other laws and regulations administered by the U.S. Food and Drug Administration;
- other laws and regulations administered by the U. S. Department of Health and Human Services;
- state and local laws and regulations governing human subject research and clinical trials;
- the federal physician self-referral prohibition, also known as Stark Law, and any state equivalents to Stark Law;

- the federal Anti-Kickback Law and any state equivalent statutes and regulations;
- Federal and state coverage and reimbursement laws and regulations;
- state and local laws and regulations for the disposal and handling of medical waste and biohazardous material;
- Occupational Safety and Health ("OSHA") regulations and requirements; and
- the Intermediate Sanctions rules of the IRS providing for potential financial sanctions with respect to "Excess Benefit Transactions" with HUMC or other tax-exempt organizations.

Any violation of these laws could result in a material adverse effect on our business.

Since our stem cell therapy operations will in all likelihood initially commence in foreign jurisdictions, we will need to comply with the government regulations of each individual country in which our therapy centers are located and products are to be distributed and sold. These regulations vary in complexity and can be as stringent, and on occasion even more stringent, than FDA regulations in the United States. Due to the fact that there are new and emerging cell therapy and cell banking regulations that have recently been drafted and/or implemented in various countries around the world, the application and subsequent implementation of these new and emerging regulations have little to no precedence. Therefore, the level of complexity and stringency is not always precisely understood today for each country, creating greater uncertainty for the international regulatory process. Furthermore, government regulations can change with little to no notice and may result in up-regulation of our product(s), thereby creating a greater regulatory burden for our cell processing and cell banking technology products. We have not yet thoroughly explored the applicable laws and regulations that we will need to comply with in foreign jurisdictions. It is possible that we may not be permitted to expand our business into one or more foreign jurisdictions.

We intend to conduct our business in full compliance with all applicable federal, state and local, and foreign laws and regulations. However, the laws and regulations affecting our business are complex and often are not contemplated by existing legal régimes. As a result, the laws and regulations affecting our business are uncertain and have not been the subject of judicial or regulatory interpretation. Furthermore, stem cells and cell therapy are topics of interest in the government and public arenas. There can be no guarantee that laws and regulations will not be implemented, amended and/or reinterpreted in a way that will negatively affect our business.

***To operate and sell in international markets carries great risk.***

We intend to market our services and products both domestically and in foreign markets. A number of risks are inherent in international transactions. In order for us to service and market our products in non-U.S. jurisdictions, we need to obtain and maintain required regulatory approvals or clearances in these countries and must comply with the country specific regulations regarding safety, manufacturing processes and quality. These regulations, including the requirements for approvals or clearances to market, may differ from the FDA regulatory scheme. International operations and sales also may be limited or disrupted by political instability, price controls, trade restrictions and changes in tariffs. Additionally, fluctuations in currency exchange rates may adversely affect demand for our services and products by increasing the price of our services and products in the currency of the countries in which the services and products are offered.

There can be no assurance that we will obtain regulatory approvals or clearances in all of the countries where we intend to market our services and products, or that we will not incur significant costs in obtaining or maintaining foreign regulatory approvals or clearances, or that we will be able to successfully commercialize our services and products in various foreign markets. Delays in receipt of approvals or clearances to market our services and products in foreign countries, failure to receive such approvals or clearances or the future loss of previously received approvals or clearances could have a substantial negative effect on our results of operations and financial condition.

***Changing, new and/or emerging government regulations may adversely affect our business.***

Government regulations can change without notice. Due to the fact that there are new and emerging cell therapy and cell banking regulations that have recently been drafted and/or implemented in various countries around the world, the application and subsequent implementation of these new and emerging regulations have little to no precedence. Therefore, the level of complexity and stringency is not known and may vary from country to country, creating greater uncertainty for the international regulatory process.

Anticipated or unanticipated changes in the way or manner in which the FDA and other similarly situated government authorities regulate services and products or classes/groups of services and products can delay, further burden, or alleviate regulatory pathways that were once available to other services and products. There are no guarantees that such changes to the regulatory process will not deleteriously affect our contemplated operations.

***There is uncertainty with regard to the extent of the FDA's regulatory authority***.

As discussed in Item 1 ("Business – Disc/Spine Program"), the FDA has brought an action to permanently enjoin Regenerative from using its Regenexx™ procedure to process mesenchymal stem cells ("MSCs") for the treatment of various orthopedic conditions. The lawsuit relates to a procedure utilized by Regenerative whereby a patient's own MSC cells are extracted and isolated from the patient's bone marrow, processed at a laboratory on site for two to three weeks to undergo expansion, and then returned to the same patient to treat a medical condition. The FDA has asserted that Regenerative's stem cell procedure is subject to FDA jurisdiction and regulation as an unapproved drug and/or biologic. Regenerative takes the position that the Regenexx™ procedure is the practice of medicine and thereby is outside of the FDA's jurisdiction. It also contends that the manipulation of the stem cells occurs in the normal course of medical practice which is regulated by Colorado, the state in which Regenerative is located. The FDA contends that it is not impinging on Regenerative's ability to practice medicine; instead, it considers the product being reinjected into the patient to be a cultured cell product subject to the FDA's regulations governing the use of human cells, tissues, and cellular and tissue-based products ("HCT/Ps"). According to the FDA's position, the Regenexx™ procedure involves growth factors, reagents and drug products that cross state lines thereby placing the product in interstate commerce. Moreover, the FDA contends that the product is more than "minimally manipulated" and, consequently, does not meet the conditions listed in 21 C.F.R. Part 1271 that exempt HCT/Ps from being regulated as drugs, devices, and/or biological products. Regenerative has agreed to cease production of the cultured cell product while the case is pending. The outcome of this action could have a material effect on our business. In the event that the FDA prevails, in all likelihood, we will need to proceed with the FDA approval process for our initiatives as discussed above. If Regenerative succeeds in the action, depending upon the breadth of the decision or the settlement of the lawsuit, the extent of FDA oversight may be limited or the scope of the clinical trials needed to be performed in connection with our FDA approval process may be reduced. We can give no assurances in this regard. Pending a final determination of this action, there is great uncertainty with regard to the FDA's regulatory authority of the business in which we plan to operate. See Item 1 ("Business – Government Regulation").

***Despite our anticipation that the majority of our cellular-based procedures will be private-pay, our inability to obtain reimbursement for our therapies from private and governmental insurers could negatively impact demand for our services.***

Successful sales of health care services and products generally depends, in part, upon the availability and amounts of reimbursement from third party healthcare payor organizations, including government agencies, private healthcare insurers and other healthcare payors, such as health maintenance organizations and self-insured employee plans. Uncertainty exists as to the availability of reimbursement for such new therapies as stem cell-based therapies. There can be no assurance that such reimbursement will be available in the future at all or without substantial delay or, if such reimbursement is provided, that the approved reimbursement amounts will be sufficient to support demand for our services and products at a level that will be profitable.

***If safety problems are encountered by us or others developing new stem cell-based therapies, our stem cell initiatives could be materially and adversely affected.***

The use of stem cells for therapeutic indications is still in the very early stages of development. If an adverse event occurs during clinical trials related to one of our proposed services and/or products or those of others, the FDA and other regulatory authorities may halt clinical trials or require additional studies. The occurrence of any of these events would delay, and increase the cost of, our development efforts and may render the commercialization of our proposed services and/or products impractical or impossible.

***Ethical and other concerns surrounding the use of stem cell therapy may negatively impact the public perception of our stem cell services, thereby suppressing demand for our services.***

Although our contemplated stem cell business pertains to adult stem cells only, and does not involve the more controversial use of embryonic stem cells, the use of adult human stem cells for therapy could give rise to similar ethical, legal and social issues as those associated with embryonic stem cells, which could adversely affect its acceptance by consumers and medical practitioners. Additionally, it is possible that our business could be negatively impacted by any stigma associated with the use of embryonic stem cells if the public fails to appreciate the distinction between adult and embryonic stem cells. Delays in achieving public acceptance may materially and adversely affect the results of our operations and profitability.

***We are vulnerable to competition and technological change, and also to physicians' inertia.***

We will compete with many domestic and foreign companies in developing our technology and products, including biotechnology, medical device and pharmaceutical companies. Many current and potential competitors have substantially greater financial, technological, research and development, marketing, and personnel resources. There is no assurance that our competitors will not succeed in developing alternative services and/or products that are more effective, easier to use, or more economical than those which we may develop, or that would render our services and/or products obsolete and non-competitive. In general, we may not be able to prevent others from developing and marketing competitive services and/or products similar to ours or which perform similar functions or which are marketed before ours.

Competitors may have greater experience in developing therapies or devices, conducting clinical trials, obtaining regulatory clearances or approvals, manufacturing and commercialization. It is possible that competitors may obtain patent protection, approval, or clearance from the FDA or achieve commercialization earlier than we can, any of which could have a substantial negative effect on our business.

We will compete against cell-based therapies derived from alternate sources, such as bone marrow, umbilical cord blood and potentially embryos. Doctors historically are slow to adopt new technologies like ours, whatever the merits, when older technologies continue to be supported by established providers. Overcoming such inertia often requires very significant marketing expenditures or definitive product performance and/or pricing superiority.

We expect that physicians' inertia and skepticism will also be a significant barrier as we attempt to gain market penetration with our future services and products. We may need to finance lengthy time-consuming clinical studies (so as to provide convincing evidence of the medical benefit) in order to overcome this inertia and skepticism particularly in reconstructive surgery, cell preservation, the cardiovascular area and many other indications.

***Most potential applications of our technology are pre-commercialization, which subjects us to development and marketing risks.***

We are in an early stage on the path to commercialization with many of our services and products, including with regard to our recently launched brown fat initiative. We believe that our long-term viability and growth will depend in large part on our ability to develop commercial quality cell processing devices and useful procedure-specific consumables, and to establish the safety and efficacy of our therapies through clinical trials and studies. There is no assurance that our development programs will be successfully completed or that required regulatory clearances or approvals will be obtained on a timely basis, if at all.

Successful development and market acceptance of our services and products will be subject to developmental risks, including failure of inventive imagination, ineffectiveness, lack of safety, unreliability, failure to receive necessary regulatory clearances or approvals, high commercial cost, preclusion or obsolescence resulting from third parties' proprietary rights or superior or equivalent services and products, competition from copycat services and products, and general economic conditions affecting purchasing patterns. There is no assurance that we will successfully develop and commercialize our services and products, or that our competitors will not develop competing technologies that are less expensive or superior. Failure to successfully develop and market our services and products would have a substantial negative effect on our results of operations and financial condition.

***Future clinical trial results may differ significantly from our expectations.***

In the event that we undertake clinical trials, we cannot guarantee that we will not experience negative results. Poor results in our clinical trials could result in substantial delays in commercialization, substantial negative effects on the perception of our services and products, and substantial additional costs. These risks may be increased by our reliance on third parties in the performance of many of the clinical trial functions, including clinical investigators, hospitals, and other third party service providers.

***Continued turmoil in the economy could harm our business.***

Negative trends in the general economy, including, but not limited to, trends resulting from an actual or perceived recession, tightening credit markets, increased cost of commodities, actual or threatened military action by the United States and threats of terrorist attacks in the United States and abroad, could cause a reduction of investment in and available funding for companies in certain industries, including ours. Our ability to raise capital has been and may in the future be adversely affected by downturns in current credit conditions, financial markets and the global economy.

***We may not have enough product liability insurance.***

The testing, manufacturing, marketing, and sale of our regenerative cell services and products will involve an inherent risk that product liability claims will be asserted against us, our distribution partners, or licensees. There can be no guarantee that our clinical trial and commercial product liability insurance will be adequate or will continue to be available in sufficient amounts or at an acceptable cost, if at all. A product liability claim, product recall, or other claim, as well as any claims for uninsured liabilities or in excess of insured liabilities, could have a substantial negative effect on our results of operations and financial condition. Also, well-publicized claims could cause our stock to fall sharply, even before the merits of the claims are decided by a court.

***In the past, we identified certain material weaknesses in the design or operation of internal control over financial reporting which could have adversely affected our ability to record, process, summarize and report financial data.***

We identified certain material weaknesses in the design or operation of internal control over financial reporting which could have adversely affected our ability to record, process, summarize, and report financial data. The material weaknesses related to our failure to maintain a fully integrated financial consolidation and reporting system throughout the three months ended March 31, 2011 and the years ended December 31, 2010 and 2009, our inability to properly apply highly specialized accounting principles to, and adequately disclose, complex transactions and our limited segregation of duties. We did not maintain a fully integrated financial consolidation and reporting system throughout the three months ended March 31, 2011 or the years ended December 31, 2010 and 2009 and, as a result, extensive manual analysis, reconciliation and adjustments were required in order to produce financial statements for external reporting purposes. Specifically, we did not effectively segregate certain accounting duties due to the small size of our accounting staff or maintain a sufficient number of adequately trained personnel necessary to anticipate and identify risks critical to financial reporting and the closing process. In addition, there were inadequate reviews and approvals by our personnel of certain reconciliations and other processes in day-to-day operations due to the lack of a full complement of accounting staff. We do not currently have a Chief Financial Officer and lack adequately trained in-house accounting personnel with appropriate United States generally accepted accounting principles (US GAAP) expertise for complex transactions. We do not currently have a sufficient complement of in-house technical accounting and external reporting personnel commensurate to support standalone external financial reporting requirements. In May 2011, we engaged outside consultants to assist in the financial function. Such engagements have increased the resources and technical expertise devoted to performing certain procedures and have remediated the material weaknesses described above. Notwithstanding the foregoing weaknesses, we believe that our audited financial statements as of December 31, 2011 and 2010 and for the years then ended fairly present, in all material respects, our financial condition as of such dates and our results of operations for such years and periods.

***We pay no dividends.***

We have never paid cash dividends in the past, and currently do not intend to pay any cash dividends in the foreseeable future.

***There is, at present, only a limited market for our common stock and there is no assurance that an active trading market for our common stock will develop.***

Although our common stock is quoted on the OTCQB market from time to time, the market for our common stock is extremely limited. In addition, although there have been market makers in our securities, we cannot assure that these market makers will continue to make a market in our securities or that other factors outside of our control will not cause them to stop market making in our securities. Making a market in securities involves maintaining bid and ask quotations and being able to effect transactions in reasonable quantities at those quoted prices, subject to various securities laws and other regulatory requirements. Furthermore, the development and maintenance of a public trading market depends upon the existence of willing buyers and sellers, the presence of which is not within our control or that of any market maker. Market makers are not required to maintain a continuous two-sided market, are required to honor firm quotations for only a limited number of shares, and are free to withdraw firm quotations at any time. Even with a market maker, factors such as our past losses from operations and the small size of our company mean that there can be no assurance of an active and liquid market for our securities developing in the foreseeable future. Even if a market develops, we cannot assure that a market will continue, or that shareholders will be able to resell their securities at any price.

***Since our common stock is classified as "penny stock," the restrictions of the SEC's penny stock regulations may result in less liquidity for our common stock.***

The SEC has adopted regulations which define a "penny stock" to be any equity security that has a market price (as therein defined) of less than $5.00 per share or an exercise price of less than $5.00 per share, subject to certain exceptions. For any transactions involving a penny stock, unless exempt, the rules require the delivery, prior to any transaction involving a penny stock by a retail customer, of a disclosure schedule prepared by the SEC relating to the penny stock market. Disclosure is also required to be made about commissions payable to both the broker/dealer and the registered representative and current quotations for the securities. Finally, monthly statements are required to be sent disclosing recent price information for the penny stock held in the account and information on the limited market in penny stocks. Because the market price for shares of our common stock is less than $5.00, and we do not satisfy any of the exceptions to the SEC's definition of penny stock, our common stock is classified as a penny stock. As a result of the penny stock restrictions, brokers or potential investors may be reluctant to trade in our securities, which may result in less liquidity for our common stock.

***Shareholders who hold unregistered shares of our common stock are subject to resale restrictions pursuant to Rule 144 due to our former status as a "shell company"; when such restrictions end, there will be a large number of shares of common stock eligible for resale - this may have a depressive effect upon the market value of our stock.***

Pursuant to Rule 144 promulgated under the Securities Act of 1933, as amended ("Rule 144"), a "shell company" is defined as a company that has no or nominal operations and either no or nominal assets, assets consisting solely of cash and cash equivalents or assets consisting of any amount of cash and cash equivalents and nominal other assets. We previously were a "shell company" pursuant to Rule 144, and, as such, sales of our securities pursuant to Rule 144 cannot be made until we are subject to Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, we have filed all of our required periodic reports with the Securities and Exchange Commission (the "SEC") and a period of at least 12 months has elapsed from the date "Form 10 information" has been filed with the SEC reflecting our status as a non-"shell company." We filed our Form 10 with the SEC on May 12, 2011 reflecting such non-"shell company" status. Because our unregistered securities cannot be sold pursuant to Rule 144 until at least May 12, 2012, any unregistered securities we sell in the future or issue to consultants or employees, in consideration for services rendered or for any other purpose, will have no liquidity until and unless such securities are registered with the SEC or until May 12, 2012, and we have complied with the other requirements of Rule 144. As a result, it may be more difficult for us to fund our operations and pay our consultants and employees with our securities instead of cash. In addition, it will be more difficult for us to raise funding through the sale of debt or equity securities unless we agree to register such securities with the SEC, which could cause us to expend additional resources in the future. Furthermore, effective as of May 12, 2012, a large number of our unregistered shares will become eligible for resale under Rule 144. Such eligibility may have a depressive effect upon the market value of our stock.

***In the event that a significant amount of our outstanding debt is converted into equity, the percentage ownership of existing stockholders will be substantially diluted.***

As of April 10, 2012, we had outstanding indebtedness in the amount of $4,565,500. We intend to seek to have the debtholders convert all or a significant amount of such debt into equity. In the event of any such conversion, the percentage ownership of existing stockholders will be substantially diluted. In February 2012, our stockholders approved an amendment to our Articles of Incorporation pursuant to which the number of shares of common stock that we may issue was increased from 800,000,000 to 1,500,000,000.

***Our Board of Directors has the authority to effect a reverse split of our common stock. In the event that our Board implements such reverse split, it could have a material adverse effect upon the price of our shares***

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In February 2012, our stockholders approved a proposal to grant to our Board the authority to effect a reverse split of our common stock at a ratio of not less than 1-for-10 and not more than 1-for-150, with our Board having the discretion as to whether or not the reverse split is to be effected, and with the exact ratio of any reverse split to be set at a whole number within the above range as determined by our Board in its discretion. If the reverse stock split is implemented, the principal effect will be to proportionately decrease the number of outstanding shares of our common stock based on the reverse stock split ratio selected by our Board. Proportionate voting rights and other rights and preferences of the holders of our common stock will not be affected by the proposed reverse stock split (other than as a result of the payment of cash in lieu of fractional shares). In such event, the reduction in the number of outstanding shares should be accompanied by a proportional increase in the price of our common stock; however, no assurance can be given that such price increase will occur or that any such price increase will be maintained.

## ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

Not applicable.

## ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

The financial statements required by this Item 8 are included in this Annual Report following Item 15 hereof. As a smaller reporting company, we are not required to provide supplementary financial information.

## ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

In February 2011, we engaged Marcum LLP as our independent registered public accountants; prior to that date, we did not have independent auditors.

## ITEM 9A. CONTROLS AND PROCEDURES.

**Disclosure Controls and Procedures**

Disclosure controls are procedures that are designed with the objective of ensuring that information required to be disclosed in our reports filed under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), such as this Annual Report, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls are also designed with the objective of ensuring that such information is accumulated and communicated to our management, including the Principal Executive and Financial Officer, as appropriate to allow timely decisions regarding required disclosure. Internal controls are procedures which are designed with the objective of providing reasonable assurance that (1) our transactions are properly authorized, recorded and reported; and (2) our assets are safeguarded against unauthorized or improper use, to permit the preparation of our condensed consolidated financial statements in conformity with United States generally accepted accounting principles.

In connection with the preparation of this Annual Report, management, with the participation of our Principal Executive and Financial Officer, has evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e) and 15d-15(e)). Based upon that evaluation, our Principal Executive and Financial Officer concluded that, as of December 31, 2011, our disclosure controls and procedures were effective.

**Changes in Internal Controls**

There were no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) and 15d-15(f)) during the quarter ended December 31, 2011 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

**Limitations of the Effectiveness of Control**

A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Because of the inherent limitations of any control system, no evaluation of controls can provide absolute assurance that all control issues, if any, within a company have been detected.

**No Management Assessment Report Regarding Internal Control Over Financial Reporting or Attestation Report of Registered Public Accounting Firm**

This Annual Report does not include a report of management's assessment regarding internal control over financial reporting due to a transition period established by rules of the Securities and Exchange Commission for newly public companies. This Annual Report also does not contain an attestation report of our registered public accounting firm regarding internal control over financial reporting since the rules for smaller reporting companies provide for this exemption.

**ITEM 9B. OTHER INFORMATION**.

None.

## PART III

## ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE.

**Directors and Executive Officers**

Information regarding our directors and executive officers is set forth below. Each of our officers devotes his or her full business time in providing services on our behalf.

| Name | Age | Positions Held |
|---|---|---|
| Mark Weinreb | 59 | Chief Executive Officer, President and Chairman of the Board |
| Mandy D. Clark | 30 | Vice President of Operations and Secretary |
| A. Jeffrey Radov | 60 | Director |
| Joel San Antonio | 59 | Director |

**Mark Weinreb**

Mark Weinreb has served as our Chief Executive Officer since October 2010, as our President since February 2012 and as our Chairman of the Board since April 2011. From February 2003 to October 2009, Mr. Weinreb served as President of NeoStem, Inc., a public international biopharmaceutical company engaged in, among other things, adult stem cell-related operations. From October 2009 to October 2010, he was subject to a non-competition agreement with NeoStem and was not engaged in business. Mr. Weinreb also served as Chief Executive Officer and Chairman of the Board of Directors of NeoStem from February 2003 to June 2006. In 1976, Mr. Weinreb joined Bio Health Laboratories, Inc., a state-of-the-art medical diagnostic laboratory providing clinical testing services for physicians, hospitals, and other medical laboratories. He became the laboratory administrator in 1978 and then an owner and the laboratory's Chief Operating Officer in 1982. In such capacity, he oversaw all technical and business facets, including finance and laboratory science technology. Mr. Weinreb left Bio Health Labs in 1989 when the business was sold. In 1992, Mr. Weinreb founded Big City Bagels, Inc., a national chain of franchised upscale bagel bakeries and became Chairman and Chief Executive Officer of such entity. Big City Bagels went public in 1995, and in 1999 Mr. Weinreb redirected the company and completed a merger with an Internet service provider. From 2000 to 2002, Mr. Weinreb served as Chief Executive Officer of Jestertek, Inc., a software development company pioneering gesture recognition and control using advanced interactive proprietary video technology. Mr. Weinreb received a Bachelor of Arts degree in 1975 from Northwestern University and a Master of Science degree in 1982 in Medical Biology from C.W. Post, Long Island University. We believe that Mr. Weinreb's executive-level management experience, his extensive experience in the adult stem cell sector and his service on our Board since October 2010 give him the qualifications and skills to serve as one of our directors.

**Mandy D. Clark**

Mandy D. Clark has been our Vice President of Operations since August 2009. She has served as our Secretary since December 2010 and served on our Board from September 2010 to April 2011. From 2006 to 2009, Ms. Clark served as Educational Envoy and then CME/CE Coordinator for Professional Resources in Management Education, an accredited provider of continuing medical education. She conducted needs assessments nationally to determine in which areas clinicians most needed current education. She also oversaw onsite educational meetings and analyzed data for outcomes reporting. From 2005 to 2006, Ms. Clark served as surgical coordinator for Eye Surgery Associates and the Rand Eye Institute, two prominent physician practices in Florida. Ms. Clark has experience in medical editing for educational programs and is a published author of advanced scientific and clinical content on topics including Alzheimer's disease, breast cancer, sleep apnea and adult learning. She received a degree in Biology from Mercyhurst College.

**A. Jeffrey Radov**

A. Jeffrey Radov became a member of our Board in April 2011. Mr. Radov is an entrepreneur and businessman with 35 years of experience in media, communications and financial endeavors. Since 2002, he has served as the Managing Partner of Walworth Group, which provides consulting and advisory services to a variety of businesses, including hedge funds, media, entertainment and Internet companies, financial services firms and early stage ventures. Mr. Radov is also an advisor to GeekVentures, LLC, an incubator for technology startups in Israel. From 2008 to 2010, Mr. Radov was a Principal and Chief Operating Officer at Aldebaran Investments, LLC, a registered investment advisor. From 2005 to 2008, Mr. Radov was Chief Operating Officer at EagleRock Capital Management, a group of hedge funds. Prior to joining EagleRock, Mr. Radov was a founding investor in and Board member of Edusoft, Inc., an educational software company. From 2001 to 2002, Mr. Radov was a Founder-in-Residence at SAS Investors, an early-stage venture fund. From 1999 to 2001, Mr. Radov was CEO and Co-Founder of VocaLoca, Inc., an innovator in consumer-generated audio content on the Internet. Mr. Radov was a founding executive of About.Com, Inc., an online information source, and was its EVP of Business Development and Chief Financial Officer from its inception. In 1996, prior to founding About.Com, Mr. Radov was a Director at Prodigy Systems Company, a joint venture of IBM and Sears. Mr. Radov was also a principal in the management of a series of public limited partnerships that invested in the production and distribution of more than 130 major motion pictures. From 1982 to 1984, Mr. Radov was the Director of Finance at Rainbow Programming Enterprises, a joint venture among Cablevision Systems Corporation, Cox Broadcasting and Daniels & Associates. From 1977 to 1981, Mr. Radov was Director of Marketing at Winklevoss & Associates. Mr. Radov earned a Masters of Business Administration from The Wharton School of the University of Pennsylvania and holds a Bachelor of Arts degree from Cornell University. We believe that Mr. Radov's executive-level management experience and his extensive experience in the finance industry give him the qualifications and skills to serve as one of our directors.

**Joel San Antonio**

Joel San Antonio became a member of our Board in April 2011. Since August 2010, Mr. San Antonio has served as Chairman of Warrantech/AMT Warranty, an operating subsidiary of Amtrust Financial Services Inc. From February 1988 through August 2010, he was Chairman and Chief Executive Officer of Warrantech Corporation, a leading provider of third party administration for insurance products. Warrantech was acquired by Amtrust Financial Services in 2010. Prior to founding Warrantech, Mr. San Antonio founded Little Lorraine Ltd., a company engaged in the manufacture of various brands of women's apparel. Mr. San Antonio has served as Chairman of the Board of American Doctors Network, a technology company engaged in the development of electronic medical records. He is a former board member of SearchHelp Inc., a company committed to online child protection and family safety, MedStrong International Corporation, a company engaged in the storage of emergency medical information, and Marc Pharmaceuticals, Inc., a company that, in conjunction with the Weil Medical Center at Cornell University, was engaged in the development and commercialization of cancer treatment products. Mr. San Antonio is engaged in a variety of philanthropic and charitable activities. Mr. San Antonio graduated from Ithaca College with a Bachelor of Science in Business Administration. We believe that Mr. Antonio's executive-level management experience gives him the qualifications and skills to serve as one of our directors.

**Scientific Advisory Board**

The following persons are the initial members of our Scientific Advisory Board:

| Name | Principal Position |
|---|---|
| Naiyer Imam, M.D. | Chairman and Chief Executive Officer, Advanced Medical Imaging and Teleradiology, LLC |
| Amit Patel, M.D. | Associate Professor, Division of Cardiothoracic Surgery, University of Utah School of Medicine; Director of Clinical Regenerative Medicine and Tissue Engineering, University of Utah |

***Family Relationships***

There are no family relationships among any of our executive officers and directors.

***Term of Office***

Each director will hold office until the next annual meeting of stockholders and until his successor is elected and qualified or until his earlier resignation or removal. Each executive officer will hold office until the initial meeting of the Board of Directors following the next annual meeting of stockholders and until his successor is elected and qualified or until his earlier resignation or removal.

***Audit Committee***

The Audit Committee of the Board of Directors is responsible for overseeing our accounting and financial reporting processes and the audits of our financial statements. The members of the Audit Committee are Messrs. Radov and San Antonio.

***Audit Committee Financial Expert***

Our Board of Directors has determined that Mr. Radov is an "audit committee financial expert," as that is defined in Item 407(d)(5) of Regulation S-K Mr. Radov is an "independent director" based on the definition of independence in Listing Rule 5605(a)(2) of The Nasdaq Stock Market.

***Section 16(a) Beneficial Ownership Reporting Compliance***

Section 16 of the Exchange Act requires that reports of beneficial ownership of common stock and changes in such ownership be filed with the Securities and Exchange Commission by Section 16 "reporting persons," including directors, certain officers, holders of more than 10% of the outstanding common stock and certain trusts of which reporting persons are trustees. We are required to disclose in this Annual Report each reporting person whom we know to have failed to file any required reports under Section 16 on a timely basis during the fiscal year ended December 31, 2011. To our knowledge, based solely on a review of copies of Forms 3, 4 and 5 filed with the Securities and Exchange Commission and written representations that no other reports were required, during the fiscal year ended December 31, 2011, our officers, directors and 10% stockholders complied with all Section 16(a) filing requirements applicable to them, except that each of Messrs. Weinreb, Silva, Radov and San Antonio and Ms. Clark filed his or her respective Form 3 late, Gloria McConnell and Stem Cell Research Company, LLC, each a 10% stockholder during the year ended December 31, 2011, failed to file a Form 3 and Ms. McConnell failed to file a Form 4 with respect to one transaction.

***Code of Ethics for Senior Financial Officers***

Our Board of Directors has adopted a Code of Ethics for our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. A copy of the Code of Ethics is posted on our website, www.biorestorative.com. We intend to satisfy the disclosure requirement under Item 5.05(c) of Form 8-K regarding an amendment to, or a waiver from, our Code of Ethics by posting such information on our website, www.biorestorative.com.

## ITEM 11. EXECUTIVE COMPENSATION.

**Summary Compensation Table**

The following Summary Compensation Table sets forth all compensation earned in all capacities during the fiscal years ended December 31, 2011 and 2010 by our (i) principal executive officer, and (ii) all other executive officers, other than our principal executive officer, whose salaries for the 2011 fiscal year, as determined by Regulation S-K, Item 402, exceeded $100,000 (the individuals falling within categories (i) and (ii) are collectively referred to as the "Named Executive Officers"):

| Name and Principal Position | Year | Salary | Bonus | Stock Awards | Option Awards | Nonequity Incentive Plan Compensation | Nonqualified Deferred Compensation Earnings | All Other Compensation | Total |
|---|---|---|---|---|---|---|---|---|---|
| Mark Weinreb, | 2011 | $ 390,000 | $ 195,000[2] | $ 123,900[3][4] | - | - | - | $ 87,975[5] | $ 796,875 |
| Chief Executive Officer[1] | 2010 | $ 90,000 | $ 45,000[2] | - | $ 437,234[3][4] | - | - | - | $ 572,234 |
| Francisco Silva, Vice | 2011 | $ 110,795 | $ 30,000 | - | $ 41,600[3] | - | - | - | $ 182,395 |
| President of Research and Development[6] | 2010 | - | - | - | | - | - | - | - |

(1) Mr. Weinreb became our Chief Executive Officer in October 2010.

(2) Pursuant to Mr. Weinreb's employment agreement with us, he is entitled to receive a bonus equal to 50% of his annual salary. See "Employment Agreement" below.

(3) The amounts reported in these columns represent the grant date fair value of the option and stock awards granted during the years ended December 31, 2011 and 2010, calculated in accordance with FASB ASC Topic 718. For a detailed discussion of the assumptions used in estimating fair values, see Item 7 ("Management's Discussion and Analysis of Financial Condition and Results of Operations - Stock-Based Compensation").

(4) Includes $404,751 related to a purported grant to Mr. Weinreb of an option for the purchase of 50,000,000 shares of common stock. Such grant was determined to be null and void. As discussed under "Employment Agreement" below, in May 2011, we granted to Mr. Weinreb 35,000,000 shares of common stock. No additional compensation is reflected in 2011 in connection with the 35,000,000 share grant since the grant date fair value of the 50,000,000 share option grant (which was subsequently determined to be null and void) is fully reflected for 2010 and the fair value of the 35,000,000 share grant is less than the amount so reflected for the option grant.

(5) Includes automobile and vacation allowances plus taxes paid by us on Mr. Weinreb's behalf.

(6) Mr. Silva became our Vice President of Research and Development in April 2011. In March 2012, he transitioned from such position to Research Scientist.

**Outstanding Equity Awards at Fiscal Year-End**

The following table provides information on outstanding equity awards as of December 31, 2011 to the Named Executive Officers:

| | Option Awards | | | | | Stock Awards | | | |
|---|---|---|---|---|---|---|---|---|---|
| Name | Number of Securities Underlying Unexercised Options Exercisable | Number of Securities Underlying Unexercised Options Unexercisable | Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options | Option Exercise Price | Option Expiration Date | Number of Shares or Units of Stock That Have Not Vested | Market Value of Shares or Units of Stock That Have Not Vested | Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested | Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested |
| Mark Weinreb | 4,000,000 | - | - | $ 0.01 | 12/14/20 | 35,000,000 | $ 289,100 | - | - |
| Francisco Silva | 2,000,000 | 2,000,000 | - | $ 0.01 | 04/15/21 | - | - | - | - |
| Francisco Silva | 150,000 | - | - | $ 0.025 | 06/24/21 | - | - | - | - |
| Francisco Silva | 1,000,000 | - | - | $ 0.02 | 11/16/21 | - | - | - | - |

**Employment Agreement**

On October 4, 2010, we entered into a three-year employment agreement with Mark Weinreb, our Chief Executive Officer. In February 2012, we and Mr. Weinreb agreed to extend the expiration date of the employment agreement to October 4, 2015. Pursuant to the employment agreement, Mr. Weinreb is entitled to receive a salary of $360,000 per annum during the initial year, $480,000 per annum during the second year and $600,000 per annum during each of the final three years of the term and an annual bonus equal to 50% of his annual salary. In addition, pursuant to the employment agreement, in the event that Mr. Weinreb's employment is terminated by us without cause, or Mr. Weinreb terminates his employment for "good reason" or following a change in control, Mr. Weinreb would be entitled to receive a lump sum payment equal to the greater of (a) his base annual salary and bonus for the remainder of the term or (b) two times his then annual base salary and bonus. In addition, pursuant to the employment agreement, as amended, in January 2011 and May 2011, we granted to Mr. Weinreb 15,000,000 and 35,000,000 shares of common stock, respectively. In connection with the stock grants, we agreed to pay all taxes payable by Mr. Weinreb as a result of the grants as well as all taxes incurred as a result of the tax payments made on his behalf. We and Mr. Weinreb initially agreed that the 35,000,000 share grant would not vest until we received equity and/or debt financing in an aggregate amount equal to three times the tax payable in connection with the grant. On November 4, 2011, we and Mr. Weinreb agreed that the 35,000,000 share grant will not vest until we receive equity and/or debt financing after such date of at least $2,000,000. In April 2012, the vesting requirement was satisfied.

## DIRECTOR COMPENSATION

The following table sets forth certain information concerning the compensation of our non-employee directors for the fiscal year ended December 31, 2011:

**Director Compensation**

| Name | Fees Earned or Paid in Cash | Stock Awards[1] | Option Awards[1] | Non-Equity Incentive Plan Compensation | Nonqualified Deferred Compensation Earnings | All Other Compensation | Total |
|---|---|---|---|---|---|---|---|
| A. Jeffrey Radov[2] | $ 15,000 | $ 41,300 | - | - | - | - | $ 56,300 |
| Joel San Antonio[2] | $ 15,000 | $ 41,300 | - | - | - | - | $ 56,300 |
| Dr. Kurt J. Wagner[3] | - | - | - | - | - | - | - |
| Dr. Joseph J. Ross[3] | - | - | - | - | - | - | - |

(1) The amounts reported in this column represent the grant date fair value of the stock and option awards granted during the year ended December 31, 2011, calculated in accordance with FASB ASC Topic 718. For a detailed discussion of the assumptions used in estimating fair values, see Item 7 ("Management's Discussion and Analysis of Financial Condition and Results of Operations - Stock-Based Compensation").

(2) Appointed as a director in April 2011.

(3) Resigned as a director in April 2011.

Each of Messrs. Radov and San Antonio, our non-employee directors, is entitled to receive, as compensation for his services as a director, $20,000 per annum, payable quarterly (subject to our cash needs). In February 2012, each of Messrs. Radov and San Antonio was granted a ten year option to purchase up to 30,000,000 shares of common stock at an exercise price of $.021 per share. Such options vest to the extent of one-half thereof on the date of grant and one-half thereof on the one year anniversary of the date of grant.

## ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS.

The following table sets forth certain information regarding the beneficial ownership of our common stock, as of April 10, 2012, known by us, through transfer agent records, to be held by: (i) each person who beneficially owns 5% or more of the shares of common stock then outstanding; (ii) each of our directors; (iii) each of our Named Executive Officers (as defined above); and (iv) all of our directors and executive officers as a group.

The information in this table reflects "beneficial ownership" as defined in Rule 13d-3 of the Exchange Act. To our knowledge, and unless otherwise indicated, each shareholder has sole voting power and investment power over the shares listed as beneficially owned by such shareholder, subject to community property laws where applicable. Percentage ownership is based on 647,991,911 shares of common stock outstanding as of April 10, 2012.

| Name and Address of Beneficial Owner | Number of Shares Beneficially Owned | Approximate Percent of Class |
|---|---|---|
| Mark Weinreb<br>555 Heritage Drive<br>Jupiter, Florida | 182,309,991(1) | 27.3% |
| Westbury (Bermuda) Ltd.<br>Victoria Hall<br>11 Victoria Street<br>Hamilton, Bermuda | 55,750,000(2) | 8.3% |
| Gloria McConnell<br>1260 NW 16th Street<br>Boca Raton, Florida | 46,120,382(3) | 7.1% |
| A. Jeffrey Radov<br>8 Walworth Avenue<br>Scarsdale, New York | 27,500,000(4) | 4.1% |
| Joel San Antonio<br>2200 Highway 121<br>Bedford, Texas | 27,500,000(4) | 4.1% |
| Francisco Silva<br>555 Heritage Drive<br>Jupiter, Florida | 6,150,000(5) | * |
| All directors and executive officers as a group (4 persons) | 243,509,991(1)(4)(6) | 34.6% |

* Less than 1%.

(1) Includes (a) 20,667,000 shares of common stock issuable upon the exercise of currently exercisable options, (b) 41,034,483 shares of common stock held of record by Gloria McConnell over which Mr. Weinreb has voting power pursuant to a Shareholder Agreement and Irrevocable Proxy, dated January 20, 2011 (the "McConnell Shareholder Agreement"), as described in footnote (2) below, (c) 5,085,899 shares of common stock held of record by Stem Cell Research Company, LLC ("Stem Cell Research") over which Mr. Weinreb has voting power pursuant to a Shareholder Agreement and Irrevocable Proxy, dated January 21, 2011 (the "Research Shareholder Agreement"), as described in footnote (2) below, (d) 21,522,609 shares of common stock held of record by Richard Proodian over which Mr. Weinreb has voting power pursuant to a Shareholder Agreement and Irrevocable Proxy, dated June 15, 2011, (e) 9,000,000 shares of common stock held of record by John Krowiak over which Mr. Weinreb has voting power pursuant to two Shareholder Agreement and Irrevocable Proxy documents, dated June 6, 2011 and June 13, 2011 and (f) 35,000,000 shares of common stock which are pledged as security for the payment of a promissory note.

(2) Includes 20,000,000 shares issuable upon the exercise of a currently exercisable warrant.

(3) Includes 5,085,899 shares of common stock held of record by Stem Cell Research of which, we have been advised, Ms. McConnell is the President and sole member. Pursuant to the McConnell Shareholder Agreement, for a period of three years ending January 20, 2014, Ms. McConnell has agreed to vote her shares of common stock as directed by Mr. Weinreb and has granted to Mr. Weinreb an irrevocable proxy in connection therewith. Pursuant to the Research Shareholder Agreement, for a period of three years ending January 21, 2014, Stem Cell Research has agreed to vote its shares as directed by Mr. Weinreb and has granted to Mr. Weinreb an irrevocable proxy in connection therewith.

(4) Includes (a) 2,500,000 shares of common stock issued subject to continued service as a director until April 21, 2012 and (b) 15,000,000 shares of common stock issuable upon the exercise of currently exercisable options.

(5) Represents shares of common stock issuable upon the exercise of options that are exercisable currently or within 60 days.

(6) Includes 4,950,000 shares of common stock issuable upon the exercise of options that are exercisable currently or within 60 days.

***Securities Authorized for Issuance Under Equity Compensation Plans***

The following table sets forth information as of December 31, 2011 with respect to compensation plans (including individual compensation arrangements) under which our common stock are authorized for issuance, aggregated as follows:

- All compensation plans previously approved by security holders; and
- All compensation plans not previously approved by security holders.

**EQUITY COMPENSATION PLAN INFORMATION**

| | **Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)** | **Weighted average exercise price of outstanding options, warrants and rights (b)** | **Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)** |
|---|---|---|---|
| Equity compensation plans approved by security holders | 26,150,000 | $ 0.012 | 128,850,000 |
| Equity compensation plans not approved by security holders | 2,000,000 | $ 0.01 | - |
| Total | 28,150,000 | | 128,850,000 |

**ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE**.

In October 2010, certain of our then executive officers, directors, 5% or greater shareholders and consultants contributed to our capital 60,332,799 shares. Such capital contribution was made in order to enable us to have sufficient authorized and unissued shares of common stock in connection with our capital-raising efforts and for other corporate purposes and without additional consideration to the executive officers, directors, shareholders or consultants. The number of additional shares contributed is as follows:

| Name | Total Number of Shares Contributed |
|---|---|
| Gloria J. McConnell | 12,576,811 |
| Richard M. Proodian | 9,511,874 |
| Stem Cell Research Company, LLC | 32,082,535 |
| Todd Adler | 6,161,579 |

On December 15, 2010, we entered into a termination agreement with Gloria McConnell, our former President (the "McConnell Termination Agreement"), pursuant to which Ms. McConnell was entitled to receive $120,000, as severance, payable over a two year period. In addition, pursuant to the McConnell Termination Agreement, we agreed to reissue to Ms. McConnell 12,576,811 shares of our common stock. These shares had previously been contributed to capital by Ms. McConnell in October 2010 in order to enable us to fulfill our obligation to issue shares to third parties. Further, pursuant to the McConnell Termination Agreement, Ms. McConnell has agreed to certain restrictive covenants, including non-competition and non-solicitation restrictions, and limitations on the number of shares that she can sell to 250,000 shares on any particular day and 5,000,000 shares during any three calendar month period. In November 2011, we entered into an agreement with Ms. McConnell pursuant to which we paid her $22,500 in full settlement of our outstanding $87,500 obligation to her.

On January 20, 2011, Ms. McConnell and Mr. Weinreb entered into a Shareholder Agreement and Irrevocable Proxy, pursuant to which Ms. McConnell has agreed that, for a period of three years, she would vote her shares of common stock as determined by Mr. Weinreb.

Effective January 29, 2011, we terminated our relationship with Tommy Berger, one of our founders. Pursuant and subject to the terms and conditions of a termination agreement between the parties (the "Berger Termination Agreement"), Mr. Berger waived any rights he may have had pursuant to a certain employment agreement entered into with us in August 2010 (to which Stem Cell Research Company, LLC ("Stem Cell Research") was also a party) (the "Berger Employment Agreement") and we agreed to pay to Stem Cell Research $180,000 over a 12 month period. In addition, pursuant to the Berger Termination Agreement, each of Mr. Berger and Stem Cell Research has agreed to certain restrictive covenants, including non-competition and non-solicitation restrictions, restrictions on actions that would cause a change of control and limitations on the number of shares that they can sell to 250,000 shares on any particular day and 5,000,000 shares during any three calendar month period. Further, concurrently with the execution of the Berger Termination Agreement, in connection with our agreement to pay to Stem Cell Research the $180,000 payment discussed above, Stem Cell Research executed a shareholder agreement and irrevocable proxy pursuant to which it has agreed that, for a three year period, it would vote its shares of common stock as directed by Mr. Weinreb. We are aware that, in the Berger Employment Agreement, Stem Cell Research was referred to as Mr. Berger's "company"; however, we have no knowledge as to any control that Mr. Berger may currently exercise with respect to Stem Cell Research and, as previously indicated, we have been advised that Ms. McConnell is the President and sole member of Stem Cell Research. In November 2011, we entered into an agreement with Stem Cell Research and Mr. Berger pursuant to which we paid Stem Cell Research $50,000 in full settlement of our outstanding $100,000 obligation to it.

On June 17, 2011, Richard Proodian, our former Chief Financial Officer, executed a termination agreement with us (the "Proodian Termination Agreement") pursuant to which Mr. Proodian was entitled to receive, as severance, $50,000 (less amounts paid as salary for the period after June 15, 2011), payable over the balance of 2011. In addition, pursuant to the Proodian Termination Agreement, Mr. Proodian has agreed to certain restrictive covenants, including non-competition and non-solicitation restrictions, and limitations on the number of shares that he can sell to 250,000 shares on any particular day and 5,000,000 shares during any three calendar month period. Further, in connection with the execution of the Proodian Termination Agreement, Messrs. Proodian and Weinreb entered into a Shareholder Agreement and Irrevocable Proxy pursuant to which Mr. Proodian has agreed that, for a period of three years, he would vote his shares of common stock as determined by Mr. Weinreb. In January 2012, we entered into an agreement with Mr. Proodian pursuant to which we paid him and his designee an aggregate of approximately $23,000 in full settlement of our approximately $46,000 outstanding obligation to him.

On April 2, 2012, Stem Cell Cayman, Ltd., one of our wholly-owned subsidiaries, borrowed $1,500,000 from Westbury (Bermuda) Ltd. ("Westbury"), one of our principal shareholders. The promissory note evidencing the loan provides for interest at the rate of 15% per annum, payable monthly, and the payment of the principal amount one year from the date of issuance (subject to acceleration under certain circumstances). In consideration of the loan, we issued to Westbury a five year warrant for the purchase of 20,000,000 shares of our common stock at an exercise price of $.03 per share.

***Director Independence***

*Board of Directors*

Our Board of Directors is currently comprised of Mark Weinreb, A. Jeffrey Radov and Joel San Antonio. Each of Messrs. Radov and San Antonio is currently an "independent director" based on the definition of independence in Listing Rule 5605(a)(2) of the listing standards at The Nasdaq Stock Market.

*Audit Committee*

The members of our Board's Audit Committee currently are Messrs. Radov and San Antonio, each of whom is an "independent director" based on the definition of independence in Listing Rule 5605(a)(2) of the listing standards of The Nasdaq Stock Market and Rule 10A-3(b)(1) under the Securities Exchange Act of 1934.

*Nominating Committee*

The members of our Board's Nominating Committee currently are Messrs. Radov and San Antonio, each of whom is an "independent director" based on the definition of independence in Listing Rule 5605(a)(2) of the listing standards of The Nasdaq Stock Market.

*Compensation Committee*

The members of our Board's Compensation Committee currently are Messrs. Radov and San Antonio, each of whom is an "independent director" based on the definition of independence in Listing Rule 5605(a)(2) of the listing standards of The Nasdaq Stock Market.

## ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

In February 2011, we engaged Marcum LLP as our independent registered public accountants to audit our financial statements as of December 31, 2010 and 2009, for the years then ended and for the period from December 30, 2008 (inception) to December 31, 2010; prior to that date, we did not have independent auditors. Marcum LLP has also served as our independent registered public accountants for the year ended December 31, 2011.

The following is a summary of the fees billed or expected to be billed to us by Marcum LLP, our independent registered public accountants, for professional services rendered with respect to the fiscal years ended December 31, 2011 and 2010:

| Fee Category | Fiscal 2011 Fees | Fiscal 2010 Fees |
|---|---|---|
| Audit Fees(1) | $ 90,000 | $ 100,845 |
| Audit-Related Fees(2) | $ - | $ - |
| Tax Fees(3) | $ 8,500 | $ 8,595 |
| All Other Fees(4) | $ - | $ - |

(1) Audit Fees consist of fees billed for services rendered for the audit of our consolidated financial statements for the fiscal years ended December 31, 2011 and 2010.

(2) Audit-Related Fees consist of fees billed for assurance and related services that are reasonably related to the performance of the audit of our financial statements and are not reported under "Audit Fees."

(3) Tax Fees consist of fees billed for professional services related to preparation of our U.S. federal and state income tax returns and tax advice.

(4) All Other Fees consist of fees billed for products and services provided by our independent registered public accountants, other than those disclosed above.

The Audit Committee is responsible for the appointment, compensation and oversight of the work of the independent registered public accountants, and approves in advance any services to be performed by the independent registered public accountants, whether audit-related or not. The Audit Committee reviews each proposed engagement to determine whether the provision of services is compatible with maintaining the independence of the independent registered public accountants. Substantially all of the fees shown above were pre-approved by our Board as the Audit Committee was not established until April 2011.

## PART IV

**ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES**.

| | |
|---|---|
| 2.1 | Acquisition and Reorganization Agreement, dated as of April 17, 2009, by and between Traxxec Inc. and Stem Cell Assurance LLC[1] |
| 3.1 | Certificate of Amendment to Articles of Incorporation filed on February 13, 2012 |
| 3.2 | Articles of Incorporation, as amended |
| 3.3 | Articles of Merger with respect to merger of Stem Cell Assurance, Inc. and BioRestorative Therapies, Inc.[2] |
| 3.4 | Amended and Restated Corporate By-Laws, effective as of August 15, 2011[2] |
| 10.1 | 2010 Equity Participation Plan, as amended[1] |
| 10.2 | Employment Agreement, dated October 4, 2010, between Stem Cell Assurance, Inc. and Mark Weinreb ("Weinreb Employment Agreement") [1] |
| 10.3 | Amendment to Weinreb Employment Agreement, dated May 31, 2011[1] |
| 10.4 | Amendment to Weinreb Employment Agreement, dated February 10, 2012 |
| 10.5 | Termination Agreement, dated as of December 15, 2010, between Stem Cell Assurance, Inc. and Gloria McConnell[1] |
| 10.6 | Shareholder Agreement and Irrevocable Proxy, dated as of January 20, 2011, between Gloria McConnell and Mark Weinreb[1] |
| 10.7 | Termination Agreement, dated as of January 21, 2011, by and among Stem Cell Assurance, Inc., Stem Cell Research Company, LLC and Tommy Berger[1] |
| 10.8 | Shareholder Agreement and Irrevocable Proxy, dated as of January 21, 2011, between Stem Cell Research Company, LLC and Mark Weinreb[1] |
| 10.9 | Lease Agreement, effective as of February 1, 2011, between Orange Coast, LLC and Stem Cell Assurance, Inc.[1] |
| 10.10 | First Amendment to Lease, dated March 11, 2011, between Orange Coast, LLC and Stem Cell Assurance, Inc.[1] |
| 10.11 | Consulting Agreement, dated as of February 17, 2011, between Stem Cell Assurance, Inc. and TDA Consulting Services, Inc. [1] |
| 10.12 | Consulting Agreement, dated as of February 17, 2011, between the Company and Vintage Holidays L.L.C. [1] |
| 10.13 | Letter agreement, dated January 1, 2012, between the Company and Vintage Holidays, L.L.C. |
| 10.14 | Credit Support, Security and Registration Rights Agreement, dated as of August 17, 2010, between Stem Cell Assurance, Inc. and Quick Capital of L.I. Corp. [1] |
| 10.15 | Settlement Agreement, dated as of February 23, 2011, by and among Stem Cell Assurance, Inc., Quick Capital of L.I. Corp. and Olde Estate, LLC[1] |
| 10.16 | Employment Agreement, dated as of December 1, 2010, between Stem Cell Assurance, Inc. and Mandy Clark ("Clark Employment Agreement")[1] |
| 10.17 | Amendment to Clark Employment Agreement, dated February 10, 2012 |
| 10.18 | Form of Promissory Note issued by Stem Cell Assurance, Inc./BioRestorative Therapies, Inc. between November 2010 and December 2011[1] |
| 10.19 | Promissory Note, dated February 1, 2011, issued by Stem Cell Assurance, Inc. in the principal amount of $266,055.31[1] |
| 10.20 | Promissory Note, dated February 9, 2011, issued by Stem Cell Cayman Ltd. in the principal amount of $1,050,000[1] |

| | |
|---|---|
| 10.21 | Form of Stock Option Agreement, dated December 15, 2010, between Stem Cell Assurance, Inc. and each of Mark Weinreb and Mandy Clark[1] |
| 10.22 | Form of Stock Option Agreement, dated December 15, 2010, between Stem Cell Assurance, Inc. and each of Kurt Wagner, M.D. and Joseph Ross, M.D. [1] |
| 10.23 | Consulting Agreement, dated as of April 7, 2011, between Stem Cell Assurance, Inc. and Joseph Ross, M.D. [1] |
| 10.24 | Letter agreement, dated April 2, 2011, between Stem Cell Assurance, Inc. and Kurt Wagner, M.D. [1] |
| 10.25 | Letter agreement, dated April 7, 2011, between Stem Cell Assurance, Inc. and Joseph Ross, M.D. [1] |
| 10.26 | Amended and Restated Executive Employment Agreement, dated May 10, 2011, between Stem Cell Assurance, Inc. and Francisco Silva ("Silva Employment Agreement")[1] |
| 10.27 | Amendment to Silva Employment Agreement, dated November 4, 2011 |
| 10.28 | Stock Option Agreement, dated April 5, 2011, between Stem Cell Assurance, Inc. and Francisco Silva[1] |
| 10.29 | Stock Option Agreement, dated April 21, 2011, between Stem Cell Assurance, Inc. and Mandy Clark[1] |
| 10.30 | Stock Grant Agreement, dated April 21, 2011, between Stem Cell Assurance, Inc. and Joel San Antonio[1] |
| 10.31 | Stock Grant Agreement, dated April 21, 2011, between Stem Cell Assurance, Inc. and A. Jeffrey Radov[1] |
| 10.32 | Stock Grant Agreement, dated May 31, 2011, between Stem Cell Assurance, Inc. and Mark Weinreb[1] |
| 10.33 | Letter agreement, dated as of November 4, 2011, between BioRestorative Therapies, Inc. and Mark Weinreb[1] |
| 10.34 | Scientific Advisory Board Agreement, dated as of June 10, 2011, between Stem Cell Assurance, Inc. and Naiyer Imam, M. D. [1] |
| 10.35 | Stock Option Agreement, dated as of June 10, 2011, between Stem Cell Assurance, Inc. and Naiyer Imam, M. D. [1] |
| 10.36 | Termination Agreement, dated as of June 15, 2011, between Stem Cell Assurance, Inc. and Richard Proodian[1] |
| 10.37 | Shareholder Agreement and Irrevocable Proxy, dated June 15, 2011, between Richard Proodian and Mark Weinreb[1] |
| 10.38 | Scientific Advisory Board Agreement, dated as of June 24, 2011, between Stem Cell Assurance, Inc. and Amit Patel, M. D. [1] |
| 10.39 | Stock Option Agreement, dated as of June 24, 2011, between Stem Cell Assurance, Inc. and Amit Patel, M. D. [1] |
| 10.40 | Tangible Property License Agreement, entered into as of August 22, 2011, by and between the University of Utah Research Foundation, the University of Utah and Stem Cell Assurance, Inc.[3] |
| 10.41 | Promissory Note, dated November 4, 2011, issued by Stem Cell Cayman Ltd. in the principal amount of $1,000,000[1] |
| 10.42 | Settlement Agreement, dated as of November 8, 2011, between BioRestorative Therapies, Inc. and Gloria McConnell[1] |
| 10.43 | Settlement Agreement, dated as of November 8, 2011, among BioRestorative Therapies, Inc., Stem Cell Research Company, LLC and Tommy Berger[1] |
| 10.44 | License Agreement, dated as of January 27, 2012, between Regenerative Sciences, LLC and BioRestorative Therapies, Inc. ("License Agreement") |

| | |
|---|---|
| 10.45 | Amendment to License Agreement, dated March 21, 2012 |
| 10.46 | Stock Option Agreement, dated as of February 10, 2012, between BioRestorative Therapies, Inc. and Mark Weinreb |
| 10.47 | Stock Option Agreement, dated as of February 10, 2012, between BioRestorative Therapies, Inc. and A. Jeffrey Radov |
| 10.48 | Stock Option Agreement, dated as of February 10, 2012, between BioRestorative Therapies, Inc. and Joel San Antonio |
| 10.49 | Stock Option Agreement, dated as of February 10, 2012, between BioRestorative Therapies, Inc. and Francisco Silva |
| 10.50 | Stock Option Agreement, dated as of February 10, 2012, between BioRestorative Therapies, Inc. and Mandy Clark |
| 10.51 | Promissory Note, dated March 30, 2012, issued by Stem Cell Cayman Ltd. in the principal amount of $1,500,000 |
| 10.52 | Form of Exchange Agreement between BioRestorative Therapies, Inc. and debtholders |
| 14 | Code of Ethics |
| 21 | Subsidiaries[1] |
| 31.1 | Principal Executive Officer Certification |
| 31.2 | Principal Financial Officer Certification |
| 32 | Section 1350 Certification |
| 101.INS | XBRL Instance Document |
| 101.SCH | XBRL Schema Document |
| 101.CAL | XBRL Calculation Linkbase Document |
| 101.DEF | XBRL Definition Linkbase Document |
| 101.LAB | XBRL Label Linkbase Document |
| 101.PRE | XBRL Presentation Linkbase Document |

[1]Incorporated by reference to the exhibits included with our Registration Statement on Form 10, as amended, filed with the Securities and Exchange Commission.

[2] Incorporated by reference to the exhibits included with our Current Report on Form 8-K for an event dated August 15, 2011 filed with the Securities and Exchange Commission.

[3] Incorporated by reference to the exhibit included with our Current Report on Form 8-K for an event dated August 22, 2011 filed with the Securities and Exchange Commission.

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**BIORESTORATIVE THERAPIES, INC.**

Dated: April 16, 2012

By: /s/ *Mark Weinreb*
Mark Weinreb
Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

| Signature | Capacity | Date |
|---|---|---|
| /s/ *Mark Weinreb*<br>Mark Weinreb | Chief Executive Officer, President, Chairman of the Board and Director (Principal Executive Officer, Principal Financial Officer and Principal Accounting Officer) | April 16, 2012 |
| /s/ *A. Jeffrey Radov*<br>A. Jeffrey Radov | Director | April 16, 2012 |
| /s/ *Joel San Antonio*<br>Joel San Antonio | Director | April 16, 2012 |

**BIORESTORATIVE THERAPIES, INC. & SUBSIDIARIES**
**(A COMPANY IN THE DEVELOPMENT STAGE)**

**CONSOLIDATED FINANCIAL STATEMENTS**

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Audit Committee of the Board of Directors
and Stockholders of BioRestorative Therapies, Inc. and Subsidiaries

We have audited the accompanying consolidated balance sheets of BioRestorative Therapies, Inc. and Subsidiaries (the "Company") (a company in the development stage) (formerly known as Stem Cell Assurance, Inc.) as of December 31, 2011 and 2010, and the related consolidated statements of operations, changes in stockholders' deficiency and cash flows for the years then ended and for the period from December 30, 2008 (inception) to December 31, 2011. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of BioRestorative Therapies, Inc. and Subsidiaries as of December 31, 2011 and 2010, and the results of their operations and their cash flows for the years then ended and for the period from December 30, 2008 (inception) to December 31, 2011, in conformity with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As more fully discussed in Note 2 to the consolidated financial statements, the Company is in the development stage, has incurred net losses since inception and needs to raise additional funds to meet its obligations and sustain its operations. These conditions raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to these matters are described in Note 2. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ Marcum LLP

Marcum LLP
New York, NY
April 16, 2012

**BIORESTORATIVE THERAPIES, INC. & SUBSIDIARIES**
**(A COMPANY IN THE DEVELOPMENT STAGE)**

**Consolidated Balance Sheets**

| | December 31, 2011 | December 31, 2010 |
|---|---|---|
| **Assets** | | |
| Current Assets: | | |
| Cash | $ 71,508 | $ 18,074 |
| Prepaid expenses and other current assets | 46,915 | - |
| Total Current Assets | 118,423 | 18,074 |
| Property and equipment, net | 94,827 | 446,756 |
| Intangible assets, net | 3,308 | 3,676 |
| Security deposit | 4,415 | - |
| Total Assets | $ 220,973 | $ 468,506 |
| **Liabilities and Stockholders' Deficiency** | | |
| Current Liabilities: | | |
| Accounts payable | $ 426,184 | $ 160,187 |
| Accrued expenses and other current liabilities | 440,229 | 341,618 |
| Notes payable, net of debt discount of $149,043 and $19,476 at December 31, 2011 and December 31, 2010, respectively | 3,040,957 | 514,047 |
| Total Current Liabilities | 3,907,370 | 1,015,852 |
| Notes payable - less current maturities | - | 196,876 |
| Total Liabilities | 3,907,370 | 1,212,728 |
| Commitments and contingencies | | |
| Stockholders' Deficiency: | | |
| Preferred stock, $0.01 par value; Authorized, 1,000,000 shares; none issued and outstanding at December 31, 2011 and December 31, 2010 | - | - |
| Common stock, $0.001 par value; Authorized, 1,500,000,000 shares; Issued 635,614,845 and 461,148,534 shares at December 31, 2011 and December 31, 2010, respectively; Outstanding 607,683,811 and 433,217,500 shares at December 31, 2011 and December 31, 2010, respectively | 635,615 | 461,149 |
| Additional paid-in capital | 3,234,486 | 2,270,219 |
| Shares issuable | - | 6,971 |
| Deficit accumulated during development stage | (7,524,498) | (3,450,561) |
| Treasury stock, at cost, 27,931,034 shares at December 31, 2011 and December 31, 2010 | (32,000) | (32,000) |
| Total Stockholders' Deficiency | (3,686,397) | (744,222) |
| Total Liabilities and Stockholders' Deficiency | $ 220,973 | $ 468,506 |

See Notes to these Consolidated Financial Statements

**BIORESTORATIVE THERAPIES, INC. & SUBSIDIARIES**
**(A COMPANY IN THE DEVELOPMENT STAGE)**

**Consolidated Statements of Operations**

| | For The Years Ended December 31, | | Period from December 30, 2008 (Inception) to December 31, |
|---|---|---|---|
| | 2011 | 2010 | 2011 |
| **Revenues** | $ - | $ - | $ - |
| **Operating Expenses** | | | |
| Marketing and promotion | 103,696 | 124,850 | 307,818 |
| Payroll and benefits | 1,380,867 | 760,171 | 2,141,038 |
| Consulting expense | 682,171 | 682,152 | 2,220,608 |
| General and administrative | 1,373,271 | 490,544 | 2,092,089 |
| Research and development | 12,000 | 11,620 | 23,620 |
| Total Operating Expenses | 3,552,005 | 2,069,337 | 6,785,173 |
| Loss From Operations | (3,552,005) | (2,069,337) | (6,785,173) |
| **Other Income (Expense)** | | | |
| Other income | - | 11,432 | 11,457 |
| Interest expense | (260,011) | (24,155) | (288,498) |
| Amortization of debt discount | (345,369) | (181,739) | (556,096) |
| Gain on settlement of note and payables, net | 83,448 | - | 83,448 |
| Total Other Expense | (521,932) | (194,462) | (749,689) |
| **Net Loss** | $ (4,073,937) | $ (2,263,799) | $ (7,534,862) |
| Net Loss Per Share - Basic and Diluted | $ (0.01) | $ (0.00) | |
| Weighted Average Number of Common Shares Outstanding - Basic and Diluted | 561,287,751 | 470,404,418 | |

See Notes to these Consolidated Financial Statements

**BIORESTORATIVE THERAPIES, INC. & SUBSIDIARIES**
**(A COMPANY IN THE DEVELOPMENT STAGE)**

## Consolidated Statements of Changes in Stockholders' Deficiency
## For the period December 30, 2008 (Inception) to December 31, 2011

| | Common Stock | | Additional Paid-In | Shares | Due From | Deficit Accumulated During | Treasury Stock | | |
|---|---|---|---|---|---|---|---|---|---|
| | Shares | Amount | Capital | Issuable | Lender | Development Stage | Shares | Amount | Total |
| **Balance - December 30, 2008 (Inception)** | **301,999,999** | **$ 302,000** | **$ (302,000)** | **$ -** | **$ -** | **$ -** | **-** | **$ -** | **$ -** |
| Net loss for the period ended December 31, 2008 | - | - | - | - | - | - | - | - | - |
| **Balance - December 31, 2008 (Inception)** | **301,999,999** | **$ 302,000** | **$ (302,000)** | **$ -** | **$ -** | **$ -** | **-** | **$ -** | **$ -** |
| Recapitalization of accumulated deficit of Stem Cell Assurance, LLC at time of formation | - | - | (10,364) | - | - | 10,364 | - | - | - |
| Shares issued pursuant to reverse recapitalization (at $0.001) | 100,403,621 | 100,404 | (100,404) | - | - | - | - | - | - |
| Shares issued pursuant to reverse recapitalization and subsequently cancelled - (at $0.001) | (85,862,068) | (85,862) | 85,862 | - | - | - | - | - | - |
| Shares issued for cash - May 1, 2009 (at $0.035) | 360,000 | 360 | 12,140 | - | - | - | - | - | 12,500 |
| Shares issued for cash - May 26, 2009 (at $0.10) | 10,000 | 10 | 990 | - | - | - | - | - | 1,000 |
| Shares issued for cash - June 19, 2009 (at $0.033) | 200,000 | 200 | 6,300 | - | - | - | - | - | 6,500 |
| Shares issued for consulting services - (at $0.035) | 4,108,000 | 4,108 | 140,083 | - | - | - | - | - | 144,191 |
| Shares issued as debt discount in connection with notes payable - August 5, 2009 (at $0.007) | 5,000,000 | 5,000 | 31,301 | - | | - | - | - | 36,301 |
| Shares issued for cash - September 10, 2009 (at $0.013) | 375,000 | 375 | 4,625 | - | - | - | - | - | 5,000 |
| Shares issued as debt discount in connection with notes payable - October 5, 2009 (at $0.004) | 5,000,000 | 5,000 | 16,032 | | | | | | 21,032 |
| Shares issued as debt discount in connection with notes payable - November 5, 2009 (at $0.027) | 5,000,000 | 5,000 | - | - | - | - | - | - | 5,000 |
| **Subtotal** | 336,594,552 | $ 336,595 | $ (115,435) | $ - | $ - | $ 10,364 | - | $ - | $ 231,524 |

See Notes to these Consolidated Financial Statements.

**BIORESTORATIVE THERAPIES, INC. & SUBSIDIARIES**
**(A COMPANY IN THE DEVELOPMENT STAGE)**

## Consolidated Statements of Changes in Stockholders' Deficiency
## For the period December 30, 2008 (Inception) to December 31, 2011
## (continued)

| | Common Stock | | Additional Paid-In | Shares | Due From | Deficit Accumulated During | Treasury Stock | | |
|---|---|---|---|---|---|---|---|---|---|
| | Shares | Amount | Capital | Issuable | Lender | Development Stage | Shares | Amount | Total |
| **Carried Forward** | 336,594,552 | $ 336,595 | $ (115,435) | $ - | $ - | $ 10,364 | - | $ - | $ 231,524 |
| Shares issued as debt discount with connection with notes payable - (at $0.003) | 15,500,000 | 15,500 | 36,851 | - | - | - | - | - | 52,351 |
| Shares issued in connection with debt financings and credit facilitations - December 14, 2009 (at $0.003) | 2,500,000 | 2,500 | 6,189 | - | - | - | - | - | 8,689 |
| Shares issued as debt discount in connection with notes payable - December 15, 2009 (at $0.003) | 8,000,000 | 8,000 | 59,949 | - | | - | - | - | 67,949 |
| Shares held as collateral in connection with note payable - December 15, 2009 (at $0.027) | 20,000,000 | 20,000 | 510,000 | - | (530,000) | - | - | - | - |
| Shares issued for consulting services - (at $0.027) | 27,665,948 | 27,666 | 705,482 | - | - | - | - | - | 733,148 |
| Warrants granted in connection with consulting services - August 6, 2009 (at $0.01) | - | - | 52,379 | - | - | - | - | - | 52,379 |
| Net loss | - | - | - | - | - | (1,197,126) | - | - | (1,197,126) |
| **Balance as of December 31, 2009** | **410,260,500** | **$ 410,261** | **$ 1,255,414** | **$ -** | **$ (530,000)** | **$ (1,186,762)** | - | **$ -** | **$ (51,087)** |
| Shares issued for cash - February 16, 2010 (at $0.004) | 26,000,000 | 26,000 | 89,700 | - | - | - | - | - | 115,700 |
| Shares issued for cash - February 16, 2010 (at $0.003) | 12,000,000 | 12,000 | 23,600 | - | - | - | - | - | 35,600 |
| Shares held as collateral returned - February 16, 2010 (at $0.027) | (20,000,000) | (20,000) | (510,000) | - | 530,000 | - | - | - | - |
| **Subtotal** | 428,260,500 | $ 428,261 | $ 858,714 | $ - | $ - | $ (1,186,762) | - | $ - | $ 100,213 |

See Notes to these Consolidated Financial Statements.

**BIORESTORATIVE THERAPIES, INC. & SUBSIDIARIES**
**(A COMPANY IN THE DEVELOPMENT STAGE)**

## Consolidated Statements of Changes in Stockholders' Deficiency
## For the period December 30, 2008 (Inception) to December 31, 2011
## (continued)

| | Common Stock | | Additional Paid-In | Shares | Due From | Deficit Accumulated During | Treasury Stock | | |
|---|---|---|---|---|---|---|---|---|---|
| | Shares | Amount | Capital | Issuable | Lender | Development Stage | Shares | Amount | Total |
| **Carried Forward** | 428,260,500 | $ 428,261 | $ 858,714 | $ - | $ - | $ (1,186,762) | - | $ - | $ 100,213 |
| Shares issued for cash - June 1, 2010 (at $0.025) | 500,000 | 500 | 12,000 | - | - | - | - | - | 12,500 |
| Shares issued for cash - (at $0.01) | 37,750,000 | 37,750 | 339,750 | - | - | - | - | - | 377,500 |
| Shares issued for consulting services - (at $0.007) | 42,937,500 | 42,938 | 261,156 | - | - | - | - | - | 304,094 |
| Purchase of treasury shares - August 25, 2010 (at $0.002) | - | - | - | - | - | - | (12,413,793) | (22,000) | (22,000) |
| Purchase of treasury shares - October 11, 2010 (at $0.001) | - | - | - | - | - | - | (15,517,241) | (10,000) | (10,000) |
| Shares issued for cash - October 12, 2010 (at $0.02) | 6,250,000 | 6,250 | 118,750 | - | - | - | - | - | 125,000 |
| Shares issued pursuant to reverse recapitalization and retired - October 13, 2010 (at $0.001) | (60,332,799) | (60,333) | 60,333 | - | - | - | - | - | - |
| Shares issued for consulting services - November 3, 2010 (at $0.008) | 958,333 | 958 | 6,871 | - | - | - | - | - | 7,829 |
| Shares issued in connection with the exercise of warrants - December 3, 2010 (at $0.015) | 125,000 | 125 | 1,750 | - | - | - | - | - | 1,875 |
| Shares issued/issuable as debt discount in connection with notes payable - (at $0.007) | 4,700,000 | 4,700 | 27,210 | 6,971 | - | - | - | - | 38,881 |
| **Subtotal** | 461,148,534 | $ 461,149 | $ 1,686,534 | $ 6,971 | $ - | $ (1,186,762) | (27,931,034) | $ (32,000) | $ 935,892 |

See Notes to these Consolidated Financial Statements.

**BIORESTORATIVE THERAPIES, INC. & SUBSIDIARIES**
**(A COMPANY IN THE DEVELOPMENT STAGE)**

## Consolidated Statements of Changes in Stockholders' Deficiency
## For the period December 30, 2008 (Inception) to December 31, 2011
## (continued)

| | Common Stock | | Additional Paid-In | Shares | Due From | Deficit Accumulated During | Treasury Stock | | |
|---|---|---|---|---|---|---|---|---|---|
| | Shares | Amount | Capital | Issuable | Lender | Development Stage | Shares | Amount | Total |
| **Carried Forward** | 461,148,534 | $ 461,149 | $ 1,686,534 | $ 6,971 | $ - | $ (1,186,762) | (27,931,034) | $ (32,000) | $ 935,892 |
| Stock-based compensation expense | - | - | 583,685 | - | - | - | - | - | 583,685 |
| Net loss | - | - | - | - | - | (2,263,799) | - | - | (2,263,799) |
| **Balance - December 31, 2010** | **461,148,534** | **$ 461,149** | **$ 2,270,219** | **$ 6,971** | **$ -** | **$ (3,450,561)** | **(27,931,034)** | **$ (32,000)** | **$ (744,222)** |
| Shares issued for consulting services - (at $0.008) | 17,077,000 | 17,077 | 123,980 | - | - | - | - | - | 141,057 |
| Shares issued to board of directors - April 21, 2011 (at $0.008) | 10,000,000 | 10,000 | 62,275 | - | - | - | - | - | 72,275 |
| Shares reissued to former President - January 12, 2011 (at par value) | 12,576,811 | 12,577 | (12,577) | - | - | - | - | - | - |
| Shares issued pursuant to settlement agreement - February 23, 2011 (at $0.008) | 8,312,500 | 8,312 | 60,350 | - | - | - | - | - | 68,662 |
| Shares issued as debt discount in connection with notes payable - (at $0.007) | 68,500,000 | 68,500 | 413,407 | (6,971) | - | - | - | - | 474,936 |
| Shares issued to CEO pursuant to employment agreement - (at $0.008) | 50,000,000 | 50,000 | 73,900 | - | - | - | - | - | 123,900 |
| Shares and warrants issued for cash - (at $0.025) | 8,000,000 | 8,000 | 192,000 | - | - | - | - | - | 200,000 |
| Stock-based compensation - options | | | 50,932 | - | - | - | - | - | 50,932 |
| Net loss | - | - | - | - | - | (4,073,937) | - | - | (4,073,937) |
| **Balance - December 31, 2011** | **635,614,845** | **$ 635,615** | **$ 3,234,486** | **$ -** | **$ -** | **$ (7,524,498)** | **(27,931,034)** | **$ (32,000)** | **$ (3,686,397)** |

See Notes to these Consolidated Financial Statements.

**BIORESTORATIVE THERAPIES, INC. & SUBSIDIARIES**
**(A COMPANY IN THE DEVELOPMENT STAGE)**

**Consolidated Statements of Cash Flows**

| | For The Years Ended December 31, | | Period from December 30, 2008 (Inception) to December 31, |
|---|---|---|---|
| | **2011** | **2010** | **2011** |
| **Cash Flows From Operating Activities** | | | |
| Net loss | $ (4,073,937) | $ (2,263,799) | $ (7,534,862) |
| Adjustments to reconcile net loss to net cash used in operating activities: | | | |
| Amortization of debt discount | 345,369 | 181,739 | 556,096 |
| Depreciation and amortization | 90,412 | 48,358 | 145,182 |
| Loss on sale of property and equipment | 21,614 | - | 21,614 |
| Stock-based compensation | 456,826 | 895,608 | 2,282,151 |
| Gain on settlement of note and payables, net | (83,448) | - | (83,448) |
| Changes in operating assets and liabilities: | | | |
| Prepaid expenses and other current assets | (46,915) | 5,950 | (46,915) |
| Security deposit | (4,415) | - | (4,415) |
| Accounts payable | 268,516 | 81,918 | 368,703 |
| Accrued expenses and other current liabilities | 215,111 | 321,008 | 552,729 |
| **Total Adjustments** | 1,263,070 | 1,534,581 | 3,791,697 |
| **Net Cash Used in Operating Activities** | (2,810,867) | (729,218) | (3,743,165) |
| **Cash Flows From Investing Activities** | | | |
| Purchases of property and equipment | (17,772) | (45,383) | (163,243) |
| Proceeds from sale of property and equipment | 32,000 | - | 32,000 |
| Acquisition of intangible assets | - | (3,401) | (3,676) |
| **Net Cash Provided by (Used in) Investing Activities** | 14,228 | (48,784) | (134,919) |
| **Cash Flows From Financing Activities** | | | |
| Proceeds from notes payable | 2,962,500 | 332,654 | 3,573,639 |
| Repayment of notes payable | (308,427) | (176,795) | (485,222) |
| Advances from officer | 26,000 | - | 26,000 |
| Repayment of advances from officer | (26,000) | - | (26,000) |
| Proceeds from exercise of warrants | - | 1,875 | 1,875 |
| Repurchase of common stock | (4,000) | (28,000) | (32,000) |
| Sale of common stock and warrants for cash | 200,000 | 666,300 | 891,300 |
| **Net Cash Provided by Financing Activities** | 2,850,073 | 796,034 | 3,949,592 |
| **Net Increase In Cash** | 53,434 | 18,032 | 71,508 |
| **Cash - Beginning** | 18,074 | 42 | - |
| **Cash - Ending** | $ 71,508 | $ 18,074 | $ 71,508 |

See Notes to these Consolidated Financial Statements

**BIORESTORATIVE THERAPIES, INC. & SUBSIDIARIES**
**(A COMPANY IN THE DEVELOPMENT STAGE)**

**Consolidated Statements of Cash Flows—Continued**

| | For The Years Ended December 31, | | Period from December 30, 2008 (Inception) to December 31, |
|---|---|---|---|
| | **2011** | **2010** | **2011** |
| **Supplemental Disclosures of Cash Flow Information:** | | | |
| Cash paid during the period for: | | | |
| Interest | $ 186,150 | $ 16,847 | $ 202,997 |
| | | | |
| Non-cash investing and financing activites: | | | |
| Shares issued as debt discount in connection with notes payable | $ 474,936 | $ 31,910 | $ 698,168 |
| Shares returned as collateral in connection with note payable | $ - | $ (530,000) | $ - |
| Shares issued in connection with reverse recapitalization | $ - | $ - | $ 362,000 |
| Shares issued pursuant to reverse recapitalization and subsequently cancelled | $ - | $ 60,333 | $ 146,195 |
| Shares issued (issuable) as debt discount in connection with note payable | $ 6,971 | $ (6,971) | $ - |
| Purchase of property and equipment for note payable | $ - | $ 291,055 | $ 291,055 |
| Purchase of property and equipment for accounts payable | $ - | $ 60,000 | $ 60,000 |
| Accrued payable for treasury shares repurchased | $ - | $ 7,000 | $ 7,000 |
| Shares reissued to former President | $ 12,577 | $ - | $ 12,577 |
| Property and equipment returned in connection with settlement of note payable, net | $ 226,043 | $ - | $ 226,043 |

See Notes to these Consolidated Financial Statements

**BIORESTORATIVE THERAPIES, INC. & SUBSIDIARIES**
**(A COMPANY IN THE DEVELOPMENT STAGE)**

**Notes to Consolidated Financial Statements**

**Note 1 - Business Organization and Nature of Operations**

On April 17, 2009, Stem Cell Assurance, LLC ("SCA, LLC") completed a transaction with Traxxec, Inc. ("Traxxec"), a company incorporated on June 13, 1997 under the laws of the state of Nevada under the name "Columbia River Resources Inc." Pursuant to the agreement, SCA, LLC was converted into Traxxec, Inc. and the former members of SCA, LLC were issued approximately 302,000,000 shares, or approximately 75% of the outstanding shares of common stock of Traxxec, Inc. In addition, on April 17, 2009, pursuant to the agreement, an additional 60,000,000 shares were issued to a shareholder of Traxxec. Traxxec was a non-operating shell company and was authorized to issue 1,000,000 shares of preferred stock and 500,000,000 shares of common stock. On the date of the transaction, Traxxec had 0 shares of preferred stock and 40,403,621 shares of common stock issued and outstanding. The transaction was accounted for as a reverse recapitalization, whereby SCA, LLC is deemed to be the acquirer for accounting purposes. The net assets received in the transaction were recorded at historical costs. On August 17, 2009, Traxxec, Inc. changed its name to Stem Cell Assurance, Inc. ("SCA, Inc."). On July 20, 2011, SCA, Inc. entered into an agreement and plan of merger (the "Merger Agreement") with BioRestorative Therapies, Inc., a Nevada corporation that was formed concurrently as a wholly-owned subsidiary of SCA, Inc. Pursuant to the Merger Agreement, effective August 15, 2011, BioRestorative Therapies, Inc. merged with and into SCA, Inc. (the surviving corporation) solely to effect a name change to BioRestorative Therapies, Inc.. BioRestorative Therapies, Inc. has wholly-owned subsidiaries including Stem Pearls, LLC, formerly Stem Cellutrition, LLC, which plans to offer and sell facial creams and products, Lipo Rejuvenation Centers, Inc., which is inactive, and Stem Cell Cayman Ltd. ("Cayman"), which the Company formed as a wholly-owned subsidiary in the Cayman Islands (collectively, the "Company").

The consolidated financial statements set forth in this report for all periods prior to the reverse recapitalization are the historical financial statements of SCA, LLC and have been retroactively restated to give effect to the transaction. The operations of SCA, LLC from December 30, 2008 (inception) to the date of the transaction have been included in operations.

The Company has been presented as a "development stage enterprise". The Company's primary activities since inception have been the research and development of its business plan, negotiating strategic alliances and other agreements, and raising capital. To date, the Company has not generated any revenues from its operations.

The Company's goal is to become a medical center of excellence, using cell and tissue regenerative therapy protocols, primarily involving a patient's own (autologous) adult stem cells (non-embryonic), for personal, medical and aesthetic applications.

**Note 2 - Going Concern and Management Plans**

As of December 31, 2011, the Company had a working capital deficiency and a stockholders' deficiency of $3,788,947 and $3,686,397, respectively. The Company has not generated any revenues and has incurred net losses of $7,534,862 during the period from December 30, 2008 (inception) through December 31, 2011. These conditions raise substantial doubt about the Company's ability to continue as a going concern.

The Company's primary source of operating funds since inception has been its stockholders and note financings. The Company intends to raise additional capital through private debt and equity investors. The Company is currently a development stage company and there is no assurance that these funds will be sufficient to enable the Company to fully complete its development activities or attain profitable operations.
The accompanying consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, which contemplate the continuation of the Company as a going concern and the realization of assets and satisfaction of liabilities in the normal course of business. The carrying amounts of assets and liabilities presented in the financial statements do not necessarily purport to represent realizable or settlement values. The consolidated financial statements do not include any adjustment that might result from the outcome of this uncertainty.

Subsequent to December 31, 2011, the Company raised $1,600,500 and $650,000 through debt and equity financing, respectively, exchanged $175,000 of debt into equity, and extended the maturities of $1,610,000 of notes. The Company currently has notes payable aggregating $250,000 which are past their maturity dates. The Company is currently in the process of negotiating extensions or discussing conversions to equity with respect to these notes. See Note 10 – Subsequent Events for additional details.

**Note 3 - Summary of Significant Accounting Policies**

Principles of Consolidation

The consolidated financial statements of the Company include the accounts of Cayman, Stem Pearls, LLC, formerly Stem Cellutrition, LLC, and Lipo Rejuvenation Centers, Inc. (an inactive entity). All significant intercompany transactions have been eliminated in the consolidation.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at dates of the financial statements and the reported amounts of revenue and expenses during the periods. Actual results could differ from these estimates. The Company's significant estimates and assumptions include the recoverability and useful lives of long-lived assets, the fair value of the Company's stock, stock-based compensation, debt discount and the valuation allowance relating to the Company's deferred tax assets.

Concentrations of Credit Risk

The Company maintains deposits in a financial institution which is insured by the Federal Deposit Insurance Corporation ("FDIC"). At various times, the Company has deposits in this financial institution in excess of the amount insured by the FDIC. As of December 31, 2011 and 2010, the Company had $29,097 and $0, respectively, deposited with an offshore financial institution which is not insured by the FDIC.

Cash

The Company considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. As of December 31, 2011 and 2010, the Company does not have any cash equivalents.

Property and Equipment

Property and equipment are stated at cost, net of accumulated depreciation which is recorded using the straight line method at rates sufficient to charge the cost of depreciable assets to operations over their estimated useful lives, which range from 3 to 5 years. Maintenance and repairs are charged to operations as incurred.

Intangible Assets

Intangible assets are comprised of trademarks. Once placed into service, the Company amortizes the cost of the intangible assets over their useful lives, which is estimated to be 10 years, on a straight line basis.

Advertising

Advertising costs are charged to operations as incurred. For the years ended December 31, 2011 and December 31, 2010, the Company incurred advertising costs of $101,982 and $124,850, respectively. For the period from December 30, 2008 (Inception) to December 31, 2011, the Company's total advertising expense amounted to $307,818.

Research and Development

Research and development expenses are charged to operations as incurred. For the years ended December 31, 2011 and December 31, 2010, the Company incurred research and development expenses of $12,000 and $11,620, respectively. For the period from December 30, 2008 (inception) to December 31, 2011, the Company's total research and development expenses amounted to $23,620.

**Note 3 - Summary of Significant Accounting Policies - Continued**

Income Taxes

The Company recognizes deferred tax assets and liabilities for the expected future tax consequences of items that have been included or excluded in the financial statements or tax returns. Deferred tax assets and liabilities are determined on the basis of the difference between the tax basis of assets and liabilities and their respective financial reporting amounts ("temporary differences") at enacted tax rates in effect for the years in which the temporary differences are expected to reverse.

The Company adopted the provisions of Accounting Standards Codification ("ASC") Topic 740-10, which prescribes a recognition threshold and measurement process for financial statements recognition and measurement of a tax position taken or expected to be taken in a tax return.

The Company classifies interest expense and any related penalties related to income tax uncertainties as a component of income tax expense. No interest or penalties have been recognized as of December 31, 2011 and 2010.

Management has evaluated and concluded that there were no material uncertain tax positions requiring recognition in the Company's consolidated financial statements as of December 31, 2011 and 2010. The Company does not expect any significant changes in its unrecognized tax benefits within twelve months of the reporting date.

Net Loss Per Common Share

Basic loss per common share is computed by dividing net loss by the weighted average number of common shares outstanding during the period. Diluted loss per common share is computed by dividing net loss by the weighted average number of common shares outstanding, plus the issuance of common shares, if dilutive, resulting from the exercise of outstanding stock options and warrants.

The Company's weighted average number of common shares as of December 31, 2011 includes issued and outstanding common shares and the underlying shares issuable upon the exercise of the 20,000,000 and 2,000,000 exercisable options and warrants, respectively, with an exercise price of $0.01 or less. The Company's weighted average number of common shares as of December 31, 2010 includes issued and outstanding common shares and the underlying shares issuable upon the exercise of the 72,000,000 and 2,000,000 exercisable options and warrants, respectively, with an exercise price of $0.01 or less. See Note 9 – Stockholders' Deficiency. In accordance with ASC 260 – Earnings Per Share ("ASC 260"), the Company has given effect to the issuance of these options and warrants in computing basic and diluted net loss per share.

The Company's issued and outstanding common shares as of December 31, 2011 include 40,000,000 shares of stock awards that are non-vested. In accordance with ASC 260, the Company has not given effect to the issuance of these shares in computing basic net loss per share.

Potentially dilutive securities realizable from the vesting of 40,000,000 shares of restricted stock and the exercise of options and warrants for the purchase of 6,150,000 and 2,000,000 shares, respectively, as of December 31, 2011 are excluded from the computation of diluted net loss per share because the effect of their inclusion would have been anti-dilutive. There were no potentially dilutive securities as of December 31, 2010.

Stock-Based Compensation

The Company measures the cost of services received in exchange for an award of equity instruments based on the fair value of the award. For employees and directors, the fair value of the award is measured on the grant date and for non-employees, the fair value of the award is generally re-measured on interim financial reporting dates until the service period is complete. The fair value amount is then recognized over the period during which services are required to be provided in exchange for the award, usually the vesting period. Since the shares underlying the Company's 2010 Equity Participation Plan (the "Plan") are not currently registered, the fair value of the Company's restricted equity instruments was estimated by management based on observations of the cash sales prices of both restricted shares and freely tradable shares.

Stock-based compensation for non-employees and directors is reflected in consulting expenses in the consolidated statements of operations. Stock-based compensation for employees is reflected in payroll and benefits in the consolidated statements of operations.

**Note 3 - Summary of Significant Accounting Policies – Continued**

Reclassifications

Certain prior period amounts have been reclassified for comparative purposes to conform to the fiscal 2011 presentation. These reclassifications have no impact on previously reported net loss.

Impairment of Long-lived Assets

The Company reviews for the impairment of long-lived assets whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. An impairment loss would be recognized when estimated future cash flows expected to result from the use of the asset and its eventual disposition are less than its carrying amount. The Company has not identified any such impairment losses.

Fair Value of Financial Instruments

The Company measures the fair value of financial assets and liabilities based on the guidance of ASC 820 “Fair Value Measurements and Disclosures” which defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements.

ASC 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC 820 also establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. ASC 820 describes three levels of inputs that may be used to measure fair value:

Level 1 — quoted prices in active markets for identical assets or liabilities

Level 2 — quoted prices for similar assets and liabilities in active markets or inputs that are observable

Level 3 — inputs that are unobservable (for example, cash flow modeling inputs based on assumptions)

The carrying amounts of cash, accounts payable, and accrued liabilities approximate fair value due to the short-term nature of these instruments. The carrying amounts of our short term credit obligations approximate fair value because the effective yields on these obligations, which include contractual interest rates taken together with other features such as concurrent issuance of warrants and/or embedded conversion options, are comparable to rates of returns for instruments of similar credit risk.

Recent Accounting Pronouncements

In May 2011, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) No. 2011-04, “Fair Value Measurement (Topic 820) - Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs." This ASU addresses fair value measurement and disclosure requirements within ASC Topic 820 for the purpose of providing consistency and common meaning between U.S. GAAP and IFRSs. Generally, this ASU is not intended to change the application of the requirements in Topic 820. Rather, this ASU primarily changes the wording to describe many of the requirements in U.S. GAAP for measuring fair value or for disclosing information about fair value measurements. This ASU is effective for periods beginning after December 15, 2011. It is not expected to have any impact on the Company’s consolidated financial statements or disclosures.

Other accounting standards that have been issued or proposed by the FASB or other standards-setting bodies that do not require adoption until a future date are not expected to have a material impact on the Company’s financial statements upon adoption.

Subsequent Events

The Company evaluates events that have occurred after the balance sheet date but before the financial statements are issued. Based upon the evaluation, the Company did not identify any recognized or non-recognized subsequent events that would have required adjustment or disclosure in the consolidated financial statements, except as disclosed in Note 11.

**Note 4 - Property and Equipment**

Property and equipment include the following:

| | December 31, 2011 | December 31, 2010 |
|---|---|---|
| Office equipment | $ 7,670 | $ 7,487 |
| Medical equipment | 118,301 | 474,356 |
| Furniture and fixtures | 19,322 | 7,142 |
| Computer software and equipment | 17,636 | 12,541 |
| | 162,929 | 501,526 |
| Less: accumulated depreciation | (68,102) | (54,770) |
| Property and equipment, net | $ 94,827 | $ 446,756 |

Depreciation expense amounted to $90,044 and $48,358 for the years ended December 31, 2011 and 2010, respectively. Depreciation expense for the period from December 30, 2008 (inception) to December 31, 2011 was $144,814. See Note 6, Notes Payable, for details regarding the redelivery of medical equipment.

**Note 5 - Accrued Expenses and Other Liabilities**

Accrued expenses and other current liabilities are comprised of the following:

| | December 31, 2011 | December 31, 2010 |
|---|---|---|
| Accrued loan interest | $ 39,283 | $ 11,116 |
| Credit card payable | 17,026 | 20,132 |
| Accrued payroll and severance | 250,571 | 230,370 |
| Other accrued expenses | 89,200 | 80,000 |
| Deferred rent | 44,149 | - |
| Total | $ 440,229 | $ 341,618 |

**Note 6 - Notes Payable**

During 2010, the Company purchased certain property and equipment with a value of $304,055. In February 2011, the Company renegotiated the terms of the then $291,055 payable with the vendor and entered into a promissory note. In accordance with ASC 470, the Company reclassified a portion of this payable to long-term on the balance sheet as of December 31, 2010, since the event occurred after the balance sheet date, but before the financial statements were issued. The agreement provided for an immediate principal payment of $25,000, plus monthly installments of $8,094, including an effective interest rate of 6%. The Company made $48,019 of principal payments during the year ended December 31, 2011. The scheduled maturity of the note was February 1, 2014 and was collateralized by the equipment purchased. On August 23, 2011, the Company received a notice from the vendor stating that it is in default under the terms of the equipment purchase agreement, for non-payment of certain installment payment obligations. On November 10, 2011, the Company and the equipment vendor agreed to settle the remaining $243,036 due pursuant to the note for $48,564 and the redelivery to the vendor of the equipment that had been purchased, which resulted in a $31,571 loss on the restructuring of the note. The outstanding balance of this note as of December 31, 2011 and 2010 was $0 and $291,055, respectively.

As of December 31, 2010, the Company included $6,971 of the debt discount as shares issuable as the note payable agreement was made but the 1,000,000 shares were not issued until subsequent to year end. In January 2011, the Company issued 1,000,000 shares of common stock with a relative fair value of $6,971 to a private debt investor.

**Note 6 - Notes Payable - Continued**

During the years ended December 31, 2011 and 2010, the Company and its wholly-owned subsidiary, Cayman, obtained new debt financing in the aggregate amount of $2,962,500 ($2,050,000 obtained by Cayman) and $332,654, respectively. $1,962,500 of the debt issued in 2011 is repayable three months from the date of issuance of the respective notes; however, the Company and Cayman have the right to extend the maturity date for an additional three months. During the initial three month period of the notes, the rate of interest is 10% per annum; during any extension period, the interest rate is increased to 15% per annum. The Company is using the effective interest rate method of recording interest expense, which reflects the weighted average interest on a ratable basis over the expected term of the debt. $1,000,000 of the debt issued in 2011 is repayable one year from the date of issuance of the respective note and the rate of interest is 15% per annum. In connection with the new debt financings, an aggregate of 59,250,000 and 4,700,000 shares of common stock of the Company were issued to the lenders during 2011 and 2010, respectively, with a relative fair value of $417,875 and $31,910, respectively. These shares were accounted for as a debt discount and amortized over the estimated life of the related debt.

During the year ended December 31, 2011, the Company exercised its option to extend the maturity date for an additional three month period for notes with an aggregate principal amount of $2,110,000. During the year ended December 31, 2011, the maturity dates of twelve notes payable with an aggregate principal balance of $1,650,000 were further extended to November 2011 through June 2012 and the investors received an aggregate of 8,250,000 shares of common stock with a relative fair value of $57,061 as compensation for the additional extension. All of the further extended notes bear a 15% interest rate per annum payable monthly. The Company has certain notes payable aggregating $160,000 which matured on November 10, 2011. In January 2012, these notes were extended to May 10, 2012. The notes bear a 15% interest rate per annum payable monthly. The Company repaid other notes payable with an aggregate principal balance of $211,844 during the year ended December 31, 2011. All of the notes outstanding as of December 31, 2011 are scheduled to mature during 2012.

The Company recorded amortization of debt discount of $345,369 and $181,739 during the years ended December 31, 2011 and 2010, respectively. Aggregate amortization of debt discount from December 30, 2008 (inception) to December 31, 2011 was $556,096.

**Note 7 - Income Taxes**

The tax effects of temporary differences that give rise to deferred tax assets are presented below:

| | For The Years Ended December 31, | |
|---|---|---|
| | **2011** | **2010** |
| Deferred Tax Assets: | | |
| Net operating loss carryforward | $ 2,544,500 | $ 1,140,100 |
| Stock-based compensation | 234,900 | 221,800 |
| Accrued compensation | 61,500 | 62,700 |
| Charitable contribution carryforward | 100 | 100 |
| Total deferred tax assets | 2,841,000 | 1,424,700 |
| | | |
| Deferred Tax Liabilities: | | |
| Fixed asset depreciation | (21,000) | (148,100) |
| Total deferred tax liabilities | (21,000) | (148,100) |
| | | |
| Total deferred tax asset | 2,820,000 | 1,276,600 |
| | | |
| Valuation allowance | (2,820,000) | (1,276,600) |
| | | |
| Deferred tax asset, net of valuation allowance | $ - | $ - |
| | | |
| Changes in valuation allowance | $ 1,543,400 | $ 827,100 |

**Note 7 - Income Taxes – Continued**

The income tax provision (benefit) consists of the following:

| | For The Years Ended December 31, | |
|---|---|---|
| | **2011** | **2010** |
| Federal: | | |
| Current | $ - | $ - |
| Deferred | (1,380,937) | (740,037) |
| | | |
| State and local: | | |
| Current | - | - |
| Deferred | (162,463) | (87,063) |
| | (1,543,400) | (827,100) |
| Change in valuation allowance | 1,543,400 | 827,100 |
| Income tax provision (benefit) | $ - | $ - |

A reconciliation of the statutory federal income tax rate to the Company's effective tax rate is as follows:

| | For The Years Ended December 31, | |
|---|---|---|
| | **2011** | **2010** |
| Tax benefit at federal statutory rate | (34)% | (34)% |
| State income taxes, net of federal tax benefit | (4)% | (4)% |
| Change in valuation allowance | 38% | 38% |
| Effective income tax rate | -% | -% |

The Company assesses the likelihood that deferred tax assets will be realized. To the extent that realization is not likely, a valuation allowance is established. Based upon the Company's history of losses since inception, management believes that it is more likely than not that future benefits of deferred tax assets will not be realized, and therefore, a full valuation allowance has been established as of December 31, 2011 and 2010.

At December 31, 2011 and 2010, the Company had approximately $6,700,000 and $3,000,000, respectively, of federal and state net operating losses that may be available to offset future taxable income. The net operating loss carry forwards, if not utilized, will expire from 2029 to 2031 for federal purposes. In accordance with Section 382 of the Internal Revenue Code, the usage of the Company's net operating loss carry forward as of April 2009 is deemed to be limited due to the change in ownership at that time.

The Company files income tax returns in the U.S. federal jurisdiction and the state of Florida, and is subject to examination by the various taxing authorities. The Company's federal and state income tax returns for the tax years after 2009 remain subject to examination.

**Note 8 - Commitments and Contingencies**

Operating Lease

On January 20, 2011, the Company entered into a three year lease agreement with respect to premises located at the Alexandria Innovation Center in Jupiter, Florida. The lease, as amended on March 11, 2011, expires on January 31, 2014. No base rent is payable during the initial year and the lease provides for a base monthly rent of $6,234 during the second year and $6,422 during the third year. The Company has the right to lease the premises for an additional three years at the then fair market value rent. The aggregate base rent payable over the lease term is being recognized on a straight-line basis. See Note 5, Accrued Expenses and Other Liabilities, for the deferred rent balance.

The Company leased office space in Boca Raton, Florida under a month to month operating lease. Effective May 1, 2011, the Company terminated this lease.

Rent expense amounted to $84,541 and $29,000 for the years ended December 31, 2011, and 2010, respectively. Rent expense for the period from December 30, 2008 (inception) to December 31, 2011 was approximately $131,541. Rent expense is reflected in general and administrative expenses in the consolidated statements of operations.

Letters of Credit

The Company has purchased certain equipment from suppliers by means of letters of credit. As of December 31, 2011 and 2010, there were no outstanding balances for these letters of credit.

Pursuant to a Credit Support, Security and Registration Rights Agreement, dated as of August 17, 2010, between the Company and Quick Capital of L.I. Corp. (“Quick Capital”), and in connection with issuances of certain letters of credit with regard to purchases of equipment by the Company, the Company issued to Quick Capital 24,937,500 shares of common stock valued at $182,044 for their consulting services. See Note 8 - Commitments and Contingencies – Settlement Agreements.

Litigations, Claims and Assessments

In the normal course of business, the Company may be involved in legal proceedings, claims and assessments arising in the ordinary course of business. Such matters are subject to many uncertainties, and outcomes are not predictable with assurance. In the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the Company’s consolidated financial position or results of operations.

Consulting Agreements

*Business Advisory Services*

Pursuant to a March 1, 2011 agreement for business advisory services, which has a term that expires on March 31, 2012, the retained firm is to provide consultation and assistance with regard to the Company’s efforts to have its securities listed on the OTC Bulletin Board or a securities exchange, establish an offshore stem cell treatment facility, develop business, including with regard to acquisition and joint venture opportunities, develop a physician distribution network for the sale of the Company’s stem cell skin care products, and comply with regulatory requirements. Pursuant to the agreement, the Company paid $35,000 in consideration of services rendered to date and a $25,000 retainer, included in prepaid expenses and other current assets, for services to be rendered during the term. The Company also agreed to pay an additional $130,000 fee, and issue 10,500,100 shares of common stock, both of which are to be paid, expensed and issued in equal monthly installments during the term of the agreement. Through December 31, 2011, the Company issued 8,077,000 shares of common stock valued at $66,716 which was expensed during the period. Subsequent to December 31, 2011 and through the filing date of this report, the Company issued 2,423,100 shares of common stock valued at $20,015 in connection with this agreement. Though the business advisory agreement expired on March 31, 2012, we continue to utilize the firm’s services and are in the process of negotiating an extension to our agreement.

**Note 8 - Commitments and Contingencies – Continued**

Consulting Agreements - Continued

*Marketing Consulting Services*

Pursuant to a March 1, 2011 agreement for marketing consulting services, which had an initial term that expired on June 30, 2011, the retained firm is to provide consultation and assistance with regard to the Company's efforts to market itself with respect to medical tourism, establish business relationships with governmental officials, and establish an offshore stem cell treatment facility. Pursuant to the agreement, the Company paid $20,000 in consideration of services rendered to date and a $10,000 retainer for services to be rendered during the term. The Company also agreed to pay an additional $20,000 fee, and issue 5,000,000 shares of common stock, both of which are to be paid, expensed and issued in equal monthly installments during the term of the agreement. On July 1, 2011 and again on September 1, 2011, the agreement was extended for additional three month terms and the Company agreed to pay an additional $5,000 fee monthly in advance on the first day of each month. Through December 31, 2011, the Company issued 5,000,000 shares of common stock valued at $41,300 which was expensed during the period. On January 1, 2012, the agreement was extended for an additional twelve months. See Note 10, Subsequent Events – Extension of Marketing Consulting Services Agreement for additional details.

*Former Director*

Effective April 7, 2011, the Company entered into a consulting agreement with a former director in connection with the implementation of its business plan. Pursuant to the agreement, subject to the satisfaction of certain performance conditions, the former director is entitled to receive options for the purchase of up to 5,000,000 shares of common stock, pursuant to the Plan, at an exercise price equal to the fair market value on the date of grant. The Company will recognize expense associated with this award if and when it becomes probable that the consultant will satisfy the conditions. As of December 31, 2011, these options have not yet been granted.

Employment Agreements

*Chief Executive Officer*

Effective October 4, 2010, the Company entered into an employment agreement with its Chief Executive Officer (the "CEO"). The employment agreement provided for an initial term of three years. The employment agreement provides for a minimum salary of $360,000 during the initial year, $480,000 during the second year and $600,000 during the third year. As of December 31, 2011, the accrued and unpaid salary and vacation pay was $81,800. In the event the term of the employment agreement is extended beyond the initial term, the base salary payable shall be increased by 20% per annum. The agreement also includes certain severance provisions.

Pursuant to the employment agreement, the CEO is entitled to an annual bonus in an amount equal to 50% of his then current salary. The bonus shall be payable in quarterly installments, commencing on the three month anniversary of the commencement of the employment agreement and continuing on each three month anniversary and shall not be subject to any condition. As of December 31, 2011, the accrued and unpaid bonus was $60,000.

On December 23, 2010, pursuant to the Plan and in connection with the employment agreement, the Company granted to its CEO an option for the purchase of 50,000,000 shares of its common stock at an exercise price of $0.001 per share, valued at $409,441. The options vested immediately, which resulted in the grant date value being expensed immediately, and were exercisable for a period of ten years from the date of grant.

In January 2011, pursuant to an amended employment agreement, the Company issued 15,000,000 shares of common stock to its CEO. In connection with this issuance, the Company immediately recorded the $123,900 value of the common stock as stock-based compensation expense. The Company has agreed to be responsible for the payment of all taxes incurred by the CEO as a result of the grant, as well as all taxes incurred as a result of such tax payments on the CEO's behalf. As of December 31, 2011, the accrued and unpaid tax payment was $20,000.

**Note 8 - Commitments and Contingencies – Continued**

Employment Agreements – Continued

*Chief Executive Officer - Continued*

Effective May 31, 2011 (the "Modification Date") , the Company's employment agreement with its CEO was amended to provide that the option granted to him on December 23, 2010 for the purchase of 50,000,000 shares of common stock (the "Original Grant") was null and void. In addition, concurrently, the Company granted to the CEO 35,000,000 shares of common stock (the "Modified Grant") pursuant to the Plan (as defined below). The shares were to vest at such time as the Company received equity and/or debt financing in an aggregate amount equal to three times the tax payable in connection with the grant. The Company has agreed to be responsible for the payment of all taxes incurred by the CEO as a result of the grant, as well as all taxes incurred as a result of such tax payments on the CEO's behalf. The Company will not recognize any incremental compensation expense for the modification of the grant because (1) the grant date fair value of the immediately vested Original Grant was fully recognized on the grant date; and (2) the fair value of the Modified Grant was less than the fair value of the Original Grant, both as of the Modification Date. On November 4, 2011, the Company and the CEO further modified the CEO's 35,000,000 share restricted stock grant such that vesting is now subject to the receipt of at least $2,000,000 in additional equity and/or debt financing after such date.

See Note 10 – Subsequent Events – CEO Compensation for updates associated with the CEO's compensation arrangement.

*Administrative and Compliance Support Services*

Effective April 15, 2011, the Company entered into an agreement for administrative and compliance support services with an entity, in exchange for $4,000 per month. In addition, on April 27, 2011, the Company granted to the entity a ten-year option to purchase 200,000 shares of common stock at an exercise price of $0.02 per share, pursuant to the Plan. Options for the purchase of 100,000 of such shares became exercisable immediately and options for the purchase of the remaining 100,000 shares became exercisable when the key employee of the consultant became a full-time employee of the Company on November 1, 2011.. Aggregate stock-based compensation of $1,620 was recognized during 2011, including the immediate recognition of the grant date value of the first tranche plus the November 1, 2011 value of the second tranche.

*Vice President of Operations*

Effective December 1, 2010, the Company entered into an employment agreement with its Vice President of Operations ("VP of Operations"). Pursuant to the employment agreement, the VP of Operations is entitled to receive $75,000 per annum (subject to an increase to $90,000 per annum effective upon her relocation to the Company's Jupiter, Florida offices; such relocation occurred as of February 1, 2011). The agreement also provides for certain severance provisions. Effective January 1, 2012, the employment agreement was amended such that the VP of Operations is entitled to receive a salary of $100,000 per annum.

On April 21, 2011, the Company granted to its Vice President of Operations a ten-year option to purchase 300,000 shares of common stock at an exercise price of $0.02 per share, pursuant to the Plan, of which 100,000 shares are immediately exercisable, 100,000 are exercisable on the first anniversary of the grant and 100,000 are exercisable on the second anniversary of the grant. The $2,430 grant date fair value will be recognized one-third immediately with the balance amortized ratably over the vesting period.

See Note 10 – Subsequent Events – Option Grants for additional awards granted to the Vice President of Operations.

**Note 8 - Commitments and Contingencies – Continued**

Employment Agreements – Continued

*Vice President of Research and Development*

Effective April 5, 2011, the Company entered into an at will employment agreement, as amended on May 10, 2011, with its Vice President of Research and Development ("VP of R&D"). Pursuant to the employment agreement, the VP of R&D is entitled to receive $150,000 per annum. In addition, subject to the satisfaction of certain performance conditions, he is entitled to a cash bonus of up to $55,000 and option grants for the purchase of up to 3,150,000 shares of common stock at an exercise price equal to the fair market value on the date of grant. The agreement also provides for severance. Concurrently with the execution of the employment agreement, the Company granted a ten-year option to purchase 4,000,000 shares of common stock at an exercise price of $0.01 per share, pursuant to the Plan. Options for the purchase of 2,000,000 of such shares became exercisable immediately and options for the purchase of the remaining 2,000,000 shares become exercisable on the first anniversary of the date of grant. The $32,400 grant date fair value will be recognized one-half immediately with the balance amortized ratably over the vesting period. On June 24, 2011, the VP of R&D qualified to receive a cash bonus of $10,000 and vested ten-year options for the purchase of 150,000 shares of common stock at an exercise price of $0.025 per share, pursuant to his employment agreement. The $1,200 grant date value of these options was recognized immediately. On November 4, 2011, the VP of R&D's employment agreement was amended, including modification of some of the vesting performance criteria, which resulted in him immediately qualifying for a $20,000 cash bonus and vested ten-year options for the purchase of 1,000,000 shares of common stock at an exercise price of $0.02 per share. The $8,000 grant date value of these options was recognized immediately. See Note 10 – Subsequent Events – Option Grants for additional awards granted to the VP of R&D and the transition of his position to Research Scientist.

Following the execution of the employment agreement, the VP of R&D was sued by his former employer with regard to certain confidentiality and non-competition restrictions in an agreement to which he was a party. The former employer obtained a preliminary injunction against the VP of R&D which enjoins him from using or disseminating information he obtained from his former employer, including using such information to solicit his former employer's customers. Management has indicated that the Company has taken actions to limit the VP of R&D's activities and it is monitoring the court's determinations. The Company is not currently a party to the action.

Tangible Property License

On August 22, 2011, the Company entered into a Tangible Property License Agreement (the "Utah Agreement") with the University of Utah Research Foundation and the University of Utah (together "Utah"). Pursuant to the Utah Agreement, which has a term of two years, the Company has been granted a non-exclusive license to use discarded adipose (fat) tissue samples for internal research purposes. The Company agreed to pay between $1,000 and $1,500 per sample, depending on the quantity ordered. The Company has the right to terminate the Utah Agreement at any time with ninety days written notice and Utah may immediately terminate the Utah Agreement, if the Company ceases to carry on its business or upon material breach of the Utah Agreement by the Company.

Termination Agreements

*Former President*

In January 2011, pursuant to a Termination Agreement dated December 15, 2010, the Company reissued 12,576,811 shares of common stock to its former President. In addition, the Company agreed to pay $120,000 of severance ratably over a 24 month period and took responsibility for approximately $20,152 of business related credit card indebtedness. On November 8, 2011, the Company agreed to settle the remaining $87,500 of severance due pursuant to the former President's termination agreement for $22,500 and the Company recognized a $65,000 gain on restructuring the payable balance. In addition, the Company agreed to pay-off the remaining business related credit card indebtedness by December 31, 2011.

**Note 8 - Commitments and Contingencies – Continued**

Termination Agreements - Continued

*Founder/Stem Cell Research Company, LLC*

Effective January 29, 2011, the Company terminated its relationship with a founder of the Company. Pursuant and subject to the terms and conditions of the Termination Agreement between the parties, the founder waived any rights he may have had pursuant to a certain employment agreement entered into with the Company in August 2010 and the Company agreed to pay to Stem Cell Research Company, LLC ("Stem Cell Research"), a principal shareholder of the Company, $180,000 over a 12 month period. In addition, pursuant to the Termination Agreement, the founder and Stem Cell Research have agreed to certain restrictive covenants, including with regard to the sale of shares of common stock of the Company. On November 8, 2011, the Company agreed to settle the remaining $100,000 due pursuant to the founder's termination agreement for $50,000 and the Company recognized a $50,000 gain on restructuring the payable balance.

*Other Employee*

On April 4, 2011, the Board was informed of an employee's resignation and it authorized the payment of $25,000 ratably over the eight months following the termination date, of which none was outstanding at December 31, 2011. Pursuant to the provisions of the Plan, the Board determined that the immediately vested options granted on December 15, 2010 to this employee for the purchase of 2,000,000 shares of common stock of the Company, for which the Company immediately recorded a charge equal to the $15,840 grant date value, shall remain exercisable until, and shall thereupon terminate if not exercised, two years from the date of termination of employment.

*Former Chief Financial Officer*

In June 2011, the Company and its former Chief Financial Officer (the "Former CFO") entered into an agreement whereby, effective June 25, 2011, the Former CFO (1) resigned his director and officer positions with the Company and its subsidiaries; (2) became subject to a two year non-compete and non-solicitation restriction; plus certain restrictions on the sale of the Company's common stock; and (3) will receive an aggregate amount of $50,000 of severance from the Company in full satisfaction of all obligations ratably over the remainder of the calendar year, of which $46,154 was outstanding and included in accrued expenses and other current liabilities in the consolidated balance sheet at December 31, 2011. Pursuant to the Former CFO's December 15, 2010 option grant (see Note 9 – Stockholder's Deficiency – Stock Options), his options to purchase 4,000,000 shares of Company common stock were forfeited three months after his termination date, but no stock-based compensation expense was reversed because the options were fully vested. See Note 10 – Subsequent Events – Settlement Agreement for additional details.

New Director Compensation

On April 4, 2011, two non-employees were elected to serve as directors of the Company. On April 21, 2011, the two new non-employee directors were each granted 5,000,000 shares of common stock. One-half of the shares vested and were expensed upon grant and the other half vests on the first anniversary of the grant. The aggregate $82,600 grant date fair value will be recognized one-half immediately with the balance amortized ratably over the vesting period. In addition, each of the new directors will receive $20,000 in cash, payable in four quarterly installments of $5,000 (subject to deferral if the remaining directors determine that the Company needs to conserve its cash), of which $30,000 was outstanding and included in accrued expenses and other current liabilities in the consolidated balance sheet at December 31, 2011.

New Scientific Advisory Board Compensation

Effective June 10, 2011, the Company established a Scientific Advisory Board and reserved 5,000,000 shares of common stock to be issued to members ("Advisors") pursuant to the Plan, as either options or restricted stock grants.

Pursuant to a June 10, 2011 agreement between the Company and its first appointed Advisor, the Advisor is entitled to: (1) an immediate grant of a vested five-year option to purchase 500,000 shares of common stock at an exercise price of $0.024 per share; and (2) a grant on each successive anniversary date, on which he remains an Advisor, of a vested five-year option to purchase 250,000 shares of common stock at an exercise price per share equal to the fair market value of the common stock on the date of grant. The Company immediately recognized the $3,450 grant date fair value of the initial award.

**Note 8 - Commitments and Contingencies – Continued**

New Scientific Advisory Board Compensation – Continued

Pursuant to a June 24, 2011 agreement between the Company and its second appointed Advisor, the Advisor is entitled to: (1) an immediate grant of a five-year option to purchase 2,000,000 shares of common stock at an exercise price of $0.025 per share, of which 667,000 shares are immediately exercisable, 667,000 are exercisable on the first anniversary of the grant and 666,000 are exercisable on the second anniversary of the grant; and (2) a grant on the third anniversary of the award and each subsequent anniversary, on which he remains an Advisor, of a vested five-year option to purchase 250,000 shares of common stock at an exercise price per share equal to the fair market value of the common stock on the date of grant. The $14,600 grant date fair value of the initial award will be recognized one-third immediately with the balance amortized ratably over the vesting period.

Settlement Agreements

Also see Note 6, Notes Payable for details related to the Company's equipment note settlement agreement.

*Quick Capital of L.I. Corp.*

Effective February 23, 2011, the Company entered into a Settlement Agreement with Quick Capital and Olde Estate, LLC ("Olde Estate"). Pursuant to the Settlement Agreement, the Company paid to Quick Capital approximately $36,000 and issued to Olde Estate 8,312,500 shares of its common stock valued at $68,662, which was immediately expensed, in satisfaction of the Company's monetary and stock issuance obligations to Quick Capital and Olde Estate under a Credit Support, Security and Registration Rights Agreement, dated as of August 17, 2010.

*Sound Surgical Technologies, LLC*

On March 8, 2011, the Company and Sound Surgical Technologies, LLC ("Sound Surgical") entered into a Settlement Agreement and Release of Claim (the "Settlement Agreement") pursuant to which the parties agreed that the Company's purchase from Sound Surgical of one piece of equipment was cancelled, the Company's obligations under a certain purchase agreement were terminated and the Company retained one piece of purchased equipment. On March 8, 2011, the Company paid to Sound Surgical $65,000 in connection with the purchase of the retained equipment and to complete the Settlement Agreement.

Sale of Equipment

On August 22, 2011, the Company sold equipment for $32,000 to a third party. The Company purchased the equipment in September 2010 for $65,000 and recognized a loss on sale of equipment of $21,614 which was recorded in general and administrative expenses in the consolidated statement of operations.

**Note 9 - Stockholders' Deficiency**

Authorized Capital

The Company is authorized to issue 1,500,000,000 shares (increased from 800,000,000 shares on February 10, 2012 (see Note 10) and 500,000,000 shares on December 7, 2010) of common stock, $0.001 par value, and 1,000,000 shares of preferred stock, $0.01 par value. The holders of the Company's common stock are entitled to one vote per share. Subject to the rights of holders of preferred stock, if any, the holders of common stock are entitled to receive ratably such dividends, if any, as may be declared by the Board of Directors out of legally available funds. Subject to the rights of holders of preferred stock, if any, upon liquidation, dissolution or winding up of the Company, holders of common stock are entitled to share ratably in all assets of the Company that are legally available for distribution.

**Note 9 - Stockholders' Deficiency – Continued**

2010 Equity Participation Plan

On November 17, 2010, the Board of Directors of the Company adopted the 2010 Equity Participation Plan. Pursuant to the Plan, up to 100,000,000 shares of common stock were initially authorized to be issued to the Company's employees, non-employee directors, consultants and advisors. Stockholder approval of the Plan was obtained effective as of December 15, 2010.

On March 28, 2011, the Board of Directors of the Company increased the number of shares of common stock that may be issued pursuant to the Plan to 200,000,000. Stockholder approval of the increase was obtained effective as of April 4, 2011.

Common Stock Issuances

The Company issued for consulting services 43,895,833 shares of common stock valued at $311,923 in 2010. The fair market value of such instruments was calculated on the date of issuance.

The Company sold 82,500,000 shares for aggregate cash proceeds of $666,300 in 2010.

In 2010, warrants were exercised for the purchase of 125,000 shares at an aggregate exercise price of $1,875.

Stockholders cancelled an aggregate of 60,332,799 shares in 2010.

The Company repurchased 15,517,241 shares from stockholders for an aggregate purchase price of $10,000 in 2010.

On November 8, 2010, the Company entered into a Settlement Agreement with a shareholder. The Company had agreed to purchase from the shareholder 12,413,793 shares of Company stock for the total sum of $22,000 for the purpose of retirement to treasury. Pursuant to the settlement agreement, the Company and the shareholder agreed to three installment payments of $8,000, $7,000 and $7,000 payable in November and December 2010 and January 2011, respectively. Of this amount, $7,000 was recorded as a current liability as of December 31, 2010 and was paid in 2011.

During the year ended December 31, 2009, the Company issued 20,000,000 shares of common stock to a lender valued at $530,000 as collateral for certain loans. These shares were returned to the Company in February 2010.

In October and December 2011, the Company issued an aggregate of 8,000,000 shares of common stock at a price of $0.025 per share to two investors for aggregate gross proceeds of $200,000. In connection with the purchases, the Company issued aggregate warrants to the investors valued at $31,233 for the purchase of an aggregate of 2,000,000 shares of common stock, which are exercisable over a period of five years at an exercise price of $0.03 per share of common stock.

See Note 6, Notes Payable for details associated with common stock issued in conjunction with the issuances and extensions of notes payable.

See Note 8, Commitments and Contingencies - Termination Agreements for details associated with a common stock reissuance to the Company's Former President.

**Note 9 - Stockholders' Deficiency – Continued**

Stock Warrants

On August 12, 2010, the Company issued warrants to a consultant for the purchase of 125,000 shares of the Company's common stock, valued at $808. The warrants vested immediately, expire on August 12, 2013 and have an exercise price of $0.015 per share. The warrants were exercised during the year ended December 31, 2010.

The Company recorded stock–based compensation expense of $0 and $808 during the years ended December 31, 2011 and 2010, respectively, and $52,378 during the period from December 30, 2008 (inception) to December 31, 2011, related to consultant warrant grants, which is reflected as consulting expenses in the consolidated statements of operations. As of December 31, 2011, there was no unrecognized consultant stock-based compensation expense related to warrant grants.

In applying the Black-Scholes option pricing model, the Company used the following weighted average assumptions:

| | For The Years Ended December 31, | |
|---|---|---|
| | **2011** | **2010** |
| Risk free interest rate | 0.44% | 1.21% |
| Expected term (years) | 2.50 | 3.00 |
| Expected volatility | 185% | 207% |
| Expected dividends | 0.00% | 0.00% |

The weighted average estimated fair value of the warrants granted during the year ended December 31, 2010 was approximately $0.006 per share.

A summary of the warrant activity during the years ended December 31, 2011 and 2010 is presented below:

| | **Number of Warrants** | **Weighted Average Exercise Price** | **Weighted Average Remaining Life In Years** | **Aggregate Intrinsic Value** |
|---|---|---|---|---|
| Outstanding, December 31, 2009 | 2,000,000 | $ 0.010 | | |
| Granted | 125,000 | 0.015 | | |
| Exercised | (125,000) | 0.015 | | |
| Forfeited | - | - | | |
| Outstanding, December 31, 2010 | 2,000,000 | $ 0.010 | | |
| Issued | 2,000,000 | 0.030 | | |
| Exercised | - | - | | |
| Forfeited | - | - | | |
| Outstanding, December 31, 2011 | 4,000,000 | $ 0.020 | 3.7 | $ - |
| | | | | |
| Exercisable, December 31, 2011 | 4,000,000 | $ 0.020 | 3.7 | $ - |

**Note 9 - Stockholders' Deficiency – Continued**

Stock Warrants - Continued

The following table presents information related to warrants at December 31, 2011:

| Warrants Outstanding | | Warrants Exercisable | |
|---|---|---|---|
| Exercise Price | Number of Warrants | Weighted Average Remaining Life In Years | Exercisable Number of Warrants |
| $ 0.01 | 2,000,000 | 2.6 | 2,000,000 |
| 0.03 | 2,000,000 | 4.9 | 2,000,000 |
| | 4,000,000 | 3.7 | 4,000,000 |

Stock Options

The Company has computed the fair value of options granted using the Black-Scholes option pricing model. Forfeitures are estimated at the time of valuation and reduce expense ratably over the vesting period. This estimate will be adjusted periodically based on the extent to which actual forfeitures differ, or are expected to differ, from the previous estimate, when it is material. The expected term of options granted represents the estimated period of time that options granted are expected to be outstanding. The Company utilizes the "simplified" method to develop an estimate of the expected term of "plain vanilla" option grants. Since the Company's stock has not been publicly traded for a long period of time, the Company is utilizing an expected volatility figure based on a review of the historical volatilities, over a period of time, equivalent to the expected life of these options, of similarly positioned public companies within its industry. The risk-free interest rate was determined from the implied yields from U.S. Treasury zero-coupon bonds with a remaining term consistent with the expected term of the options.

In applying the Black-Scholes option pricing model, the Company used the following weighted average assumptions:

| | For The Years Ended December 31, | |
|---|---|---|
| | 2011 | 2010 |
| Risk free interest rate | 1.54% | 1.93% |
| Expected term (years) | 4.51 | 5.00 |
| Expected volatility | 205.00% | 207.00% |
| Expected dividends | 0.00% | 0.00% |

The weighted average estimated fair value of the stock options granted during the years ended December 31, 2011 and 2010 was approximately $0.008 per share.

See Note 8, Commitments and Contingencies for details associated with certain grants of options as compensation to employees, directors and consultants.

**Note 9 - Stockholders' Deficiency – Continued**

Stock Options - Continued

*Employee Awards*

The Company recorded stock–based compensation expense of $38,968 and $424,474 during the years ended December 31, 2011 and 2010, respectively, and $464,249 during the period from December 30, 2008 (inception) to December 31, 2011, related to employee stock option grants, which is reflected as payroll and benefits expense in the consolidated statements of operations. As of December 31, 2011, there was $5,063 of unrecognized employee stock-based compensation expense related to stock option grants that will be amortized over a weighted average period of 0.5 years.

*Director Awards*

On December 15, 2010, five directors of the Company were granted ten-year, immediately vested options to purchase an aggregate of 20,000,000 shares of common stock at an exercise price of $0.01 per share. The grant date value of $158,403 was immediately recorded as consulting expense.

On April 2, 2011, a director of the Company resigned. Pursuant to the provisions of the Plan, the Board determined that the options granted on December 15, 2010 for the purchase of 4,000,000 shares of common stock of the Company shall remain exercisable until, and shall thereupon terminate if not exercised, two years from the date of resignation.

On April 7, 2011, a director of the Company resigned. Pursuant to the provisions of the Plan, the Board determined that the options granted on December 15, 2010 for the purchase of 4,000,000 shares of common stock of the Company shall remain exercisable until, and shall thereupon terminate if not exercised, five years from the date of resignation.

The Company recorded stock–based compensation expense of $0 and $158,403 during the years ended December 31, 2011 and 2010, respectively, and $158,403 during the period from December 30, 2008 (inception) to December 31, 2011, related to director stock option grants. As of December 31, 2011, there was no unrecognized employee stock-based compensation expense related to stock option grants.

*Consultant Awards*

The Company recorded stock–based compensation expense of $11,966 and $0 during the years ended December 31, 2011 and 2010, respectively, and $11,966 during the period from December 30, 2008 (inception) to December 31, 2011, related to consultant and advisory board stock option grants, which is reflected as consulting expenses in the consolidated statements of operations. As of December 31, 2011, there was $6,894 of unrecognized consultant and advisory board stock-based compensation expense related to stock option grants that will be amortized over a weighted average period of 1.5 years.

**Note 9 - Stockholders' Deficiency – Continued**

Stock Options - Continued

*Option Award Summary*

A summary of the option activity during the years ended December 31, 2011 and 2010 is presented below:

| | Number of Options | Weighted Average Exercise Price | Weighted Average Remaining Life In Years | Aggregate Intrinsic Value |
|---|---|---|---|---|
| Outstanding, December 31, 2009 | - | $ - | | |
| Granted | 72,000,000 | 0.004 | | |
| Exercised | - | - | | |
| Voided | - | - | | |
| Forfeited | - | - | | |
| Outstanding, December 31, 2010 | 72,000,000 | $ 0.004 | | |
| Granted | 8,150,000 | 0.017 | | |
| Exercised | - | - | | |
| Voided | (50,000,000) | 0.001 | | |
| Forfeited | (4,000,000) | 0.010 | | |
| Outstanding, December 31, 2011 | 26,150,000 | $ 0.012 | 8.6 | $ - |
| | | | | |
| Exercisable, December 31, 2011 | 22,617,000 | $ 0.011 | 8.8 | $ - |

The following table presents information related to stock options at December 31, 2011:

| Options Outstanding | | | Options Exercisable | |
|---|---|---|---|---|
| Exercise Price | Number of Options | Weighted Average Remaining Life In Years | Exercisable Number of Options | |
| $ 0.010 | 22,000,000 | 9.0 | 20,000,000 | |
| 0.020 | 1,500,000 | 9.8 | 1,300,000 | |
| 0.024 | 500,000 | 4.4 | 500,000 | |
| 0.025 | 2,150,000 | 5.4 | 817,000 | |
| | 26,150,000 | 8.8 | 22,617,000 | |

**Note 9 - Stockholders' Deficiency – Continued**

Common Stock Awards

See Note 8, Commitments and Contingencies for details associated with certain grants of common stock as compensation to employees, directors and consultants.

*Employee Awards*

The Company recorded stock–based compensation expense of $123,900 and $0 during the years ended December 31, 2011, and 2010, respectively, and $123,900 during the period from December 30, 2008 (inception) to December 31, 2011, related to employee stock grants, which is reflected as payroll and benefits expense in the consolidated statements of operations. As of December 31, 2011, there was no unrecognized employee stock-based compensation expense related to employee stock grants.

*Director Awards*

The Company recorded stock–based compensation expense of $72,275 and $14,600 during the years ended December 31, 2011 and 2010, respectively, and $234,690 during the period from December 30, 2008 (inception) to December 31, 2011, related to director stock grants, which is reflected as consulting expenses in the consolidated statements of operations. As of December 31, 2011, there was $10,325 of unrecognized director stock-based compensation expense related to stock grants that will be amortized over a weighted average period of 0.3 years.

*Consultant Awards*

On September 1, 2011, the Company granted 4,000,000 shares of common stock to its legal counsel. The $33,040 grant date fair value was recognized immediately on the grant date.

The Company recorded stock–based compensation expense of $209,717 and $297,323 during the years ended December 31, 2011 and 2010, respectively, and $1,398,980 during the period from December 30, 2008 (inception) to December 31, 2011, related to consultant stock grants, which is reflected as consulting expenses in the consolidated statements of operations. As of December 31, 2011, there was no unrecognized consultant stock-based compensation expense.

*Stock Award Summary*

A summary of common stock award activity for the years ended December 31, 2011 and 2010 is presented below:

| | Number of Shares | Weighted Average Grant Date Fair Value | Total Grant Date Fair Value |
|---|---|---|---|
| Non-vested, December 31, 2009 | - | $ - | $ - |
| Granted | 43,895,833 | 0.00711 | 311,923 |
| Vested | (43,895,833) | 0.00711 | (311,923) |
| Forfeited | - | - | - |
| Non-vested, December 31, 2010 | - | $ - | $ - |
| Granted | 85,389,500 | 0.00826 | 705,317 |
| Vested | (45,389,500) | 0.00826 | (374,917) |
| Forfeited | - | - | - |
| Non-vested, December 31, 2011 | 40,000,000 | $ 0.00826 | $ 330,400 |

See Note 10 – Subsequent Events – CEO Compensation for details associated with the subsequent vesting of a 35,000,000 share stock award.

**Note 10 – Subsequent Events**

Extension of Marketing Consulting Services Agreement

On January 1, 2012, the agreement for marketing consulting services was further extended to December 31, 2012, pursuant to which the Company will pay a cash fee of $10,000 per month and the Company granted an immediately vested, five-year option to purchase 2,000,000 shares of common stock at an exercise price of $0.02 per share. The grant date value of $12,800 was recognized immediately.

Settlement Agreement

On January 4, 2012, the Company agreed to settle the remaining $46,154 due pursuant to the Former CFO's termination agreement for $23,077 and the Company recorded a $23,077 gain on settlement of the payable.

License Agreement

On January 27, 2012, the Company entered into a license agreement with Regenerative Sciences, LLC ("RS") (as amended on March 21, 2012, the "RS Agreement. On April 6, 2012, the RS Agreement became effective. Pursuant to the RS Agreement, the Company obtained, among other things, a worldwide, exclusive, royalty-bearing license from RS to utilize or sublicense a certain medical device for the administration of specific cells and/or cell products to the disc and/or spine (and other parts of the body) and a worldwide (excluding Asia and Argentina), exclusive, royalty-bearing license to utilize or sublicense a certain method for culturing cells for use in repairing damaged areas. The RS Agreement provides for the requirement by the Company to achieve certain milestones or pay certain minimum royalty amounts in order to maintain the exclusive nature of the licenses. The RS Agreement also provides for a royalty-bearing sublicense of the technology to RS for use for certain purposes. Further, the RS Agreement provides that RS will furnish certain training, assistance and consultation services with regard to the licensed technology. Pursuant to he RS Agreement, on the effective date, the Company paid to RS a net license fee of $990,000 and issued to RS a warrant for the purchase of 50,000,000 shares of common stock of the Company. The warrant was divided into three tranches. The exercise of the second and third tranches is subject to specified performance criteria. The exercise price for the initial tranche is $0.03 per share and the exercise price for the second and third tranches is the greater of $0.03 per share or the then fair market value, as defined in the RS Agreement.

Option Grants

On February 10, 2012, the Company granted ten-year options to employees and directors to purchase an aggregate of 114,000,000 shares of common stock at an exercise price of $0.021 per share. The options vest as follows: (i) an option granted to the CEO to purchase 50,000,000 shares of common stock vests to the extent of one-third of the shares immediately, one-third on the first anniversary of the date of grant and one-third on the second anniversary of the date of grant; and (ii) options to purchase an aggregate of 64,000,000 shares of common stock vest to the extent of one-half of the shares immediately and one-half on the first anniversary of the date of grant. The aggregate grant date value of $889,200 will be recognized proportionate to the vesting period.

CEO Compensation

On February 10, 2012, the Board approved (1) the extension of the CEO's employment agreement for an additional two years (through October 2015) at the same compensation as the third year; and (2) the payment of a $70,000 discretionary bonus to the CEO in connection with the signing of the RS Agreement. The employment agreement shall be extended for successive one year periods unless either party provides ninety days written notice to the other party. On April 4, 2012, the CEO's 35,000,000 share stock grant vested as a result of raising in excess of $2,000,000 of financing since November 4, 2011. The Company had previously agreed to fund the CEO's tax liability (approximately $115,000) in connection with such vesting. The discretionary bonus and tax liability are unpaid as of the date of this report. See Note 10 – Subsequent Events – Option Grants above for details associated with a 2012 CEO option grant.

Shareholder Actions

On February 10, 2012, the shareholders of the Company approved (a) an increase in the authorized common stock to 1,500,000,000 shares from 800,000,000 shares; and (b) giving the Board the discretion to effect a reverse stock split of the Company's common stock by a ratio of not less than 1-for-10 and not more than 1-for-150. The Board has not yet approved a reverse stock split.

**Note 10 – Subsequent Events - Continued**

Notes Payable

Subsequent to December 31, 2011, the Company issued an additional $1,600,500 of notes payable. In connection with $100,500 of the financing, 2,010,000 shares of common stock, with a relative fair value of $14,247, were issued to the lenders and were recorded as a debt discount. These notes are payable 3-6 months from the date of issuance and have a rate of interest of 10-15% per annum. In connection with $1,500,000 of the financing, a five-year warrant to purchase 20,000,000 shares of common stock at an exercise price of $0.03 per share, with a relative fair value of $112,824, was issued to a shareholder of the Company and was recorded as a debt discount. The note is payable one year from the date of issuance and has a rate of interest of 15% per annum.

Subsequent to December 31, 2011, the maturity dates of sixteen notes payable with an aggregate principal balance of $1,610,000 were extended to May 2012 through November 2012 and the investors received an aggregate of 1,125,000 shares of common stock with a relative fair value of $8,925. All of the extended notes bear a 15% interest rate per annum payable monthly.

Subsequent to December 31, 2011, the Company repaid a note payable with a principal amount of $50,000.

Subsequent to December 31, 2011, the Company and five investors agreed to exchange five notes with an aggregate principal balance of $175,000 for an aggregate of 6,750,000 shares of common stock and five-year warrants to purchase an aggregate of 3,500,000 shares of common stock at an exercise price of $0.03 per share. The warrants had an aggregate grant date value of $94,658. The investors received piggyback registration rights related to the stock and the stock issuable pursuant to the warrants.

Issuance of Common Stock

Subsequent to December 31, 2011, the Company issued an aggregate of 26,000,000 shares of common stock at a price of $0.025 per share to investors for aggregate gross proceeds of $650,000. In consideration of the purchase, the Company issued warrants for the purchase of an aggregate of 7,500,000 shares of common stock, which are exercisable over a period of five years at exercise prices ranging from $0.030 to $0.035 per share of common stock. The warrants had an aggregate grant date value of $190,105.

Investor Relations Agreement

On April 3, 2012, the Company entered into a six-month agreement with a consultant to provide investor relations services whereby the consultant will be paid $15,000 per month. Unless the agreement is terminated 30 days prior to the end of the six-month period, the agreement will continue with the consultant being paid $10,000 per month, subject to a 60 day termination notice.

Additional Warrant

On April 9, 2012, the Company issued a warrant to a shareholder in lieu of reimbursing certain costs associated with a contemplated financing that did not occur. The immediately vested, five-year warrant entitles the shareholder to purchase 4,000,000 shares of common stock at an exercise price of $0.03 per share. The warrant had a grant date value of $102,849 which was recognized immediately.

ROSS MILLER
Secretary of State
204 North Carson Street, Suite 1
Carson City, Nevada 89701-4520
(775) 684-5708
Website: www.nvsos.gov

*090201*

| Filed in the office of | Document Number |
|---|---|
| Ross Miller<br>Secretary of State<br>State of Nevada | 20120100733-59 |
| | Filing Date and Time<br>02/13/2012 11:30 AM |
| | Entity Number<br>C12576-1997 |

# Certificate of Amendment
(PURSUANT TO NRS 78.385 AND 78.390)

USE BLACK INK ONLY - DO NOT HIGHLIGHT

ABOVE SPACE IS FOR OFFICE USE ONLY

## Certificate of Amendment to Articles of Incorporation For Nevada Profit Corporations
**(Pursuant to NRS 78.385 and 78.390 - After Issuance of Stock)**

1. Name of corporation:

BioRestorative Therapies, Inc.

2. The articles have been amended as follows: (provide article numbers, if available)

Article II
The amount of total authorized capital stock which the Corporation shall have authority to issue is 1,500,000,000 shares of common stock, each with $0.001 par value, and 1,000,000 shares of preferred stock, each with $0.01 par value. To the fullest extent permitted by the laws of the State of Nevada (currently set forth in NRS 78.195), as the same now exists or may hereafter be amended or supplemented, the Board of Directors may fix and determine the designations, rights, preferences or other variations of each class or series within each class of capital stock of the Corporation.

3. The vote by which the stockholders holding shares in the corporation entitling them to exercise a least a majority of the voting power, or such greater proportion of the voting power as may be required in the case of a vote by classes or series, or as may be required by the provisions of the articles of incorporation* have voted in favor of the amendment is: Majority

4. Effective date and time of filing: (optional) Date: Time:
(must not be later than 90 days after the certificate is filed)

5. Signature: (required)

x

Signature of Officer

*If any proposed amendment would alter or change any preference or any relative or other right given to any class or series of outstanding shares, then the amendment must be approved by the vote, in addition to the affirmative vote otherwise required, of the holders of shares representing a majority of the voting power of each class or series affected by the amendment regardless to limitations or restrictions on the voting power thereof.

**IMPORTANT:** Failure to include any of the above information and submit with the proper fees may cause this filing to be rejected.

*This form must be accompanied by appropriate fees.*

Nevada Secretary of State Amend Profit-After
Revised: 8-31-11

*Articles of Incorporation of BioRestorative Therapies, Inc., as amended through February 13, 2012*

**ARTICLES OF INCORPORATION**

**OF**

**BIORESTORATIVE THERAPIES, INC.**

**ARTICLE I**

The name of the corporation is BioRestorative Therapies, Inc. (the "Corporation").

**ARTICLE II**

The amount of total authorized capital stock which the Corporation shall have authority to issue is 1,500,000,000 shares of common stock, each with $0.001 par value, and 1,000,000 shares of preferred stock, each with $0.01 par value. To the fullest extent permitted by the laws of the State of Nevada (currently set forth in NRS 78.195), as the same now exists or may hereafter be amended or supplemented, the Board of Directors may fix and determine the designations, rights, preferences or other variations of each class or series within each class of capital stock of the Corporation.

**ARTICLE III**

The business and affairs of the Corporation shall be managed by a Board of Directors which shall exercise all the powers of the Corporation except as otherwise provided in the Bylaws, these Articles of Incorporation or by the laws of the State of Nevada. The number of members of the Board of Directors shall be set in accordance with the Company's Bylaws; however, the initial Board of Directors shall consist of one member. The name and address of the person who shall serve as the director until the first annual meeting of stockholders and until his successors are duly elected and qualified is as follows:

| Name | Address |
|---|---|
| Bob Ferguson | 904 - 850 Burrord Street<br>Vancouver, British Columbia<br>V6Z 1X8<br>CANADA |

**ARTICLE IV**

The name and address of the incorporator of the Corporation is Craig A. Stoner, 455 Sherman Street, Suite 300, Denver, Colorado 80203.

**ARTICLE V**

To the fullest extent permitted by the laws of the State of Nevada (currently set forth in NRS 78.037), as the same now exists or may hereafter be amended or supplemented, no director or officer of the Corporation shall be liable to the Corporation or to its stockholders for damages for breach of fiduciary duty as a director or officer.

**ARTICLE VI**

The Corporation shall indemnify, to the fullest extent permitted by applicable law in effect from time to time, any person against all liability and expense (including attorneys' fees) incurred by reason of the fact that he is or was a director or officer of the Corporation, he is or was serving at the request of the Corporation as a director, officer, employee, or agent of, or in any similar managerial or fiduciary position of, another corporation, partnership, joint venture, trust or other enterprise. The Corporation shall also indemnify any person who is serving or has served the Corporation as a director, officer, employee, or agent of the Corporation. To the extent and in the manner provided in any bylaw, resolution of the shareholders or directors, contract, or otherwise, so long as such provision is legally permissible.

**ARTICLE VII**

The owners of shares of stock of the Corporation shall not have a preemptive right to acquire unissued shares, treasury shares or securities convertible into such shares.

**ARTICLE VIII**

Only the shares of capital stock of the Corporation designated at issuance as having voting rights shall be entitled to vote at meetings of stockholders of the Corporation, and only stockholders of record of shares having voting rights shall be entitled to notice of and to vote at meetings of stockholders of the Corporation.

**ARTICLE IX**

The initial resident agent of the Corporation shall be the Corporation Trust Company of Nevada, whose street address is 1 East 1st Street, Reno, Nevada 89501.

**ARTICLE X**

The provisions of NRS 78.378 to 78.3793 inclusive, shall not apply to the Corporation.

**ARTICLE XI**

The purposes for which the Corporation is organized and its powers are as follows:

To engage in all lawful business; and

To have, enjoy, and exercise all of the rights, powers, and privileges conferred upon corporations incorporated pursuant to Nevada law, whether now or hereafter in effect, and whether or not herein specifically mentioned.

**ARTICLE XII**

One-third of the votes entitled to be cast on any matter by each shareholder voting group entitled to vote on a matter shell constitute a quorum of that voting group for action on that matter by shareholders.

**ARTICLE XIII**

The holder of a bond, debenture or other obligation of the Corporation may have any of the rights of a stockholder in the Corporation to the extent determined appropriate by the Board of Directors at the time of issuance of such bond, debenture or other obligation.

**IN WITNESS HEREOF**, the undersigned Incorporator has executed these Articles of Incorporation this 11th day of June, 1997.

By: */s/ Craig A. Stoner*
Craig A. Stoner
Incorporator

**STATE OF COLORADO )**
**CITY AND ) ss:**
**COUNTY OF DENVER)**

Personally appeared before me this 11th day of June, 1997, Craig A. Stoner who, being first duly sworn, declared that he executed the foregoing Articles of Incorporation and that the statements therein are true and correct to the best of his knowledge and belief.

Witness my hand and official seal.

Fay M. Matsukage
Notary Public

My commission expires:

1-12-99

Address:
455 Sherman Street
Suite 300
Denver, Colorado 80237

EXHIBIT 10.4

BioRestorative Therapies, Inc.
555 Heritage Drive
Jupiter, Florida 33458

February 10, 2012

Mr. Mark Weinreb
c/o BioRestorative Therapies, Inc.
555 Heritage Drive
Jupiter, Florida 33458

Dear Mr. Weinreb:

Reference is made to that certain Employment Agreement, dated as of October 4, 2010, between BioRestorative Therapies, Inc. (formerly known as Stem Cell Assurance, Inc.) (the "Company") and Mark Weinreb (the "Employee"), as amended (the "Employment Agreement").

The parties hereby agree that, effective as of the date hereof, Paragraph 1.1 of the Employment Agreement is amended to read as follows:

"The Company will employ the Employee in its business, and the Employee will work for the Company therein, as its Chief Executive Officer, President and Chairman of the Board for a term commencing as of October 4, 2010 and terminating on the fifth anniversary of the date thereof (the "Initial Term"). The term shall be extended for successive one (1) year periods (the "Extended Period") unless either party gives ninety (90) days prior written notice to the other of its desire to terminate this Agreement as of the end of the initial term or any successive term. The term of this Agreement, including the Initial Term and any Extended Period (as may be extended), is hereinafter referred to as the "Term." Each twelve (12) month period of the Term is referred to herein as a "Contract Year." Except as provided for herein, the provisions of this Agreement shall apply during the Extended Period."

The parties hereby agree that, effective as of the date hereof, the first sentence of Paragraph 4.2 of the Employment Agreement is amended to read as follows:

"The Employee shall be entitled to receive from the Company a minimum compensation at the following rates per annum ("**Base Salary**"):

| Year | Base Salary |
|---|---|
| 1 | $ 360,000 |
| 2 | $ 480,000 |
| 3 | $ 600,000 |
| 4 | $ 600,000 |
| 5 | $ 600,000" |

Except as amended hereby, the Employment Agreement shall continue in full force and effect in accordance with its terms.

Very truly yours,

BIORESTORATIVE THERAPIES, INC.

By: _____
Mandy Clark
Vice President of Operations

Agreed:

_____
Mark Weinreb

EXHIBIT 10.13

January 1, 2012

Vintage Holidays, L.L.C.
2212 Paget Circle
Naples, Florida 34112
Attention: Stuart Montgomery, Managing Member

Gentlemen:

Reference is made to the Consulting Agreement, dated as of February 17, 2011, between BioRestorative Therapies, Inc. (formerly Stem Cell Assurance, Inc.) (the "Company") and Vintage Holidays, L.L.C. (the "Consultant") (the "Consulting Agreement") and the letters, dated July 1, 2011 and September 1, 2011, between the Company and the Consultant with respect to the Consulting Agreement.

The parties hereby agree that the term of the Consulting Agreement is extended for an additional period of twelve (12) months until December 31, 2012 and that, during such additional twelve (12) month period, the Consultant shall be entitled to a fee of ten thousand dollars ($10,000) per month (an aggregate of $120,000) payable in advance on the first day of each month commencing on January 1, 2012 and through December 1, 2012. As additional compensation for the Services (as defined in the Consulting Agreement), concurrently with the execution of this letter, pursuant to the Company's 2010 Equity Participation Plan and a Stock Option Agreement of even date, the Consultant is being granted options for the purchase of two million (2,000,000) shares of the Company's common stock, $.001 par value, which options shall be exercisable for a period of five (5) years from the date hereof at an exercise price of two cents ($.02) per share.

The Consulting Agreement may be terminated by the Company on 30 days written notice in the event of material nonperformance by the Consultant.

Except as amended hereby, the Consulting Agreement shall continue in full force and effect in accordance with its terms.

Very truly yours,

BIORESTORATIVE THERAPIES, INC.

By: _____
Mark Weinreb
Chief Executive Officer

Agreed:

VINTAGE HOLIDAYS, L.L.C.

By: _____
Stuart Montgomery
Managing Member

EXHIBIT 10.17

BioRestorative Therapies, Inc.
555 Heritage Drive
Jupiter, Florida 33458

February 10, 2012

Ms. Mandy Clark
c/o BioRestorative Therapies, Inc.
555 Heritage Drive
Jupiter, Florida 33458

Dear Ms. Clark:

Reference is made to that certain Employment Agreement, dated as of December 1, 2010, between BioRestorative Therapies, Inc. (formerly known as Stem Cell Assurance, Inc.) and Mandy Clark (the "Employment Agreement").

The parties hereby agree that, effective as of January 1, 2012, the "Per Annum Salary" in Schedule A of the Employment Agreement is amended to read as follows:

"Per Annum Salary: $100,000"

Except as amended hereby, the Employment Agreement shall continue in full force and effect in accordance with its terms.

Very truly yours,

BIORESTORATIVE THERAPIES, INC.

By: _____
Mark Weinreb, Chief Executive Officer

Agreed:

_____
Mandy Clark

EXHIBIT 10.27

BIORESTORATIVE THERAPIES, INC.
555 Heritage Drive
Jupiter, Florida 33458

November 4, 2011

Mr. Francisco Silva
10 Flyers Lane
Tustin, CA 92782

Dear Mr. Silva:

Reference is made to the Amended and Restated Executive Employment Agreement, dated as of May 10, 2011, between BioRestorative Therapies, Inc. (formerly known as Stem Cell Assurance, Inc.) and Francisco Silva (the "Agreement").

The parties hereby agree that the first and third paragraphs of the Bonus section of Schedule A to the Agreement are deleted in their entirety and replaced with the following:

"**Bonus:** $20,000 and options for the purchase of 1,000,000 shares of common stock of the Company in the event that, as a direct result of the Executive's efforts, the Company enters into (i) a material transfer agreement (or similar agreement) with a cosmetics company and (ii) a work for hire agreement (or similar agreement) with an academic institution, it being understood that the Company may reject any and all proposed agreements with regard thereto for any reason whatsoever.

$25,000 and options for the purchase of 2,000,000 shares of common stock of the Company in the event that, as a direct result of the Executive's efforts, the Company has a scientific article published by a peer-reviewed publication."

Except as amended hereby, the Agreement shall continue in full force and effect in accordance with its terms.

Very truly yours,

BIORESTORATIVE THERAPIES, INC.

By: _____
Mark Weinreb,
Chief Executive Officer

Agreed:

_____
Francisco Silva

EXHIBIT 10.44

**Execution Copy**

# LICENSE AGREEMENT

This License Agreement (the "Agreement") is entered into as of the 27th day of January, 2012 (the "Execution Date") by and between Regenerative Sciences, LLC, a Colorado limited liability company ("Licensor"), and BioRestorative Therapies, Inc., a Nevada corporation ("Licensee").

## INTRODUCTION

1. Licensor possesses certain intellectual property relating to the extraction, isolation, growth, storage and transplantation of stem cells and progenitor cells, among others.

2. Licensee desires to license from Licensor such intellectual property for the purpose of developing and commercializing procedures and products for certain purposes as described herein containing and/or utilizing certain stem cells and/or progenitor cells, among others, and Licensor desires to grant such a license to Licensee in accordance with the terms and conditions of this Agreement.

In consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt of which is hereby acknowledged, Licensee and Licensor agree as follows:

## 1. DEFINITIONS

When used in this Agreement, each of the following terms, whether used in the singular or plural, shall have the meanings set forth in this Section 1.

1.1 "Affiliate" means any Person who directly or indirectly controls or is controlled by or is under common control with another Person. For purposes of this definition, "control" or "controlled" means the ownership, directly or through one or more Affiliates, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise. Without limiting the generality of the foregoing, "control" will include the ownership, directly or indirectly through one or more Affiliates, of fifty percent (50%) or more of the shares of stock entitled to vote for the election of directors, in the case of a corporation, or fifty percent (50%) or more of the equity interest in the case of any other type of legal entity, or status as a general partner in any partnership. The Parties acknowledge that, in the case of certain entities organized under the laws of certain countries, the maximum percentage ownership permitted by law for a foreign investor may be less than fifty percent (50%), and in such case such lower percentage shall be substituted in the preceding sentence; provided, that such foreign investor has the power to direct the management and policies of such entity.

1.2 "Annual Net Sales" means the aggregate Licensee Net Sales or Licensor Net Sales, as the case may be, during a Calendar Year.

1.3 "Business Day" means a day on which the banks in the United States of America are open for business.

1.4 "Calendar Quarter" means a calendar quarter ending on the last day of March, June, September or December.

1.5 "Calendar Year" means a period of time commencing on January 1 and ending on the following December 31.

1.6 "Cell Population" means any population of cells, including bone marrow, in which stem cells and/or progenitor cells are present.

1.7 "CFR" means the United States Code of Federal Regulations.

1.8 "Confidential Information" means, with respect to a Party (the "Disclosing Party"), information, regardless of the form in which that information is constituted, which is provided by the Disclosing Party to the other Party (the "Receiving Party") and is marked by the Disclosing Party as confidential or information the disclosure of which could be detrimental to the interests of the Disclosing Party. Confidential Information of the Disclosing Party includes Information of the Disclosing Party, as defined in the Prior Confidentiality Agreement.

Confidential Information of the Disclosing Party excludes any information that the Receiving Party can establish by written records:

(i) was known by the Receiving Party prior to the receipt from the Disclosing Party;

(ii) was disclosed to the Receiving Party by a Third Party having the right to do so and without such Third Party imposing a confidentiality obligation on the Receiving Party;

(iii) was, or subsequently became, publicly known through no fault of the Receiving Party, its Affiliates or any of the officers, directors, employees or agents of the Receiving Party or its Affiliates; or

(iv) was concurrently or subsequently developed by personnel of the Receiving Party without having had access to the Disclosing Party's Confidential Information.

1.9 "Control" or "Controlled" means, with respect to a Party and any item of Know-How or any Intellectual Property Right, the possession by such Party or its Affiliates of the right (whether by ownership, license or otherwise (other than pursuant to a license granted under this Agreement)), to assign, or grant a license, sublicense or other right to or under, such Know-How or Intellectual Property Right as provided for herein.

1.10 "Cover", "Covered" or "Covering" means that, in the absence of a license granted to a Person under a Valid Claim, the practice by such Person of an invention claimed in such patent would infringe such Valid Claim.

1.11 "Device" means a device described in U.S. Patent Appln. No. 12/939,856.

1.12 "Device IP" means Licensor IP covering a Device.

1.13 "Executive Officer" means, with respect to a Party, the Chief Executive Officer of such Party (or the officer or employee of such Party then serving in a substantially equivalent capacity) or his/her designee who reports directly to such Chief Executive Officer (or such other officer or employee).

1.14 "Exploit" and, with correlative meaning, "Exploitation", means to develop, use, make, have made, market, offer to sell, sell, have sold, distribute, import or otherwise exploit.

1.15 "FDA" means the United States Food and Drug Administration or any successor agency thereto.

1.16 "Field" means all uses and administration of stem cells, progenitor cells and/or Cell Populations for the treatment of the disc and spine, including preventive treatment.

1.17 "First Commercial Use" means, with respect to a Procedure or Product in a country in the Territory, the first clinical use of such Procedure or sale or use of a Product in such country. Uses of Procedures or uses or sales of Products which are not for value shall not be considered a First Commercial Use.

1.18 "Freedom-To-Operate Analysis" means a patent and patent application clearance analysis on unexpired patents and published applications of Third Parties that cover any and all aspects of the Products and Procedures. A Freedom-To-Operate Analysis is jurisdiction specific, providing reasonable assurance that development and use of the Products and Procedures in the jurisdiction will not be subject to infringement liability.

1.19 "Hypoxic Culture Method" means a method for culturing cells for use in repairing damaged avascular zones described in U.S. Patent Appln. No. 13/132,840.

1.20 "Hypoxic Culture Method IP" means Licensor IP covering a Hypoxic Culture Method.

1.21 "Improvements" means improvements, modifications, enhancements and developments.

1.22 "Intellectual Property Rights" means Patent Rights, trade secret rights, copyrights, trademarks, and other forms of proprietary, industrial or intellectual property rights.

1.23 "Know-How" means any tangible and/or intangible information (including information with respect to treatments, delivery devices, stored cells from treated patients, patient selection, patient screening, cell collection, cell processing, cell culture, cell transplantation, and follow up protocols and procedures), know-how, show-how, ideas, data (including pharmacology and clinical data), inventions, designs, specifications, processes, techniques, formulae, sketches, drawings, models, apparatus, equipment, databases, research, experimental work, development, software programs and applications, software source documents, third party licenses, studies, works of authorship, materials (including advertising, promotional, marketing and training materials), trade secrets, technology and other Intellectual Property Rights (other than Patent Rights), including any and all SOPs required to Exploit Procedures and/or Products, including those set forth on Exhibit G, whether or not proprietary or patentable and whether stored or transmitted in oral, documentary, electronic or other form, in each case with respect to the Field or otherwise.

1.24 "Law" means any law, statute, rule, regulation, ordinance or other pronouncement having the effect of law, of any federal, national, multinational, state, provincial, county, city or other political subdivision.

1.25 "Licensee Indemnitees" means Licensee, its Affiliates and Sublicensees, and the agents, directors, officers, managers, employees and other controlling Persons of Licensee, its Affiliates and Sublicensees.

1.26 "Licensee Net Sales" means the amount invoiced by Licensee and its Affiliates to Third Parties for (i) Procedures utilizing the Licensor IP; (ii) sublicenses of the Licensor IP; (iii) sales of Products based upon the Licensor IP; and (iv) other payments derived from the use of the Licensor IP, but, with regard to (i) through (iv), only to the extent monies are actually received by Licensee and/or its Affiliates. In no event will "Licensee Net Sales" include (a) trade discounts, credits or allowances; (b) credits or allowances granted upon returns, rejections or recalls; (c) amounts payable resulting from governmental (or any agency thereof) mandated rebate programs; (d) chargebacks and other amounts paid on the sale or dispensing of Procedures or Products; (e) taxes, tariffs and duties; (f) transportation, freight, postage, importation, insurance and other handling expenses; (g) delayed ship order credits; (h) discounts pursuant to indigent patient programs and patient discount programs and coupon discounts; (i) amounts received from Licensor or its Affiliates; (j) amounts received as grants from any governmental body, quasi-governmental body or foundation; or (k) amounts received from Third Parties in connection with clinical trials.

1.27 "Licensor Core IP" means, collectively, Device IP and Hypoxic Culture Method IP.

1.28 "Licensor Core Patent Rights" means any Patent Right identified as "Licensor Core Patent Rights", as set forth in Exhibit B-1.

1.29 "Licensor IP" means, collectively, Licensor Know-How, Licensor Patent Rights and any other Intellectual Property Rights covering a Procedure and/or a Product.

1.30 "Licensor Know-How" means all Know-How that (a) is Controlled by Licensor and/or its Affiliates as of the Effective Date or at any time thereafter, and (b) relates to a Procedure or a Product.

1.31 "Licensor Indemnitees" means Licensor, its Affiliates and Sublicensees, and the agents, directors, officers, managers, employees and other controlling Persons of Licensor, its Affiliates and Sublicensees.

1.32 "Licensor Net Sales" means the amount invoiced by Licensor and its Affiliates to Third Parties for (i) Procedures utilizing the Hypoxic Culture Method IP; (ii) sublicenses of the Hypoxic Culture Method IP; (iii) sales of Products based upon the Hypoxic Culture Method IP; and (iv) other payments derived from the use of the Hypoxic Culture Method IP, but, with regard to (i) through (iv), only to the extent monies are actually received by Licensor and/or its Affiliates. In no event will "Licensor Net Sales" include (a) trade discounts, credits or allowances; (b) credits or allowances granted upon returns, rejections or recalls; (c) amounts payable resulting from governmental (or any agency thereof) mandated rebate programs; (d) chargebacks and other amounts paid on the sale or dispensing of Procedures or Products; (e) taxes, tariffs and duties; (f) transportation, freight, postage, importation, insurance and other handling expenses; (g) delayed ship order credits; (h) discounts pursuant to indigent patient programs and patient discount programs and coupon discounts; and (i) amounts received from Licensee or its Affiliates.

1.33 "Licensor Non-Core IP" means Licensor IP, including Licensor Improvements, other than Licensor Core IP.

1.34 "Licensor Non-Core Patent Rights" means any Patent Right identified as "Licensor Base Non-Core Patent Rights", as set forth in Exhibit B-2, and any Licensor Other Non-Core Patent Rights.

1.35 "Licensor Other Non-Core IP" means Licensor IP covering Licensor Other Non-Core Patent Rights.

1.36 "Licensor Other Non-Core Patent Rights" means any Patent Right identified as "Licensor Other Non-Core Patent Rights", as set forth on Exhibit B-3.

1.37 "Licensor Patent Rights" means, collectively, Licensor Core Patent Rights and Licensor Non-Core Patent Rights.

1.38 "Orthopedic Field" means the treatment of the musculoskeletal system (other than Spinal).

1.39 "Party" means Licensor or Licensee.

1.40 "Patent Rights" means (a) patent applications (including provisional applications); (b) any patents issuing from such patent applications (including certificates of invention); (c) all patents and patent applications based on, corresponding to or claiming the priority date(s) of any of the foregoing; (d) any substitutions, extensions (including supplemental protection certificates), registrations, confirmations, reissues, divisionals, continuations, continuations-in-part, re-examinations, renewals and foreign counterparts thereof; and (e) all patents claiming overlapping priority therefrom.

1.41 "Person" means any individual, corporation, limited or general partnership, limited liability company, joint venture, trust, unincorporated association, governmental body, authority, bureau or agency, or any other entity or body.

1.42 "Prior Confidentiality Agreement" means the Mutual Confidentiality Letter Agreement, dated April 1, 2011, between Licensor and Licensee.

1.43 "Procedure" means the use of any stem cell and/or progenitor cell and/or Cell Population for or in connection with treatment or prevention.

1.44 "Product" means any autologous or allogeneic stem cell, progenitor cell or Cell Population, any cell derivative thereof, or a Device.

1.45 "Royalty Term" means, with respect to a Procedure or Product and a country, the period of time beginning with the First Commercial Use of such Procedure or Product in such country and continuing until the earliest of (a) the expiration of the last Valid Claim of the Licensor Patent Rights Covering the manufacture, use or sale of such Product or the use of such Procedure in such country, (b) the date on which the last claim of the Licensor Patent Rights Covering the manufacture, use or sale of such Product or the use of such Procedure in such country would have expired had there been a Valid Claim or (c) the termination of this Agreement.

1.46 "SEC" means the United States Securities and Exchange Commission.

1.47 "SOP" means standard operating procedure.

1.48 "Spinal" means the vertebral discs and their related structures, which include the intervertebral disc, the disc annulus, the nucleus pulposis, and the associated spinal nerve. This term encompasses the cervical, thoracic, and lumbar spine, despite the fact that as of the Effective Date hereof, data only exist for the lumbar spine.

1.49 "Sublicensee" means a Person to whom Licensee or Licensor, or its Affiliate or another Sublicensee, has been granted a sublicense in accordance with the terms of this Agreement.

1.50 "Territory" means all countries of the world, excluding Argentina and Asia, except that, with respect to the Device IP, the term "Territory" means all countries of the world.

1.51 "Third Party" means any Person other than the Parties and their Affiliates.

1.52 "U.S.C." means the United States Code.

1.53 "Valid Claim" means an issued claim of an unexpired patent that has not been withdrawn, canceled or disclaimed, or held invalid or unenforceable by a court of competent jurisdiction in an unappealed or unappealable decision.

1.54 Other Defined Terms. Each of the following definitions is set forth in the section of this Agreement indicated below:

| Definition | Section |
|---|---|
| | |
| 1933 Act | 4.2(a)(iii) |
| Action | 2.4(e) |
| Adverse Patient Event | 3.1 |
| Agreement | Preamble |
| Analysis | 2.2(a) |
| Auditing Party | 4.9 |
| Bankruptcy Code | 12.3 |

| Definition | Section |
|---|---|
| Biologics License Application | Exhibit D |
| BLA | Exhibit D |
| Breaching Party | 11.2(a) |
| Business | 9.3(a)(i) |
| Cayman Islands Sublicense | 2.1(c) |
| Claimed Infringement | 6.4(a) |
| Closing | 2.3 |
| Core Infringement | 6.3(b) |
| Core License | 2.1(a)(ii) |
| CSC | 5.3(b) |
| Determination to Proceed | 2.2(b)(ii) |
| Development Activities | 5.2 |
| Device License | 2.1(a)(i) |
| Disclosing Party | 1.8 |
| Effective Date | 2.3 |
| Execution Date | Preamble |
| Exclusive Sublicense | 2.1(c)(i) |
| FDA Action | 4.5 |
| Hypoxic Culture Method License | 2.1(a)(ii) |
| IDE | Exhibit D |
| IND | Exhibit C |
| Initial License Consideration | 4.2(a) |
| Initial License Fee | 4.1(a)(ii) |
| Initial Sublicense Fee | 4.1(b) |
| Licenses | 2.1(a)(iii) |
| Licensee | Preamble |
| Licensee Determination Notice | 2.2(b)(i) |
| Licensee Effectiveness Confirmation | 2.5(c) |
| Licensee Foreign Exploitation Notice | 8.1(b)(ii) |
| Licensor | Preamble |
| Licensor Determination Notice | 2.2(b)(iii) |
| Licensor Improvements | 6.1 |
| Licensor Effectiveness Confirmation | 2.4(c) |
| Losses | 8.1(a) |
| Non-Breaching Party | 11.2(a) |
| Non-Core License | 2.1(a)(iii) |
| Non-U.S. License Fee | 4.1(a)(ii) |
| Non-U.S. Sublicense | 2.1(c)(ii)(A) |
| Notifying Party | 3.2 |
| Other Licensor Facilities | Exhibit E |
| PMA | Exhibit D |
| Receiving Party | 1.3 |
| Severed Clause | 12.8 |
| Shares | 4.2(b)(i) |

| Definition | Section |
|---|---|
| Sublicenses | 2.1(c) |
| Term | 11.1 |
| U.S. Facilities | 5.4 |
| U.S. License Fee | 4.1(a)(i) |
| U.S. Sublicense | 2.1(c) |
| Warrant | 4.2(a) |
| Warrant Form 1 | 4.2(a) |
| Warrant Form 2 | 4.2(a) |

1.55 Construction. In construing this Agreement, unless expressly specified otherwise;

(a) references to Sections and Exhibits are to sections of, and exhibits to, this Agreement;

(b) use of either gender includes the other gender, and use of the singular includes the plural and vice versa;

(c) headings and titles are for convenience only and do not affect the interpretation of this Agreement;

(d) any list or examples following the word "including" shall be interpreted without limitation to the generality of the preceding words; and

(e) the language used in this Agreement shall be deemed to be the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against either Party.

2. LICENSE; FREEDOM-TO-OPERATE ANALYSIS; CLOSING

2.1 Licenses to Licensee; Sublicenses to Licensor.

(a) Grants.

(i) Subject to the terms and conditions of this Agreement, effective as of the Effective Date, Licensor hereby grants to Licensee a perpetual, exclusive, irrevocable, royalty-bearing, sublicenseable (in accordance with Section 2.1(b)), transferable license, under the Device IP, to Exploit Procedures and/or Products in the Field and outside the Field in the Territory (the "Device License").

(ii) Subject to the terms and conditions of this Agreement, effective as of the Effective Date, Licensor hereby grants to Licensee a perpetual, exclusive, irrevocable, royalty-bearing, sublicenseable (in accordance with Section 2.1(b)), transferable license, under the Hypoxic Culture Method IP, to Exploit Procedures and/or Products in the Field and outside the Field in the Territory (the "Hypoxic Culture Method License" and together with the Device License, the "Core License").

(iii) Subject to the terms and conditions of this Agreement, effective as of the Effective Date, Licensor hereby grants to Licensee a perpetual, exclusive, irrevocable, royalty-bearing, sublicenseable (in accordance with Section 2.1(b)), transferable license, under the Licensor Non-Core IP, to Exploit Procedures and/or Products in the Field in the Territory (the "Non-Core License" and together with the Core License, the "Licenses").

(iv) Notwithstanding any other provision of this Agreement, Licensor hereby reserves all rights not expressly granted to Licensee.

(b) Licensee Sublicenses. Licensee shall have the right to grant to its Affiliates and to Third Parties sublicenses under each License granted in Section 2.1(a). Each such sublicense shall be in writing and shall be subject and subordinate to, and consistent with, the terms and conditions of this Agreement. Licensee shall not permit any Sublicensee to use Licensor's name, trade names or trademarks without Licensor's prior written consent. Upon the request of Licensor, Licensee shall furnish to Licensor a list of all Persons to whom sublicenses have been granted by Licensee pursuant to this Agreement. Each such list shall be considered Confidential Information.

(c) Sublicenses to Licensor.

(i) Subject to the terms and conditions of this Agreement, effective as of the Effective Date, Licensee hereby grants to Licensor an exclusive, royalty-bearing, sublicenseable (in accordance with Section 2.1(d)), transferable sublicense, under the Hypoxic Culture Method IP, to Exploit Procedures and/or Products in the Orthopedic Field in the Territory (the "Exclusive Sublicense"). As a matter of clarification, it is understood and agreed that, as a result of the grant of the Exclusive Sublicense, Licensee shall not be permitted to use the Hypoxic Culture Method IP to Exploit Procedures and/or Products in the Orthopedic Field in the Territory.

(ii) Subject to the terms and conditions of this Agreement, effective as of the Effective Date, Licensee hereby grants to Licensor a non-exclusive, royalty-bearing, nonsublicenseable, non-transferable (except in accordance with Section 12.1) sublicense, under the Hypoxic Culture Method IP and the Non-Core IP, to use but not otherwise Exploit Procedures and/or Products in the Field

(A) at one, and only one, facility in the Cayman Islands (the "Cayman Islands Sublicense"); provided, however, that, in the event that Licensor does not operate a facility in the Cayman Islands, then, at the request of Licensor, but such subject to the written consent of Licensee (such consent not to be unreasonably withheld), such sublicense shall apply to a different country outside the United States but within the Territory (instead of the Cayman Islands) (the Cayman Islands sublicense or such other sublicense, as the case may be, being referred to as the "Non-U.S. Sublicense"); provided, however, that neither Licensor nor any Affiliate or Sublicensee thereof shall be permitted to operate a facility in any such jurisdiction that competes with a facility operated by Licensee or any Affiliate or Sublicensee thereof; and

(B) at U.S. Facilities, but only to the extent provided for in Section 5.4 (the "U.S. Sublicense" and together with the Exclusive Sublicense and the Non-U.S. Sublicense, the "Sublicenses").

(d) Licensor Sublicenses. Licensor shall have the right to grant to its Affiliates and to Third Parties sublicenses under each sublicense granted in Section 2.1(c). Each such sublicense shall be in writing and shall be subject and subordinate to, and consistent with, the terms and conditions of this Agreement. Licensor shall not permit any Sublicensee to use Licensee's name, trade names or trademarks without Licensee's prior written consent. Upon the request of Licensee, Licensor shall furnish to Licensee a list of all Persons to whom sublicenses have been granted by Licensor pursuant to this Agreement. Each such list shall be considered Confidential Information.

2.2 Freedom-To-Operate Analysis; Determination Notices.

(a) Analysis. Following the execution of this Agreement, Licensee shall engage its intellectual property counsel to perform a Freedom-To-Operate Analysis with regard to the Licensor Patent Rights in the United States (the "Analysis").

(b) Determination Notices.

(i) Based upon its review of the Analysis, Licensee shall have the right to determine in its sole discretion whether or not it desires to consummate the transactions contemplated by this Agreement. Licensee shall advise Licensor in writing (by fax and e-mail) of its determination within forty-five (45) days following the Execution Date (the "Licensee Determination Notice").

(ii) In the event that Licensee advises Licensor in the Licensee Determination Notice that it desires to consummate the transactions contemplated by this Agreement (a "Determination to Proceed"), such Determination to Proceed shall be accompanied by a copy of the Analysis and the Parties shall proceed in accordance with this Section 2.2(b).

(iii) In the event of a Determination to Proceed, Licensor shall have the right to determine whether or not it is willing to be bound by the provisions set forth in Section 8.1(a)(ii) hereof to the extent they relate to the United States. Licensor shall advise Licensee in writing (by fax and email) of its determination within ten (10) days of its receipt of the Determination to Proceed (the "Licensor Determination Notice").

(iv) In the event that Licensor advises Licensee in the Licensor Determination Notice that it is willing to be bound by the provisions set forth in Section 8.1(a)(ii) hereof to the extent they relate to the United States, then the provisions set forth in Section 8 hereof and Warrant Form 1 shall be used in this transaction. In the event that Licensor advises Licensee in the Licensor Determination Notice that it is not willing to be bound by the provisions set forth in Section 8.1(a)(ii) to the extent that such provisions relate to the United States, then the following shall occur: (A) the provisions of Sections 8.1(a)(ii) and 8.2(b) shall not apply to the extent that such provisions relate to the United States; and (B) Warrant Form 2 shall be used in this transaction.

(v) In the event that the Licensee Determination Notice is not received by Licensor within forty-five (45) days of the Execution Date or the Licensee Determination Notice does not include a Determination to Proceed, then this Agreement shall terminate and be of no further force or effect.

(vi) In the event that the Licensor Determination Notice is not received by Licensee within ten (10) days of Licensor's receipt of a Determination to Proceed, then Licensor shall be deemed to have agreed that Licensor is willing to be bound by the provisions of Section 8.1(a)(ii) hereof and Warrant Form 1 shall be used in this transaction.

2.3 Closing. In the event that Licensee delivers to Licensor a Determination to Proceed, then, subject to the fulfillment of all conditions to closing set forth herein, the closing of the transactions contemplated hereby (the "Closing") shall take place remotely by the exchange of signature pages by email and/or fax (with originals to follow by overnight mail) (except for the deliveries contemplated to be made pursuant to Section 2.6(a)(iii) and (iv) which shall be made) on such date as shall be set forth in the Licensee Determination Notice, which date shall not be more than sixty (60) days following the Execution Date. The date of the Closing is referred to in this Agreement as the "Effective Date."

2.4 Conditions Precedent to the Obligation of Licensee to Close. The obligation of Licensee to consummate the transactions contemplated hereby is subject to the fulfillment, prior to or at the Closing, of each of the following conditions, any one or more of which may be waived by Licensee (except when the fulfillment of such condition is a requirement of law):

(a) Representations and Warranties. All representations and warranties of Licensor contained in this Agreement shall be true and complete in all material respects as at the Effective Date, as if made at the Closing and as of the Effective Date.

(b) Certificate. Licensee shall have received a certificate, dated the Effective Date, signed by an Executive Officer of Licensor, as to the satisfaction of the condition contained in paragraph (a) hereof.

(c) Effectiveness of Agreement. Licensor shall have executed and tendered to Licensee a document, in form reasonably satisfactory to Licensee, that confirms that this Agreement has been consummated and that the Licenses are in full force and effect in accordance with the terms hereof (the "Licensor Effectiveness Confirmation").

(d) Financing. Licensee shall have received financing in an amount at least equal to the Initial License Fee on such terms as are acceptable to Licensee in its sole discretion.

(e) No Actions. No action, suit, proceeding, arbitration or governmental investigation (collectively, "Action") shall have been instituted by a Third Party, and be continuing before a court or before or by a governmental or other regulatory body or agency, or shall have been threatened and be unresolved, to restrain or to prevent or to obtain any amount of damages in respect of, the carrying out of the transactions contemplated hereby, or which might affect the right of Licensee to utilize the Licenses, or any of them, or which might have an adverse effect thereon.

(f) Deliveries. All deliveries provided for in Section 2.6 to be made by Licensor to Licensee shall have been tendered by Licensor.

2.5 Conditions Precedent to the Obligation of Licensor to Close. The obligation of Licensor to consummate the transactions contemplated hereby is subject to the fulfillment, prior to or at the Closing, of each of the following conditions, any one or more of which may be waived by Licensor (except when the fulfillment of such condition is a requirement of law):

(a) Representations and Warranties. All representations and warranties of Licensee contained in this Agreement shall be true and complete in all material respects as at the Effective Date, as if made at the Closing and as of the Effective Date.

(b) Certificate. Licensor shall have received a certificate, dated the Effective Date, signed by an Executive Officer of Licensee, as to the satisfaction of the condition contained in paragraph (a).

(c) Effectiveness of Agreement. Licensee shall have executed and tendered to Licensor a document, in form reasonably satisfactory to Licensor, that confirms that this Agreement has been consummated and that the Sublicenses are in full force and effect in accordance with the terms hereof (the "Licensee Effectiveness Confirmation").

(d) Financing. Licensee shall have received financing in an amount at least equal to the Initial License Fee on such terms as are acceptable to Licensee in its sole discretion.

(e) No Actions. No Action shall have been instituted by a Third Party, and be continuing, before a court or by a governmental or other regulatory body or agency, or have been threatened, and be unresolved, to restrain or prevent, or obtain any amount of damages in respect of, the carrying out of the transactions contemplated hereby.

(f) Deliveries. All deliveries provided for in Section 2.6 to be made by Licensee to Licensor shall have been tendered by Licensee.

2.6 Closing Deliveries.

(a) Items to be Delivered by Licensor. At the Closing, Licensor will deliver, or cause to be delivered, to Licensee the following:

(i) the certificate required by Section 2.4(a) hereof;

(ii) the Licensor Effectiveness Confirmation;

(iii) copies of all of the SOPs set forth in Exhibit G, in form and substance usable with regard to the Exploitation of the Licensor IP in the Field; and

(iv) copies of all training manuals, in form and substance usable with regard to the Exploitation of the Licensor IP in the Field.

(b) Items to be Delivered by Licensee**.** At the Closing, Licensee will deliver, or cause to be delivered, to Licensor the following:

(i) the certificate required by Section 2.5(a) hereof;

(ii) the Licensee Effectiveness Confirmation;

(iii) the Initial License Fee, as provided for in Section 4.1(a) hereof, net of the Initial Sublicense Fee; and

(iv) the Warrant, as provided for in Section 4.2 hereof.

3. ADVERSE PATIENT EVENTS

3.1 An "Adverse Patient Event" is any injury to or death of a patient associated with a Procedure or Product.

3.2 Each Party (the "Notifying Party") shall notify the other Party in writing of all information coming to the Notifying Party's attention, regardless of the origin of such information and, for the avoidance of doubt, including such information coming to its attention through journal publications and other media, regarding Adverse Patient Events, whether in the Territory or outside the Territory, and whether in the Field or outside the Field, as hereinafter provided.

3.3 For each Adverse Patient Event, notification to the other Party shall be made promptly, but in no event later than forty-eight (48) hours after the initial receipt of information concerning such Adverse Patient Event by the Notifying Party. The Notifying Party shall also notify the other Party and provide a copy of all reports, including initial and all follow-up reports, made to any governmental agency or other regulatory authority (other than taxing authorities) contemporaneously with the submission of such reports.

3.4 Within forty-eight (48) hours of either Party becoming aware of any actual or potential risk to human safety associated with any Procedure or Product, whether in the Territory or outside the Territory, whether in the Field or outside the Field, and whether based on preclinical or clinical studies, such Party shall notify the other Party in writing of such risk.

4. PAYMENT TERMS; REPORTS; RECORD-KEEPING AND AUDIT RIGHTS

4.1 Initial License Fees.

(a) Payable by Licensee.

(i) Licenses for United States. In partial consideration for the Licenses granted to Licensee under this Agreement for that part of the Territory in the United States, on the Effective Date, Licensee shall pay to Licensor, by wire transfer, a license fee in the amount of Nine Hundred Fifty Thousand U.S. Dollars (US $950,000) (the "U.S. License Fee").

(ii) Licenses for Outside the United States. In partial consideration for the Licenses granted to Licensee under this Agreement for that part of the Territory outside of the United States, on the Effective Date, Licensee shall pay to Licensor, by wire transfer, a license fee in the amount of Fifty Thousand U.S. Dollars (US $50,000) (the "Non-U.S. License Fee" and together with the U.S. License Fee, the "Initial License Fee").

(b) Payable by Licensor. In consideration for the Non-U.S. Sublicense granted to Licensor under Section 2.1(c), on the Effective Date, Licensor shall pay to Licensee, by wire transfer, a license fee in the amount of Ten Thousand U.S. Dollars (US $10,000) (the "Initial Sublicense Fee") (or, at the option of Licensee, such amount shall be deducted from the amount payable pursuant to Section 4.1(a)).

4.2 Warrant Issued by Licensee. (a) In partial consideration for the License granted to Licensee under this Agreement, on the Effective Date, Licensee shall issue to Licensor a warrant for the purchase of fifty million (50,000,000) shares of common stock of Licensee in, or substantially in, the form required under Section 2.2(b)(iv) and attached hereto as Exhibit A-1 ("Warrant Form 1") or Exhibit A-2 ("Warrant Form 2") (either, the "Warrant" and together with the Initial License Fee, the "Initial License Consideration").

(b) Licensor understands and agrees that Licensee is relying and may rely upon the following representations and warranties made by it in entering into this Agreement:

(i) Licensor recognizes that the acquisition of the Warrant and the shares of common stock issuable upon the exercise of the Warrant (the "Shares") involves a high degree of risk and is suitable only for persons of adequate financial means who have no need for liquidity in this investment in that (A) Licensor may not be able to liquidate its investment in the event of emergency; (B) transferability is extremely limited; and (C) it could sustain a complete loss of its investment.

(ii) Licensor represents that it (i) is competent to understand and does understand the nature of its investment in the Warrant and the Shares; and (ii) is able to bear the economic risk of its investment in the Warrant and the Shares.

(iii) Licensor represents that, either alone or with its purchaser representative (as such term is defined in Rule 501 promulgated under the Securities Act of 1933, as amended (the "1933 Act")), it has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of the acquisition of the Warrant and, in the event of the exercise of the Warrant, the Shares.

(iv) Licensor represents that it has reviewed all information regarding Licensee that has been filed with the SEC. Licensor also represents that it has been furnished by Licensee with all information regarding Licensee which it had requested or desired to know; that all documents which could be reasonably provided have been made available for its inspection and review; that it has been afforded the opportunity to ask questions of and receive answers from duly authorized representatives of Licensee concerning Licensee; and that it has had the opportunity to consult with its own tax or financial advisor concerning an investment in Licensee.

(v) Licensor represents that the Warrant has been, and, in the event of the exercise of the Warrant, the Shares will be, acquired for its own account, for investment and not for distribution to others. Licensor agrees that it will not sell, transfer or otherwise dispose of the Warrant or the Shares, or any portion thereof, unless they are registered under the 1933 Act or unless an exemption from such registration is available.

(vi) Licensor consents to the placement of a legend on the Warrant and the Shares stating that they have not been registered under the 1933 Act and setting forth or referring to the restrictions on transferability and sale thereof. Licensor is aware that Licensee will make a notation in its appropriate records with respect to the restrictions on the transferability of the Warrant and the Shares.

(vii) **NEITHER THE WARRANT NOR THE SHARES HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAWS OF ANY STATE AND WILL BE OFFERED AND SOLD IN RELIANCE ON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF SAID ACT AND SUCH LAWS. THE WARRANT IS AND, IN THE EVENT OF THE EXERCISE OF THE WARRANT, THE ISSUED SHARES WILL BE, SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER SAID ACT AND SUCH LAWS PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. NEITHER THE WARRANT NOR THE SHARES HAVE BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION OR ANY OTHER REGULATORY AUTHORITY. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.**

(c) In the event of the exercise by Licensor of the Warrant, Licensor shall be required, as a condition to the issuance of the Shares, to make the representations and warranties provided for in Section 4.2(b) (updated to give effect to subsequent events).

4.3 Royalties Payable by Licensee.

(a) Device License. Subject to the terms of this Agreement, including Section 4.3(c) and (d), in partial consideration for the Device License, during the Royalty Term, Licensee shall pay to Licensor a royalty equal to seven percent (7%) of Annual Licensee Net Sales derived from the Exploitation of the Device License; provided, however, that, in the event a patent for the Device IP is not issued within ten (10) years of the patent application date with respect thereto and provided that Licensee has made good faith efforts to prosecute the patent application, then, effective with such tenth ($10^{th}$) anniversary date, the royalty shall instead be equal to five percent (5%) of Annual Licensee Net Sales derived from the Exploitation of the Device License.

(b) Hypoxic Culture Method License; Non-Core License. Subject to the terms of this Agreement, including Section 4.3(c) and (d), in partial consideration for the Hypoxic Culture Method License and the Non-Core License, during the Royalty Term, Licensee shall pay to Licensor a royalty equal to seven percent (7%) of Annual Licensee Net Sales derived from the Exploitation of the Hypoxic Culture Method License and the Non-Core License; provided, however, that, in the event a patent for the Hypoxic Culture Method IP is not issued within seven (7) years of the patent application date with respect thereto, then, effective with such seventh ($7^{th}$) anniversary date, the royalty shall instead be five percent (5%) of Annual Licensee Net Sales derived from the Exploitation of the Hypoxic Culture Method IP and the Licensor Non-Core IP; provided further that, to the extent that Annual Licensee Net Sales are comprised of amounts received by Licensee and/or its Affiliates from Third Party Sublicensees of the Hypoxic Culture Method IP and/or the Licensor Non-Core IP, then, instead of seven percent (7%) or five percent (5%), as the case may be, the royalty shall be equal to twenty-five percent (25%) or fifteen percent (15%), as the case may be, of Annual Licensee Net Sales with respect thereto.

(c) Foreign Sales. Notwithstanding the foregoing but subject to the provisions of Section 8.1(b) hereof, with regard to all Annual Licensee Net Sales that relate to a jurisdiction other than the United States, the percentages set forth in paragraphs (a) and (b) hereof shall be reduced by one-half (1/2).

(d) Licensee Royalty Term. Royalties shall be payable by Licensee with respect to a Procedure or Product in a country only during the applicable Royalty Term. Upon the expiration or termination of the applicable Royalty Term in a country, the Licenses granted to Licensee under this Agreement shall remain in effect, but shall be fully paid-up licenses in such country.

4.4 Royalties Payable by Licensor.

(a) Exclusive Sublicense. Subject to the terms of this Agreement, including Section 4.4(d), in consideration for the Exclusive Sublicense, during the Royalty Term, Licensor shall pay to Licensee a royalty equal to seven percent (7%) of Annual Licensor Net Sales derived from the Exploitation of the Exclusive Sublicense; provided, however, that, to the extent that Annual Licensor Net Sales are comprised of amounts received by Licensor and/or its Affiliates from Third Party Sublicensees of the Exclusive Sublicense, then, instead of seven percent (7%), the royalty shall be equal to twenty-five percent (25%) of Annual Licensor Net Sales with respect thereto.

(b) Non-U.S. Sublicense. In consideration for the Non-U.S. Sublicense, Licensor shall pay to Licensee royalties in the amount of Two Thousand U.S. Dollars (US $2,000) per Procedure performed in the jurisdiction covered by the Non-U.S. Sublicense.

(c) U.S. Sublicense. In consideration for the U.S. Sublicense, Licensor shall pay to Licensee royalties equal to thirty-three and one-third percent (33-1/3%) of all amounts received by Licensor, its Affiliates and/or Third Parties from, arising out of or relating to Procedures performed pursuant to the U.S. Sublicense.

(d) Licensor Royalty Term. Royalties shall be payable by Licensor with respect to a Procedure or Product in a country only during the applicable Royalty Term. Upon the expiration or termination of the applicable Royalty Term in a country, the Sublicenses granted to Licensor under this Agreement and not previously terminated under Section 5.4 shall remain in effect, but shall be fully paid-up sublicenses in such country.

4.5 Reimbursement of Licensor's Legal Expenses. In partial consideration for the Licenses, Licensee shall pay to Licensor an amount equal to twenty-five percent (25%) of the reasonable legal fees incurred and actually paid by Licensor for services rendered after the Effective Date related to its pending court action with the FDA (the "FDA Action"); provided, however, that (a) Licensee's payment obligations under this Section 4.5 shall not exceed (i) Four Thousand Five Hundred U.S. Dollars (US $4,500) for any calendar month or (ii) One Hundred Thousand U.S. Dollars (US $100,000) in the aggregate, and (b) in no event shall legal fees be considered reasonable if they are inconsistent with historical billing patterns and amounts with respect to the FDA Action. Licensor shall deliver to Licensee monthly invoices for all such legal fees, together with all time charges, and Licensee shall provide payment of its portion of the fees within sixty (60) days of receipt of such invoices and time charges (subject to a right of offset as provided for in Section 4.6(a)).

4.6 Reports and Payments.

(a) Licensee. Licensee shall deliver to Licensor, within sixty (60) days after the end of each Calendar Quarter, a royalty report together with the required payments. Any report under this Section 4.6 shall indicate the calculation of Licensee Net Sales and royalties with respect thereto. Such report shall also report any adjustments made with respect to one or more prior Calendar Quarters based upon a change in the amount of Licensee Net Sales from such Calendar Quarter(s). In the event of any such change, an adjustment shall be made to the royalty amount payable pursuant to Section 4.3. In addition, Licensee shall have the right to withhold from amounts otherwise payable by it to Licensor amounts payable by Licensor to it pursuant to the provisions hereof, including Section 4.4. All royalty payments shall be made in United States Dollars by wire transfer to an account designated in advance by Licensor.

(b) Licensor. Licensor shall deliver to Licensee, within sixty (60) days after the end of each Calendar Quarter, a royalty report together with the required payments. Any report under this Section 4.6 shall indicate (i) with respect to the Exclusive Sublicense, the calculation of Licensor Net Sales and royalties with respect thereto, (ii) with respect to the Non-U.S. Sublicense, the total number of Procedures performed and the total amount owed and (iii) with respect to the U.S. Sublicense, the total amount received by Licensor, its Affiliates and Third Parties from, arising out of or relating to Procedures performed pursuant to the U.S. Sublicense and the total amount owned. Such report shall also report any adjustments made with respect to one or more prior Calendar Quarters based upon a change in the amount of Licensor Net Sales (or other amounts upon which royalties are based) from such Calendar Quarter(s). In the event of any such change, an adjustment shall be made to the royalty amount payable pursuant to Section 4.4. All royalty payments shall be made in United States Dollars by wire transfer to an account designated in advance by Licensee.

(c) All amounts in all reports under this Section 4.6 shall be expressed in United States Dollars, and such reports shall include the rates of exchange used to convert to United States Dollars from the currency in which such sales were made or payments received. The exchange rate to be used for converting to United States Dollars shall be the simple average of the selling and buying rates of Dollars published in the East Coast Edition of the Wall Street Journal for the last Business Day of the Calendar Quarter to which the report relates.

4.7 Tax Withholding. If a Party concludes that tax withholdings under the Laws of any country in the Territory are required with respect to payments to the other Party, such Party may withhold such amounts and shall provide the other Party with original receipts or other evidence reasonably desirable and sufficient to allow the other Party to document such tax withholdings for purposes of claiming foreign tax credits and similar benefits.

4.8 Financial Records. Each Party shall maintain all of its and its Affiliates' financial records relating to the transactions and activities contemplated by this Agreement in sufficient detail to verify compliance with the terms of this Agreement.

4.9 Audit Right. Once during each Calendar Year, each Party (the "Auditing Party") may retain an independent certified public accountant reasonably acceptable to the other Party to audit the other Party's and its Affiliates' records described in Section 4.8, upon reasonable notice to that other Party, during regular business hours and under an obligation of confidentiality to the other Party, to confirm the accuracy of the royalty payments made under this Agreement. The Auditing Party shall bear the costs of such audit, except as provided below. The results of such audit shall be made available to both Parties. If the audit demonstrates that the payments owed under this Agreement have been understated, the other Party shall pay the balance to the Auditing Party. Further, if the amount of the understatement is greater than fifteen percent (15%) of the amount owed to the Auditing Party with respect to the audited period, then the other Party shall reimburse the Auditing Party for the reasonable cost of the audit. If the audit demonstrates that the payments owed under this Agreement have been overstated, the other Party shall be entitled to credit such amount against the next royalty payment due to the Auditing Party. All payments owed by the other Party under this Section 4.9 shall be made within thirty (30) days after the results of the audit are delivered to the Parties.

## 5. DILIGENCE AND EXPLOITATION

5.1 Licensee Milestones. (a) In the event that the milestones set forth on Exhibit C are not achieved, and in the event that Licensor has complied with all of its obligations under this Agreement, the Licenses will become non-exclusive but will continue in full force and effect in all other respects. Notwithstanding the foregoing, in the event that a particular milestone or milestones are not achieved, Licensee shall have the right to maintain its exclusive rights hereunder in the event it shall have paid to Licensor aggregate royalties pursuant to Section 4.3 hereof (including royalty amounts payable by Licensor and offset by Licensee as provided for therein) in the following minimum amounts by the following dates with respect to the particular milestone that was not achieved (whether or not such amounts were payable pursuant to the provisions of Section 4.3):

| Milestone | Number of Months from Effective Date | Aggregate Royalties Paid |
|---|---|---|
| First | 36 | $ 75,000 |
| Second | 60 | $ 225,000 |
| Third | 84 | $ 475,000 |

(b) The amounts provided for in paragraph (a) hereof shall be reduced on a dollar-for-dollar basis for any amounts received by Licensor and/or its Affiliates from or with regard to Third Parties who are referred by Licensee in connection with clinical trials.

5.2 Additional Expenditures. During the one year period commencing on the Effective Date, Licensee shall spend monies in connection with the development of Procedures and Products, including funding certain pre-BLA activities and initiating clinical trials (the "Development Activities"). Such monies shall be expended substantially as provided for on Exhibit D attached hereto. Notwithstanding Exhibit D, in the event that Licensee determines, in its reasonable judgment, including based upon a resolution of the FDA Action, that it is not necessary to spend monies in conformity with Exhibit D in order to adequately develop Procedures and Products for its purposes, Licensee shall be entitled to deviate from Exhibit D.

5.3 Licensor Assistance.

(a) In consideration of Licensor's receipt of the Initial License Consideration, Licensor shall provide reasonable training, assistance and consultation services to Licensee with regard to the Licensor IP, including Licensor Know-How, substantially as set forth on Exhibit E attached hereto and as requested from time to time by Licensee, including with regard to treatments, delivery devices, laboratory results, culturing methods and Patent Rights.

(b) In the event that Licensee Exploits Licensor IP at one or more facilities in the Territory but outside the United States, then, at the request of Licensee, Licensee and Centeno Schultz, P.C., a Colorado professional corporation doing business as Centeno-Schultz Clinic ("CSC"), shall enter into an agreement providing for the terms set forth in Exhibit F attached hereto pursuant to which Licensee would use the physicians of CSC to staff, train and perform Procedures at such facilities.

5.4 FDA Action. In the event that, based upon a decision with respect to, or resolution of, the FDA Action, Licensor has the legal right to perform Procedures in the Field at its Broomfield, Colorado site and/or other locations within the United States (collectively, "U.S. Facilities") and Licensee does not have such right, then, subject to the terms and conditions of this Agreement, subject to Licensor being in compliance with its obligations under this Agreement, effective upon the date on which Licensor has such right, Licensor shall be granted the U.S. Sublicense under Section 2.1(c) (but only with respect to the particular U.S. Facilities at which it has such right) and shall be obligated to pay the royalty amount to Licensee provided for in Section 4.4. Once granted, the U.S. Sublicense shall continue in full force and effect notwithstanding that Licensee subsequently obtains the legal right to perform Procedures in the Field within the United States. All Procedures performed by Licensor at its U.S. Facilities pursuant to the U.S. Sublicense shall be in accordance with protocols that are approved in writing by Licensee (such approval not to be unreasonably withheld). Licensor shall advise Licensee promptly in writing as to any material developments with regard to the FDA Action and shall furnish to Licensee promptly copies of all documents submitted by Licensor and/or its counsel to, and received by Licensor and/or its counsel from, the FDA and/or its counsel in connection with the FDA Action. In connection with any settlement of the FDA Action, (a) Licensor shall seek to include Licensee as a third party beneficiary of the provisions thereof and (b) Licensor shall discuss proposed settlement terms with Licensee to the extent they relate to the Field.

5.5 Naming Rights. For any facility in the Territory at which Licensor or an Affiliate or Sublicensee thereof operates pursuant to a sublicense from Licensee, including the U.S. Sublicense and the Non-U.S. Sublicense, Licensee shall have the right to brand the Procedure performed by Licensee or any Affiliate or Sublicensee thereof and Licensee shall have the right to name the facility (which name will be in conjunction with any name that may be given by Licensor), rooms and other areas within the facility. At Licensee's request, Licensor shall place signs in, on and around the facility that refer to such named facility, rooms and other areas. Notwithstanding the foregoing, (a) Licensee shall not have the right to name the facility, rooms or other areas within the facility located in the Cayman Islands without the consent of the operator of the facility and (b) Licensee's naming rights with respect to Licensor's Broomfield, Colorado site shall be subject to Licensor's consent (not to be unreasonably withheld).

5.6 Compliance with Laws. Each Party will, and will ensure that its Affiliates will, comply in all material respects with all relevant Laws in exercising their rights and fulfilling their obligations under this Agreement, it being understood by the Parties that the regulatory requirements with respect to certain aspects of the businesses of Licensor and Licensee are not well defined.

## 6. INTELLECTUAL PROPERTY

6.1 Ownership. Subject to the terms and conditions of this Agreement, Licensor shall own all Licensor IP. Licensee shall own all Intellectual Property Rights and Know-How made by or on behalf of Licensee or an Affiliate of Licensee pursuant to this Agreement and otherwise, including all Improvements to Licensor IP (but excluding Improvements to Licensor Other Non-Core IP), and all inventions, discoveries, patent rights, information, data, including pre-clinical trial and clinical trial data, and other Know-How. Any Improvements to Licensor Core IP, including any Intellectual Property Rights, Know-How, information and data related to such Improvements, made by Licensor, its Sublicensees and/or its Affiliates under this Agreement or otherwise shall be owned by Licensee. Any Improvements, including any Intellectual Property Rights, Know-How, information and data related to such Improvements, made by Licensor and/or its Affiliates under this Agreement or otherwise to Licensor Non-Core IP, and all Improvements, including any Intellectual Property Rights, Know-How, information and data related to such Improvements, made by Licensee and/or its Affiliates under this Agreement or otherwise to Licensor Other Non-Core IP (collectively, "Licensor Improvements"), shall be owned by Licensor; provided, however, that Licensee shall have a perpetual, exclusive, irrevocable, royalty-bearing, sublicenseable (in accordance with Section 2.1(b)), transferrable license to use Licensor Improvements to Exploit Procedures and/or Products in the Field in the Territory.

6.2 Prosecution and Maintenance of Patent Rights.

(a) Licensor Core Patent Rights.

(i) Initial Right. Licensee shall have the initial right to file, prosecute and maintain the Licensor Core Patent Rights in the Territory, at Licensee's expense, as follows:

(A) Prior to or concurrently with the execution hereof, Licensor shall provide Licensee with copies of all patent applications and other material submissions and correspondence with any patent counsel or patent authorities pertaining to Licensor Core Patent Rights.

(B) Licensee shall provide Licensor, sufficiently in advance for Licensor to comment, with copies of all proposed patent applications and other material submissions and correspondence with any patent counsel or patent authorities pertaining to Licensor Core Patent Rights.

(C) Licensee shall give due consideration to Licensor's comments, but Licensee shall have the final say in determining whether or not to incorporate such comments.

(ii) Step-In Right. If Licensee declines to file, prosecute or maintain any Licensor Core Patent Right, elects to allow any Licensor Core Patent Right to lapse, or elects to abandon any Licensor Core Patent Right, then:

(A) Licensee shall provide Licensor with prompt written notice of such decision (and, in any event, not less than sixty (60) days written notice prior to any deadline with respect to any Licensor Core Patent Right) so as to permit Licensor to decide whether to file, prosecute or maintain such Licensor Core Patent Right and to take any necessary action.

(B) Licensor may assume control of the filing, prosecution and/or maintenance of such Licensor Core Patent Right. Any and all costs and expenses relating to such filing, prosecution and/or maintenance shall be the responsibility of Licensee.

(C) Licensee shall, at its own expense and at Licensor's reasonable request, assist and cooperate in the filing, prosecution and maintenance of such Licensor Core Patent Right.

(iii) Correspondence. In any event, each Party shall promptly provide the other Party with copies of all material correspondence submitted to or received from any patent counsel or patent authorities pertaining to Licensor Core Patent Rights.

(b) Licensor Non-Core Patent Rights.

(i) Initial Right. Licensor shall have the initial right to file, prosecute and maintain the Licensor Non-Core Patent Rights in the Territory, at Licensor's expense, as follows:

(A) Prior to or concurrently with the execution hereof, Licensor shall provide Licensee with copies of all patent applications and other material submissions and correspondence with any patent counsel or patent authorities pertaining to Licensor Non-Core Patent Rights.

(B) Licensor shall provide Licensee, sufficiently in advance for Licensee to comment, with copies of all proposed patent applications and other material submissions and correspondence with any patent counsel or patent authorities pertaining to Licensor Non-Core Patent Rights.

(C) Licensor shall give due consideration to Licensee's comments, but Licensor shall have the final say in determining whether or not to incorporate such comments.

(ii) Step-In Right. If Licensor declines to file, prosecute or maintain any Licensor Non-Core Patent Right, elects to allow any Licensor Non-Core Patent Right to lapse, or elects to abandon any Licensor Non-Core Patent Right, then:

(A) Licensor shall provide Licensee with prompt written notice of such decision (and, in any event, not less than sixty (60) days written notice prior to any deadline with respect to any Licensor Non-Core Patent Right) so as to permit Licensee to decide whether to file, prosecute or maintain such Licensor Non-Core Patent Right and to take any necessary action.

(B) Licensee may assume control of the filing, prosecution and/or maintenance of such Licensor Non-Core Patent Right. Any and all costs and expenses relating to such filing, prosecution and/or maintenance shall be the responsibility of Licensee.

(C) Licensor shall, at Licensee's reasonable request, assist and cooperate in the filing, prosecution and maintenance of such Licensor Non-Core Patent Right. Licensee shall reimburse Licensor for its direct out-of-pocket reasonable expenses incurred in providing such assistance and cooperation.

(D) Licensee's obligation to pay royalties to Licensor with respect to such Licensor Non-Core Patent Right shall terminate.

(iii) Correspondence. In any event, each Party shall promptly provide the other Party with copies of all material correspondence submitted to or received from any patent counsel or patent authorities pertaining to Licensor Non-Core Patent Rights.

6.3 Enforcement.

(a) Notice. Each Party shall, within five (5) days, provide the other Party with written notice reasonably detailing any known or alleged infringement by a Third Party of any Licensor Patent Right, and of any declaratory judgment, opposition, or similar action alleging the invalidity, unenforceability or non-infringement of any Licensor Patent Right.

(b) Core Infringement. With respect to any actual or suspected infringement by a Third Party of any Licensor Core Patent Right, or any Licensor Non-Core Patent Right with respect to which Licensee has assumed control of the filing, prosecution and/or maintenance thereof pursuant to Section 6.2(b)(ii) hereof (collectively, "Core Infringement"):

(i) Licensee shall have the initial right to initiate a legal action against such Third Party with respect to such Core Infringement and control the defense of any counterclaim or other claims brought in response to such legal action, at Licensee's expense. Licensor shall join in such action as a party at Licensee's request in the event that an adverse party asserts, the court rules or other Laws provide, or Licensee determines in good faith, that a court would lack jurisdiction based on Licensor's absence as a party in such suit. Licensor may also at any time join in such action and may be represented by counsel of its choice, at Licensor's expense. Notwithstanding the foregoing, control of any such action shall remain with Licensee. At Licensee's reasonable request, Licensor shall provide reasonable assistance to Licensee in connection with such action. Without the prior written consent of Licensor, Licensee shall not enter into any settlement admitting the invalidity of, or otherwise impairing Licensor's rights in, Licensor Patent Rights. Any recoveries resulting from such an action shall be applied as follows:

(A) First, to reimburse each Party for all out-of-pocket costs in connection with such proceeding (on a pro rata basis, based on each Party's respective litigation costs, to the extent the recovery was less than all such litigation costs); and

(B) Second, the remainder of the recovery shall be retained by Licensee but shall be treated as Licensee Net Sales subject to the royalty payments to Licensor as set forth herein.

(ii) If Licensee does not commence and vigorously pursue a legal action to enjoin such infringement within six (6) months of being notified or otherwise becoming aware of such infringement, Licensor may, at its expense, commence the action. Licensee shall join in such action as a party at Licensor's request and expense in the event that an adverse party asserts, the court rules or other Laws provide, or Licensor determines in good faith, that a court would lack jurisdiction based on Licensee's absence as a party in such suit. Licensee may also at any time join in such action and may be represented by counsel of its choice, at Licensee's expense. Notwithstanding the foregoing, control of such action shall remain with Licensor. Without the prior written consent of Licensee, Licensor shall not enter into any settlement that would have an adverse effect upon Licensee's rights under the Licenses and/or otherwise adversely affect Licensee's economic benefits pursuant to the Licenses. Any recoveries resulting from such an action shall be applied as follows:

(A) First, to reimburse each Party for all out-of-pocket costs in connection with such proceeding (on a pro rata basis, based on each Party's respective litigation costs, to the extent the recovery was less than all such litigation costs); and

(B) Second, the remainder of the recovery shall be retained by Licensor but shall be treated as Licensor Net Sales subject to the royalty payments to Licensee as set forth herein.

(c) Other Infringements. Except as provided in Section 6.3(b), as between the Parties, Licensor shall have the sole right to protect the Licensor Patent Rights from any actual or suspected infringement or misappropriation and control the defense of any counterclaim or other claims brought in response to such legal action, at Licensor's expense. In any legal action so brought by Licensor, Licensee shall join in such action as a party at Licensor's request and expense in the event that an adverse party asserts, the court rules or other Laws provide, or Licensor determines in good faith, that a court would lack jurisdiction based on Licensee's absence as a party in such suit. Licensee may also at any time join in such action and may be represented by counsel of its choice, at Licensee's expense. Notwithstanding the foregoing, control of such action shall remain with Licensor. At Licensor's reasonable request and expense, Licensee shall provide reasonable assistance to Licensor in connection with such action. Without the prior written consent of Licensee, Licensor shall not enter into any settlement that would have an adverse effect upon Licensee's rights under the Licenses and/or otherwise adversely affect Licensee's economic benefits pursuant to the Licenses. Any recoveries resulting from such an action shall be applied as follows:

(A) First, to reimburse each Party for all out-of-pocket costs in connection with such proceeding (on a pro rata basis, based on each Party's respective litigation costs, to the extent the recovery was less than all such litigation costs); and

(B) Second, the remainder of the recovery shall be retained by Licensor.

6.4 Claimed Infringement. (a) If a Party becomes aware that the Exploitation of Procedures or Products in the Field in the Territory by Licensee, its Affiliates or Sublicensees infringes, or is likely or is alleged to infringe, the Intellectual Property Rights or Know-How of any Third Party (each, a "Claimed Infringement"), such Party shall promptly notify the other Party, and Licensee shall have the sole right to take any action it deems appropriate with respect thereto; provided, however, that, to the extent that any action would involve the enforcement of the Licensor Patent Rights, the general concepts of Section 6.3 shall apply with respect to such enforcement. Nothing herein shall be deemed to limit the indemnification obligations of Licensor pursuant to Section 8.

(b) If Licensee is precluded from Exploiting any Procedure or Product in whole or in part by a Third Party's Intellectual Property Rights, or there is a reasonable basis to believe that Licensee is so precluded based upon the Third Party's claim, Licensee shall have the right to seek to procure any license or other settlement of the Claimed Infringement necessary from such Third Party, at Licensee's sole expense, sufficient to permit Licensee to Exploit the Procedure and/or the Product as contemplated by this Agreement; provided, however, that, at least two (2) Business Days prior to entering into any such license or other settlement with such Third Party, Licensee shall give Licensor written notice of the material terms thereof.

(c) Licensee shall have the right to offset all amounts payable as a result of or in connection with the license from the Third Party, or other settlement of the Claimed Infringement, against any and all amounts payable by Licensee under this Agreement. The foregoing shall not be deemed to limit any indemnification obligations of Licensor pursuant to Section 8 with respect to the Claimed Infringement.

7. CONFIDENTIAL INFORMATION

7.1 Non-Use and Non-Disclosure of Confidential Information. Each Party agrees not to disclose Confidential Information to a Third Party unless mutually agreed upon or unless otherwise provided herein. Each Receiving Party agrees that all Confidential Information of the Disclosing Party (a) shall not be used by the Receiving Party except to perform its obligations or exercise its rights under this Agreement, (b) shall reasonably be maintained in confidence by the Receiving Party, and (c) except as permitted by Sections 7.2, 7.3 and 7.4, shall not be disclosed by the Receiving Party to any Person without the prior written consent of the Disclosing Party.

7.2 Permitted Disclosures.

(a) The Receiving Party may provide the Disclosing Party's Confidential Information to the employees, consultants and advisors of the Receiving Party's Affiliates, Sublicensees and potential Sublicensees who have a need to know such Confidential Information for purposes of the Receiving Party granting licenses or sublicenses under Intellectual Property Rights or Know-How as permitted herein and/or such Affiliate or Sublicensee exercising rights under such sublicensed Intellectual Property Right or Know-How, and who are bound by an obligation to maintain the confidentiality of the Disclosing Party's Confidential Information to the same extent as if they were parties hereto.

(b) The Receiving Party may provide the Disclosing Party's Confidential Information:

(i) to the Receiving Party's employees, consultants, advisors and other service providers who have a need to know such Confidential Information and are bound by an obligation to maintain the confidentiality of the Disclosing Party's Confidential Information to the same extent as if they were parties hereto;

(ii) to patent offices or regulatory authorities in order to seek or obtain Patent Rights or approval to conduct clinical trials, or to gain regulatory approval; provided, that such disclosure may be made only to the extent reasonably necessary to seek or obtain such Patent Rights or approvals;

(iii) to patients in clinical trials to the extent reasonably necessary to conduct clinical trials;

(iv) to Persons who receive training with regard to Procedures;

(v) if such disclosure is required by Law (including without limitation by rules or regulations of the SEC, any securities exchange or NASDAQ) or to defend or prosecute litigation or arbitration; provided, that prior to such disclosure, to the extent permitted by Law or such rules or regulations, the Receiving Party promptly notifies the Disclosing Party of such requirement and furnishes only that portion of the Disclosing Party's Confidential Information that the Receiving Party is legally required to furnish.

7.3 Scientific Publications. Licensor shall provide Licensee with an advance copy of any proposed publication in scientific journals or other publications pertaining to Procedures or Products that relate in any respect to the Field. Licensee shall then have sixty (60) days in which to recommend any changes it reasonably believes are necessary to preserve any Patent Rights or Know-How. If Licensee informs Licensor that such publication, in Licensee's reasonable judgment, could be expected to have a material adverse effect on any patentable invention owned or licensed, in whole or in part, to Licensee, Licensor shall delay such publication sufficiently long to permit the timely preparation and filing of a patent application, not to exceed an additional sixty (60) days. Licensor shall also provide to Licensee any publications in scientific journals or other publications that do not relate to the Field. Such publications shall be provided contemporaneously with the publication thereof.

7.4 Publicity. No Party shall have the right to make any public announcements or other disclosures with respect to this Agreement, nor disclose the terms of this Agreement, without the prior written consent of the other Party, except as follows:

(a) Upon Licensee's request, the Parties shall exercise good faith efforts to reach agreement on the text of a press release regarding the subject matter of this Agreement, such press release to be issued on the first Business Day following such agreement.

(b) Each Party may disclose the terms of this Agreement to the extent such disclosure is required by Law (including without limitation by rules or regulations of the SEC, any securities exchange or NASDAQ) or to defend or prosecute litigation or arbitration; provided, that, prior to such disclosure, to the extent permitted by Law or such rules or regulations, the disclosing Party promptly notifies the other Party of such requirement and the disclosing Party furnishes only those terms of this Agreement that the disclosing Party is legally required to furnish.

(c) Each Party may make subsequent disclosures of information which has been previously disclosed in accordance with this Agreement.

(d) Licensor may disclose this Agreement to (i) Licensor's then-current and potential Third Party licensors and licensees of the Licensor IP, and (ii) Licensor's then-current and potential directors, investors, lenders and acquirers; provided, that such Persons are bound to maintain the confidentiality of this Agreement to the same extent as if they were parties hereto.

(e) Licensee may disclose this Agreement to (i) Licensee's then-current and potential Third Party licensors and Sublicensees, and (ii) Licensee's then-current and potential directors, investors, lenders and acquirers; provided, that such Persons are bound to maintain the confidentiality of this Agreement to the same extent as if they were parties hereto.

7.5 Prior Confidentiality Agreement. In the event of any inconsistency between the provisions of this Section 7 and the provisions of the Prior Confidentiality Agreement, the provisions of this Section 7 shall control.

8. INDEMNIFICATION

8.1 Indemnification by Licensor. (a) Licensor agrees to defend the Licensee Indemnitees, at Licensor's cost and expense, and will indemnify and hold harmless the Licensee Indemnitees from and against any and all losses, costs, damages, fees, and expenses (collectively, "Losses") relating to or in connection with a Third Party claim arising out of (i) any actual or alleged death, personal bodily injury or damage to real or tangible personal property claimed to result, directly or indirectly, from the possession, use or consumption of, or treatment with, any Procedure or Product Exploited by or on behalf of (A) Licensor, its Affiliates, licensees or Sublicensees and/or (B) Licensee, its Affiliates and/or Sublicensees (except, with respect to Licensee, its Affiliates and/or Sublicensees, to the extent that the claim relates to an Improvement developed by Licensee); (ii) subject to the provisions of Sections 2.2(b) and 8.1(b) hereof, any actual or alleged infringement or unauthorized use or misappropriation of any Patent Right or other Intellectual Property Right of a Third Party with respect to the activities of (A) Licensor, its Affiliates, licensees or Sublicensees and/or (B) Licensee, its Affiliates and/or Sublicensees (except, with respect to Licensee, its Affiliates and/or Sublicensees, to the extent that the claim relates to an Improvement developed by Licensee); (iii) any breach by Licensor of its representations, warranties or covenants made under this Agreement; or (iv) any negligent act or omission or willful misconduct of Licensor, its Affiliates, licensees or Sublicensees, or any of their employees, contractors or agents, in performing Licensor's obligations or exercising Licensor's rights under this Agreement. In the event of any such claim against any Licensee Indemnitee, Licensee shall promptly notify Licensor in writing of the claim and Licensor shall manage and control, at its sole expense, the defense of the claim and its settlement with counsel reasonably acceptable to the Licensee Indemnitee. The failure to timely give a claim notice shall not relieve Licensor of its obligations hereunder, except and only to the extent that such failure shall result in any material prejudice to Licensor in defense of the claim. Licensor shall not, without the prior written consent of the Licensee Indemnitee, consent to the entry of any judgment or enter into any settlement or compromise which does not include, as an unconditional term thereof (i.e., there being no requirement that the Licensee Indemnitee pay any amount of money, give any other consideration or agree to any restriction or limitation), the giving by the claimant or plaintiff to the Licensee Indemnitee of a release, in form and substance satisfactory to the Licensee Indemnitee from all liability in respect of the claim. The relevant Licensee Indemnitees shall cooperate with Licensor and may, at such Licensee Indemnitees' option and expense, be represented in any such action or proceeding. Licensor shall not be liable for any settlements, litigation costs or expenses incurred by any Licensee Indemnitees without Licensor's written authorization.

(b) (i) Notwithstanding the foregoing, the provisions of Section 8.1(a)(ii) with respect to claims that relate to jurisdiction outside the United States shall be subject to the provisions of this paragraph (b).

(ii) In the event that Licensee seeks to Exploit any Licensor IP in a jurisdiction outside the United States, it shall give Licensor written notice thereof (the "Licensee Foreign Exploitation Notice").

(iii) Upon receipt of a Licensee Foreign Exploitation Notice, Licensor shall have the right, at its expense, to undertake a Freedom-To-Operate Analysis with respect to such jurisdiction. In the event that, following such Freedom-To-Operate Analysis or otherwise, Licensor determines that it is willing to be bound by the provisions of Section 8.1(a)(ii) with respect to such jurisdiction, it shall give written notice thereof to Licensee. Thereupon, the provisions of Sections 8.1(a)(ii) and 8.2(b) shall apply with respect to such jurisdiction and the provisions of Section 4.3(c) shall not apply with respect to such jurisdiction. In the event that, following such Freedom-To-Operate Analysis or otherwise, Licensor determines that it is not willing to be bound by the provisions of Section 8.1(a)(ii) with respect to such jurisdiction, it shall given written notice thereof to Licensee. Thereupon or in the event that a notice is not received by Licensee from Licensor within forty-five (45) days following the date of the Licensee Foreign Exploitation Notice, the provisions of Section 8.1(a)(ii) and 8.2(b) shall not apply with respect to such jurisdiction and the provisions of Section 4.3(c) shall apply with respect to such jurisdiction.

8.2 Indemnification by Licensee. Licensee agrees to defend Licensor Indemnitees, at Licensee's cost and expense, and will indemnify and hold harmless the Licensor Indemnitees from and against any and all Losses relating to or in connection with a Third Party claim arising out of (a) any actual or alleged death, personal bodily injury or damage to real or tangible personal property claimed to result, directly or indirectly, from the possession, use or consumption of, or treatment with, any Procedure or Product Exploited by or on behalf of Licensee, its Affiliates or Sublicensees (other than Licensor, its Affiliates, licensees and Sublicensees), but only to the extent the claim relates to an Improvement developed by Licensee; (b) subject to the provisions of Sections 2.2(b) and 8.1(b) hereof, any actual or alleged infringement or unauthorized use or misappropriation of any Patent Right or other Intellectual Property Right of a Third Party with respect to the activities of Licensee, its Affiliates or Sublicensees (other than Licensor, its Affiliates, licensees and Sublicensees), but only to the extent the claim relates to an Improvement developed by Licensee; (c) any breach by Licensee of its representations, warranties or covenants made under this Agreement; or (d) any negligent act or omission or willful misconduct of Licensee, its Affiliates or Sublicensees (other than Licensor, its Affiliates, licensees and Sublicensees), or any of their employees, contractors or agents, in performing the obligations or exercising the rights of the Licensee, its Affiliates or Sublicensees (other than Licensor, its Affiliates, licensees and Sublicensees) under this Agreement. In the event of any such claim against any Licensor Indemnitee, Licensor shall promptly notify Licensee in writing of the claim and Licensee shall manage and control, at its sole expense, the defense of the claim and its settlement with counsel reasonably acceptable to the Licensor Indemnitee. The failure to timely give a claim notice shall not relieve Licensee of its obligations hereunder, except and only to the extent that such failure shall result in any material prejudice to Licensee in defense of the claim. Licensee shall not, without the prior written consent of the Licensor Indemnitee, consent to the entry of any judgment or enter into any settlement or compromise which does not include, as an unconditional term thereof (i.e., there being no requirement that the Licensor Indemnitee pay any amount of money, give any other consideration or agree to any restriction or limitation), the giving by the claimant or plaintiff to the Licensor Indemnitee of a release, in form and substance satisfactory to the Licensor Indemnitee from all liability in respect of the claim. The relevant Licensor Indemnitees shall cooperate with Licensee and may, at such Licensor Indemnitees' option and expense, be represented in any such action or proceeding. Licensee shall not be liable for any settlements, litigation costs or expenses incurred by any Licensor Indemnitees without Licensee's written authorization.

8.3 Allocation. In the event a claim is based partially on an indemnified claim and partially on a non-indemnified claim or based partially on a claim indemnified by one Party and partially on a claim indemnified by the other Party, any payments in connection with such claims are to be apportioned between the Parties in accordance with the degree of cause attributable to each Party.

9. REPRESENTATIONS, WARRANTIES AND COVENANTS

9.1 Mutual Representations and Warranties. Each Party represents and warrants that:

(a) it is a corporation or a limited liability company, as applicable, duly organized and in good standing under the Laws of the jurisdiction of its formation, and it has full power and authority and the legal right to own and operate its property and assets and to carry on its business as it is now being conducted and as it is contemplated to be conducted by this Agreement;

(b) it has the full right, power and authority to enter into this Agreement and to grant the rights and licenses granted by it under this Agreement;

(c) as of the Execution Date, neither the FDA Action nor any other pending action, suit or claim to which it is a party or, to its knowledge, any action, suit or claim threatened against it, affects or limits its right to enter into and perform its obligations under this Agreement or (except for the FDA Action) relates to the subject matter of this Agreement;

(d) as of the Execution Date, it has taken all necessary action on its part to authorize the execution and delivery of this Agreement and the performance of its obligations under this Agreement;

(e) this Agreement has been duly executed and delivered on behalf of it, and constitutes a legal, valid, binding obligation, enforceable against it in accordance with the terms hereof, subject to the general principles of equity and to bankruptcy, insolvency, moratorium and other similar Laws affecting the enforcement of creditors' rights generally;

(f) as of the Execution Date, all necessary consents, approvals and authorizations of all regulatory and governmental authorities and other Persons required to be obtained by it in connection with the execution and delivery of this Agreement and the performance of its obligations under this Agreement, including Section 5.5, have been obtained; and

(g) the execution and delivery of this Agreement and the performance of its obligations hereunder do not conflict with, or constitute a default under, its organizational documents or any of its contractual obligations, including, with respect to Licensor: the License Agreement, dated as of March 3, 2009, between Licensor and NeoStem, Inc., as amended; the Consulting Agreement, dated as of May 1, 2009, between Licensor and NeoStem, Inc., as amended; the License Agreement, dated as of November 1, 2009, between Licensor and Stematix, Inc., as amended; the Consulting Agreement, dated as of October 12, 2009, between Licensor and Stematix, Inc., as amended; the Licensing Agent Agreement, dated as of September 30, 2009, between Stematix, Inc. and Licensor, as amended; and the Licensing Agreement, dated as of October 4, 2011, 2011, between Licensor and The Rehabilitation Medicine Center of New Jersey, P.A. as amended.

9.2 Additional Licensor Representations and Warranties. Licensor represents and warrants to Licensee that, as of the Execution Date: (a) Licensor owns the Licensor IP free and clear of any and all security interests, liens, claims and other encumbrances; (b) Licensor has the right to grant to Licensee the rights granted to Licensee hereunder under the Licensor IP; (c) no claim has been made alleging that any application included in the Licensor Patent Rights is not patentable; (d) Licensor has not received any notice, written or oral, and Licensor does not otherwise have any knowledge that, the Licensor IP infringes, or that a Third Party claims that the Licensor IP infringes, the Intellectual Property Rights of any Third Party including but not limited to Osiris Therapeutics, Inc. of Columbia, Maryland; and (e) Licensor does not have any Intellectual Property Rights with respect to any device suitable for the administration of cells and/or cell products to the disc and/or the spine, other than the Device, or any method for culturing cells for use in repairing damaged avascular zones other than the Hypoxic Culture Method.

9.3 Restrictive Covenants. (a) In consideration for the Initial License Consideration, Licensor hereby covenants and agrees with Licensee that Licensor will not, directly or indirectly, whether through a licensee, sublicensee or otherwise, at any time during the Term, without the prior written consent of Licensee, other than on behalf of or for the benefit of Licensee:

(i) anywhere within the Territory, engage or participate in a business which exploits Procedures or Products in the Field (the "Business") and shall not make any investments in any such business, except that the foregoing shall not restrict Licensor from acquiring up to one percent (1%) of the outstanding voting stock of any entity whose securities are listed on a stock exchange or Nasdaq;

(ii) cause or seek to persuade any Person who, during the Term, is a director, officer or employee of, or consultant or independent contractor to, Licensee to discontinue or materially modify the status, employment or relationship of such Person with Licensee or to become employed or engaged in any activity competitive with the Business; or

(iii) hire, retain or associate in a business relationship with, directly or indirectly, any such director, officer or employee of, or consultant or independent contractor to, Licensee

(b) The provisions of Paragraph 5 of the Letter of Intent for License Agreement, dated June 2, 2011, as amended, between Licensor and Licensee shall continue in full force and effect in accordance with its terms, except that the reference to "Termination" thereof shall refer to the termination, if any, of this Agreement pursuant to Section 2.2(b)(v) hereof.

(c) The restrictive covenants contained in this Section 9.3 are material elements of the consideration to be paid by Licensee under this Agreement and are reasonable and properly required for the adequate protection of the Licenses being acquired hereby.

(d) The covenants contained herein are separate and independent from any other covenants contained in any other agreement and may be enforced irrespective of any other such covenants.

(e) The parties recognize that, because of the nature of the subject matter of this Section 9.3, it would be impracticable and extremely difficult to determine actual damages to Licensee in the event of a breach or threatened breach of any provision of this Section 9.3 by Licensor. Accordingly, in such event, Licensee shall have the following rights and remedies:

(i) the right and remedy to have the provisions of this Section 9.3 specifically enforced by any court having equity jurisdiction, by way of injunctive relief or otherwise without the necessity of proving damages or posting a bond or other security, it being acknowledged and agreed that any such breach or threatened breach will cause irreparable injury to Licensee, and that money damages will not provide an adequate remedy to Licensee;

(ii) the right and remedy to require Licensor to account for and pay over to Licensee all monies and other consideration derived or received by it as the result of any transactions constituting a breach of any of the provisions of this Section 9.3, and Licensor hereby agrees to account for and pay over such monies and other consideration to Licensee; and

(iii) the right to recover attorneys' fees and expenses incurred in any action or proceeding in which Licensee seeks to enforce its rights under this Section 9.3.

Each of the rights and remedies enumerated above shall be independent of the other, and shall be severally enforceable, and all of such rights and remedies shall be in addition to, and not in lieu of, any other rights and remedies available to Licensee under law or in equity.

9.4 Insurance. During the Term, each Party will carry and maintain, and will require that its Affiliates and Sublicensees carry and maintain, in full force and effect at all times with financially sound and reputable insurers liability insurance against claims for personal injury or death. Such insurance shall be maintained in such form and in such amounts as are consistent with industry standards and shall include provisions (a) requiring that coverage evidenced thereby shall not be terminated or materially modified without thirty (30) days prior written notice to the other Party, and (b) requiring that no claims arising from Spinal treatment, or, with respect to the Exclusive Sublicense, the Orthopedic Field, shall be paid thereunder without ten (10) days advance written notice to the other Party. Additionally, all such insurance shall be in the name of and with loss or damage payable to the Parties, as their interests may appear. Each Party shall deliver to the other Party a certificate of compliance with the foregoing provisions. In the event that an insurer is not willing to provide the notice provided for in clause (b) above, then the insured Party shall provide such notice to the other Party.

10. LIMITATION ON LIABILITY

10.1 UNLESS RESULTING FROM A PARTY'S WILLFUL MISCONDUCT OR FROM A PARTY'S BREACH OF SECTION 7, NEITHER PARTY WILL BE LIABLE TO THE OTHER PARTY OR ITS AFFILIATES FOR SPECIAL, INCIDENTAL, CONSEQUENTIAL, EXEMPLARY, PUNITIVE, MULTIPLE OR OTHER INDIRECT DAMAGES, OR FOR LOSS OF PROFITS, LOSS OF DATA, LOSS OF REVENUE, OR LOSS OF USE DAMAGES, ARISING FROM OR RELATING TO THIS AGREEMENT, WHETHER BASED UPON WARRANTY, CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR OTHERWISE, REGARDLESS OF ANY NOTICE OF SUCH DAMAGES. NOTHING IN THIS SECTION 10 IS INTENDED TO LIMIT OR RESTRICT THE INDEMNIFICATION RIGHTS OR OBLIGATIONS OF EITHER PARTY UNDER THIS AGREEMENT.

11. TERMINATION

11.1 Term. This Agreement becomes effective as of the Effective Date and shall continue in perpetuity until the earlier of (a) the termination of this Agreement in accordance with Sections 11.2, 11.3 or 12.2 or (b) following the First Commercial Use of any Procedure or Product, the expiration of the last-to-expire of all Royalty Terms with respect to all Procedures or Products (provided, however, that the U.S. Sublicense shall terminate earlier, if applicable, as provided for in Section 5.4) (the "Term").

11.2 Termination.

(a) Termination for Material Breach. If either Party (the "Breaching Party") is in material breach of this Agreement (including any material breach of a representation, warranty or covenant made in this Agreement), then the other Party (the "Non-Breaching Party") may deliver notice of such breach to the Breaching Party. If the Breaching Party fails to cure such breach within the sixty (60) day period after the Breaching Party's receipt of such notice, the Non-Breaching Party may terminate this Agreement in its entirety upon written notice to the Breaching Party; provided, however, that if Licensee breaches its obligations with respect to Procedures or Products in one or more countries in the Territory, Licensor may terminate this Agreement pursuant to this Section 11.2(a) only with respect to such country or countries.

(b) Termination for Bankruptcy. To the extent permitted under applicable Law, either Party may terminate this Agreement effective immediately with written notice if the other Party files for bankruptcy, is adjudicated bankrupt, files a petition under insolvency Laws, is dissolved or has a receiver appointed for substantially all of its property.

11.3 Effects of Termination.

(a) Neither Party shall accrue any further obligations hereunder following the expiration or termination of this Agreement, except as set forth in this Section 11.3.

(b) Upon the expiration or termination of this Agreement, all licenses granted by Licensor to Licensee, and all sublicenses granted by Licensee to Licensors, hereunder shall terminate with respect to the terminated countries or the entire Territory, as applicable, except that the perpetual licenses granted under Sections 4.3(d) and 4.4(d) shall survive the expiration or termination of this Agreement as if the Royalty Term had ended; provided, however, that, notwithstanding the provisions of Sections 4.3(d) and 4.4(d), the Breaching Party shall continue to be obligated to pay the royalties provided for herein, and comply with the provisions of Sections 4.6 through 4.9, until the end of the Royalty Term as if this Agreement had not been terminated.

(c) The following provisions shall survive the expiration or termination of this Agreement: Sections 1, 4.6, 4.7, 4.8, 4.9, 5.5, 6, 7, 8, 9, 10, 11.3 and 12. In addition, the provisions of Section 4.3 or 4.4, as the case may be, shall apply to a Breaching Party as provided for in Section 11.3(b).

(d) Termination of this Agreement shall be in addition to, and shall not prejudice, the Parties' remedies at law or in equity, including the Parties' ability to receive legal damages and/or equitable relief with respect to any breach of this Agreement, regardless of whether or not such breach was the reason for the termination.

(e) Nothing in this Section 11.3 shall be deemed to relate to any termination of this Agreement pursuant to Section 2.2(b)(v) hereof.

12. MISCELLANEOUS

12.1 Assignment. Neither this Agreement nor any of the rights or obligations hereunder may be assigned by Licensor without the prior written consent of Licensee, except Licensor may assign this Agreement, in whole or in part, to its Affiliate, provided, that the Affiliate agrees in writing to be bound by the provisions hereof and Licensor guarantees the performance of such Affiliate of its obligations hereunder. A change in the majority equity ownership of Licensor, whether by equity issuance or sale, merger or consolidation, or otherwise, shall be deemed an assignment by Licensor for purposes hereof. Notwithstanding the foregoing, Licensor may, with the prior written consent of Licensee (not to be unreasonably withheld), assign its rights and obligations under this Agreement in connection with a sale of its business, provided that the assignee agrees in writing to be bound by the provisions hereof. Licensor acknowledges and agrees that, under any circumstances, Licensee may withhold its consent to an assignment to a current licensee of Licensor and/or any Person that competes, directly or indirectly, in any respect with Licensee. Any assignment not in accordance with the foregoing shall be void. This Agreement shall be binding upon, and shall inure to the benefit of, all permitted successors and assigns. Licensee may assign any and all of its rights and obligations under this Agreement. The Parties may grant sublicenses as provided for in Section 2.1(b) and 2.1(d).

12.2 Force Majeure. Neither Party will be held liable or responsible to the other Party nor be deemed to have breached this Agreement for failure or delay in fulfilling or performing any provision of this Agreement when such failure or delay results from causes beyond the reasonable control of the affected Party, which may include embargoes, acts of war (whether declared or not), insurrections, riots, civil commotions, acts of terrorism, strikes, lockouts or other labor disturbances, or acts of God. The affected Party will notify the other Party of such force majeure circumstances as soon as reasonably practical and will make every reasonable effort to mitigate the effects of such force majeure circumstances. If a Party is so delayed and such failure or omission is not cured within ninety (90) days, the other Party may terminate this Agreement.

12.3 Section 365(n) of the Bankruptcy Code. All rights and licenses granted under or pursuant to any section of this Agreement are and will otherwise be deemed to be for purposes of Section 365(n) of the United States Bankruptcy Code (Title 11, U.S.C.), as amended (the "Bankruptcy Code"), licenses of rights to "intellectual property" as defined in Section 101(35A) of the Bankruptcy Code. The Parties will retain and may fully exercise all of their respective rights and elections under the Bankruptcy Code. Licensor agrees that Licensee, as licensee of rights under this Agreement, will retain and may fully exercise all of its rights and elections under the Bankruptcy Code or any other provisions of applicable Law outside the United States that provide similar protection for "intellectual property." The Parties further agree that, in the event of the commencement of a bankruptcy proceeding by or against Licensor or its Affiliates under the Bankruptcy Code or analogous provisions of applicable Law outside the United States, Licensee will be entitled to a complete duplicate of (or complete access to, as appropriate) such intellectual property and all embodiments of such intellectual property, which, if not already in Licensee's possession, will be promptly delivered to it upon Licensee's request therefor. Any agreements supplemental hereto will be deemed to be "agreements supplementary to" this Agreement pursuant to Section 365(n) of the Bankruptcy Code.

12.4 Notices.

Notices to Licensee shall be addressed to:

BioRestorative Therapies, Inc.
555 Heritage Road, Suite 130
Jupiter, Florida 33458
Attention: Mark Weinreb, Chief Executive Officer
Fax: (561) 362-4451
With a copy to:

K&L Gates LLP
State Street Financial Center
One Lincoln Street
Boston, Massachusetts 02111
Attention: Thomas A. Turano, Esq.
Fax: (617) 261-3175

and

Certilman Balin Adler & Hyman, LLP
90 Merrick Avenue, 9th Floor
East Meadow, New York 11554
Attention: Fred Skolnik, Esq.
Fax: (516) 296-7111

Notices to Licensor shall be addressed to:

Regenerative Sciences, LLC
403 Summit Blvd., Suite 201
Broomfield, Colorado 80021
Attention: Carl R. Measer
Fax: (303) 429-6373

With a copy to:

Fuerst Ittleman, PL
1001 Brickell Bay Drive, 32nd Floor
Miami, Florida 33131
Attention: Mitchell S. Fuerst, Esq.
Fax: (305) 371-8989

Any Party may change its address by giving notice to the other Party in the manner provided in this Section 12.4. Any notice required or provided for by the terms of this Agreement shall be in writing, in the English language, and shall be (a) sent by certified or registered mail, return receipt requested, postage prepaid, (b) sent via a reputable overnight international courier service, (c) sent by facsimile transmission, or (d) delivered by hand. The effective date of the notice shall be the actual date of receipt by the receiving Party.

12.5 Relationship of the Parties. The Parties shall be deemed independent contractors for all purposes hereunder. This Agreement does not constitute a partnership, joint venture or agency between the Parties. Neither Party is an agent of the other Party and has no authority to represent the other Party as to any matters.

12.6 Governing Law. This Agreement shall be governed by and construed in accordance with the Laws of the State of New York, other than any principle of conflict or choice of laws that would cause the application of the Laws of any other jurisdiction; provided, that matters of intellectual property law concerning the existence, validity, ownership, infringement or enforcement of intellectual property shall be determined in accordance with the national intellectual property Laws relevant to the intellectual property in question.

12.7 Dispute Resolution. Any dispute, controversy or claim arising out of or relating to this Agreement, or the breach, termination or invalidity thereof, shall be resolved as follows:

(a) The Executive Officers of both Parties shall meet to attempt to resolve such disputes.

(b) If the Executive Officers cannot resolve such dispute within thirty (30) days after either Party requests such a meeting in writing, then, upon written notice by either Party to the other Party, such dispute, controversy or claim shall be finally resolved by binding arbitration conducted in the English language in New York, New York (or other such venue to which the Parties mutually agree) under the Commercial Arbitration Rules of the American Arbitration Association by an arbitrator appointed in accordance with such rules. The arbitrator shall be a senior or retired judge from the jurisdiction in which the arbitration takes place. In no event will an arbitrator be empowered to award punitive or exemplary damages. Any decision of the arbitrator shall be in writing and a copy thereof shall be delivered to each of the Parties within thirty (30) days of the conclusion of hearings. The judgment upon the award rendered in any such arbitration shall be final and binding upon the parties and may be entered and enforced in any court having jurisdiction. At any time, a Party may seek or obtain preliminary, interim or conservatory measures from the arbitrator or from a court.

12.8 Severability. If, under applicable Law, any provision of this Agreement is invalid or unenforceable, or otherwise directly or indirectly affects the validity of any other material provision(s) of this Agreement ("Severed Clause"), the Parties mutually agree that this Agreement shall endure except for the Severed Clause. The Parties shall consult and use their best efforts to agree upon a valid and enforceable provision which shall be a reasonable substitute for such Severed Clause in light of the intent of this Agreement.

12.9 Entire Agreement. This Agreement constitutes the entire agreement among the Parties with respect to the subject matter herein and supersedes all previous agreements, whether written or oral, with respect to such subject matter.

12.10 Amendment and Waiver. This Agreement may not be amended, nor any rights hereunder waived, except in a writing signed by the properly authorized representatives of each Party.

12.11 No Implied Waivers. The waiver by a Party of a breach of any provision of this Agreement by the other Party shall not be construed as a waiver of any succeeding breach of the same or any other provision, nor shall any delay or omission on the part of a Party to exercise or avail itself of any right that it has or may have hereunder operate as a waiver of any right by such Party.

12.12 Export Compliance. The Parties acknowledge that the exportation from the United States of materials, products and related technical data (and the re-export from elsewhere of United States origin items) may be subject to compliance with United States export Laws, including Laws which restrict export, re-export and release of materials, products and their related technical data, and the direct products of such technical data. The Parties agree to comply with all exports Laws and to commit no act that, directly or indirectly, would violate any United States Law, or any other international treaty or agreement, relating to the export, re-export, or release of any materials, products or their related technical data to which the United States adheres or with which the United States complies.

12.13 Counterparts; Facsimile or Email Signatures. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. Signatures hereon which are transmitted via facsimile or email shall be deemed original signatures.

12.14 Representation by Counsel; Interpretation. The Parties acknowledge that they have been represented by counsel, or have been afforded the opportunity to be represented by counsel, in connection with this Agreement and the transactions contemplated hereby. Accordingly, any rule or law or any legal decision that would require the interpretation of any claimed ambiguities in this Agreement against the Party that drafted it has no application and is expressly waived by the Parties. The provisions of this Agreement shall be interpreted in a reasonable manner to give effect to the intent of the Parties hereto.

*[Remainder of Page Intentionally Left Blank]*

IN WITNESS WHEREOF, the Parties hereto have set their hand as of the date first above written.

REGENERATIVE SCIENCES, LLC

By: _____
Name: Christopher J. Centeno, M.D.
Title: CEO and Medical Director

BIORESTORATIVE THERAPIES, INC.

By: _____
Name: Mark Weinreb
Title: Chief Executive Officer

The undersigned agrees to be bound by the provisions of Sections 5.3, 9.3 and 12 and Exhibit D as if a party to the Agreement:

CENTENO SCHULTZ, P.C.

By: _____
Name:
Title:

The undersigned agree to be bound by the provisions of Sections 9.3 and 12 and Exhibit D as if a party to the Agreement:

_____
Christopher J. Centeno, M.D.

_____
John R. Schultz, M.D.

EXHIBIT A-1
WARRANT FORM 1

**NEITHER THIS WARRANT NOR THE WARRANT STOCK (AS HEREINAFTER DEFINED) HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT"), OR THE SECURITIES LAWS OF ANY STATE. THIS WARRANT AND THE WARRANT STOCK MAY BE TRANSFERRED ONLY IN COMPLIANCE WITH THE 1933 ACT AND SUCH LAWS. THIS LEGEND SHALL BE ENDORSED UPON ANY WARRANT ISSUED IN EXCHANGE FOR THIS WARRANT.**

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**BIORESTORATIVE THERAPIES, INC.**

**(Incorporated under the laws of the State of Nevada)**

**Warrant**

50,000,000 Shares _____, 2012

**FOR VALUE RECEIVED, BIORESTORATIVE THERAPIES, INC.**, a Nevada corporation (the "Company"), hereby certifies that **REGENERATIVE SCIENCES, LLC**, a Colorado limited liability company (the "Holder"), is entitled, subject to the provisions of this Warrant, to purchase from the Company up to **FIFTY MILLION (50,000,000) SHARES OF COMMON STOCK**, $.001 par value per share, of the Company ("Common Shares") at a price per share determined in accordance with Section 1 hereof (the "Exercise Price") during the following periods:

(a) All or any part of Fifteen Million (15,000,000) Common Shares (the "Initial Tranche") may be purchased during the period (i) commencing on the date hereof and (ii) terminating at 5:00 p.m., Eastern Time, on _____, 2017 (the "Expiration Date").

(b) All or any part of Seventeen Million Five Hundred Thousand (17,500,000) Common Shares (the "Second Tranche") may be purchased during the period (i) commencing on the date on which the Company has received from the Holder, pursuant to Section 4.4 of that certain License Agreement dated January 27, 2012 between the Company and the Holder) (the "License Agreement"), at least One Hundred Fifty Thousand Dollars ($150,000) in actual aggregate payments (the "Second Tranche Commencement Date") and (ii) terminating at 5:00 p.m., Eastern Time, on the Expiration Date.

(c) All or any part of Seventeen Million Five Hundred Thousand (17,500,000) Common Shares (the "Third Tranche") may be purchased during the period (i) commencing on the date on which the Company has received from the Holder, pursuant to Section 4.4 of the License Agreement, at least Three Hundred Thousand Dollars ($300,000) in actual aggregate payments (the "Third Tranche Commencement Date") and (ii) terminating at 5:00 p.m., Eastern Time, on the Expiration Date.

The number of Common Shares to be received upon the exercise of this Warrant may be adjusted from time to time as hereinafter set forth. The Common Shares deliverable upon such exercise, and as adjusted from time to time, are hereinafter sometimes referred to as "Warrant Stock."

The Holder agrees with the Company that this Warrant is issued, and all the rights hereunder shall be held subject to, all of the conditions, limitations and provisions set forth herein.

1. **Exercise of Warrant**.

1.1 **Exercise Price**. The Exercise Price shall be as follows: (a) with respect to the Initial Tranche, the Exercise Price shall be three cents ($.03) per Common Share, subject to adjustment as provided for in this Warrant and (b) with respect to each of the Second Tranche and the Third Tranche, the Exercise Price shall be the Fair Market Value (as such is determined as provided for in Section 1.2 hereof) of the Company's Common Shares as of the Second Tranche Commencement Date or the Third Tranche Commencement Date, as the case may be; provided, however, that in no event shall the Exercise Price be less than three cents ($.03) per Common Share (subject to adjustment for an Event (as such term is defined in Section 6.1)); and provided further that, if an event provided for in Section 6.2 shall occur prior to the setting of the Exercise Price for the Second Tranche and/or the Third Tranche, the Exercise Price with respect to the shares of Warrant Stock issuable pursuant to the Second Tranche and/or the Third Tranche shall be the Fair Market Value of the Company's Common Shares determined as of the date immediately preceding such Section 6.2 event (as if, for purposes only of such Fair Market Value determination, such date were the Second Tranche Commencement Date and the Third Tranche Commencement Date).

1.2 **Fair Market Value**. For purposes hereof, "Fair Market Value" shall be determined as follows:

(a) if the Common Shares are listed on any established stock exchange or a national market system, including, without limitation, The Nasdaq Stock Market, or quoted on any other market for which closing sales prices are available, Fair Market Value shall be the average of the closing sales prices for such stock, as quoted on such exchange, system or other market, on the twenty (20) trading days immediately preceding the Second Tranche Commencement Date or the Third Tranche Commencement Date, as the case may be;

(b) if the Common Shares are quoted but closing sales prices are not reported, then Fair Market Value shall be the average of the mean between the high bid and low asked prices for the Common Shares on the twenty (20) trading days immediately preceding the Second Tranche Commencement Date or the Third Tranche Commencement Date, as the case may be; or

(c) in the absence of any quotations for the Common Shares during the twenty (20) trading days immediately preceding the Second Tranche Commencement Date or the Third Tranche Commencement Date, as the case may be, Fair Market Value shall be determined in good faith by the Board of Directors of the Company.

1.3 **Exercise Notice**. This Warrant may be exercised by its presentation and surrender to the Company at 555 Heritage Drive, Suite 130, Jupiter, Florida 33458 (or such office or agency of the Company as it may designate in writing to the Holder hereof) with the Warrant Exercise Form attached hereto (the "Exercise Notice") duly executed and accompanied by payment (either by wire transfer or official bank check, payable to the order of the Company) of the Exercise Price for the number of shares specified in the Exercise Notice. The Company agrees that the Holder hereof shall be deemed the record owner of such Common Shares as of the close of business on the date on which this Warrant shall have been presented and payment made for such Common Shares as aforesaid whether or not the Company or its transfer agent is open for business. Certificates for the Common Shares so purchased shall be delivered to the Holder hereof within a reasonable time after the rights represented by this Warrant shall have been so exercised. If this Warrant is exercised in part only, the Company shall, upon surrender of this Warrant for cancellation, execute and deliver a new Warrant evidencing the rights of the Holder hereof to purchase the balance of the shares purchasable hereunder.

2. **Registered Owner**. The Company may consider and treat the person in whose name this Warrant shall be registered as the absolute owner thereof for all purposes whatsoever and the Company shall not be affected by any notice to the contrary. Subject to the provisions hereof, the registered owner of this Warrant shall have the right to transfer it by assignment and the transferee thereof, upon his registration as owner of this Warrant, shall become vested with all the powers and rights of the transferor. Registration of any new owner shall take place upon presentation of this Warrant to the Company at its offices together with the Warrant Assignment Form attached hereto duly executed. In case of transfers by operation of law, the transferee shall notify the Company of such transfer and of his address, and shall submit appropriate evidence regarding the transfer so that this Warrant may be registered in the name of the transferee. This Warrant is transferable only on the books of the Company by the Holder on the surrender hereof, duly endorsed. Communications sent to any registered owner shall be effective as against all holders or transferees of this Warrant not registered at the time of sending the communication.

3. **Reservation of Shares**. During the period within which the rights represented by this Warrant may be exercised, the Company shall, at all times, reserve and keep available out of its authorized capital stock, solely for the purposes of issuance upon exercise of this Warrant, such number of its Common Shares as shall be issuable upon the exercise of this Warrant; and if at any time the number of authorized Common Shares shall not be sufficient to effect the exercise of this Warrant, the Company will take such corporate action as may be necessary to increase its authorized but unissued Common Shares to such number of shares as shall be sufficient for such purpose.

4. **Fractional Shares**. The Company shall not be required to issue certificates representing fractions of Common Shares, nor shall it be required to issue scrip or pay cash in lieu of fractional interests, it being the intent of the Company and the Holder that all fractional interests shall be eliminated.

5. **Rights of the Holder**. The Holder shall not, by virtue hereof, be entitled to any voting or other rights of a stockholder of the Company, either at law or in equity, and the rights of the Holder are limited to those expressed in this Warrant.

6. **Anti-Dilution Provisions**.

6.1 **Adjustments for Stock Dividends; Combinations, Etc**. (a) In case the Company shall do any of the following (an "Event"):

(i) declare a dividend or other distribution on its Common Shares payable in Common Shares of the Company,

(ii) subdivide the outstanding Common Shares pursuant to a stock split or otherwise,

(iii) combine the outstanding Common Shares into a smaller number of shares pursuant to a reverse split or otherwise, or

(iv) reclassify its Common Shares,

then, if the Exercise Price has been established at the time of the record date for such dividend or other distribution or of the effective date of such subdivision, combination or reclassification, with respect to any exercise of this Warrant after the Event, such Exercise Price shall be changed to a price determined by dividing (a) the product of the number of Common Shares outstanding immediately prior to such Event, multiplied by the Exercise Price in effect immediately prior to such Event by (b) the number of Common Shares outstanding immediately after such Event. Each such adjustment of the Exercise Price shall be calculated to the nearest one-hundredth of a cent. Such adjustment shall be made successively whenever any Event listed above shall occur and shall be subject to adjustment as provided for in Section 6.2.

(b) Whenever an Event shall occur (whether or not the Company then or thereafter elects to issue additional Warrants in substitution for an adjustment in the number of shares of Warrant Stock), with respect to any exercise of this Warrant after the Event, the number of shares of Warrant Stock specified in this Warrant which the Holder may purchase shall be adjusted, to the nearest full share, by multiplying such number of shares of Warrant Stock immediately prior to such adjustment by a fraction, of which the numerator shall be the number of Common Shares outstanding immediately after such Event and the denominator shall be the number of Common Shares outstanding immediately prior to such Event.

6.2 **Adjustment for Reorganization, Consolidation or Merger**. In case of any reorganization of the Company (or any other entity, the securities of which are at the time receivable on the exercise of this Warrant) after the date hereof or in case after such date the Company (or any such other entity) shall consolidate with or merge with or into another entity, then, and in each such case, the Holder of this Warrant upon the exercise thereof as provided in Section l at any time after the consummation of such reorganization, consolidation or merger, shall be entitled to receive, in lieu of the securities and property receivable upon the exercise of this Warrant prior to such consummation, the securities or property to which such Holder would have been entitled upon such consummation if such Holder had exercised this Warrant immediately prior thereto, all subject to further adjustment as provided in Section 6.l; in each such case, the terms of this Warrant shall be applicable to the securities or property receivable upon the exercise of this Warrant after such consummation.

6.3 **Officer's Certificate**. Whenever the number of shares of Warrant Stock issuable upon exercise of this Warrant shall be adjusted pursuant to the provisions hereof, the Company shall send written notice to the Holder, in the form of an officer's certificate, showing the adjusted number of shares of Warrant Stock determined as herein provided and setting forth in reasonable detail the facts requiring such adjustment.

7. **Investment Intent**. Unless, prior to the exercise of the Warrant, the issuance of the Warrant Stock has been registered with the Securities and Exchange Commission pursuant to the 1933 Act, the Exercise Notice shall be accompanied by the Investment Representation Letter attached hereto, duly executed by the Holder.

8. **Restrictions on Transfer**.

8.1 **Transfer to Comply with the Securities Act of 1933**. Neither this Warrant nor any Warrant Stock may be sold, assigned, transferred or otherwise disposed of except as follows: (1) to a person who, in the opinion of counsel satisfactory to the Company, is a person to whom this Warrant or the Warrant Stock may legally be transferred without registration and without the delivery of a current prospectus under the 1933 Act with respect thereto and then only against receipt of an agreement of such person to comply with the provisions of this Section 8 with respect to any resale, assignment, transfer or other disposition of such securities; or (2) to any person upon delivery of a prospectus then meeting the requirements of the 1933 Act relating to such securities and the offering thereof for such sale, assignment, transfer or disposition.

8.2 **Legend**. Subject to the terms hereof, upon exercise of this Warrant and the issuance of the Warrant Stock, all certificates representing such Warrant Stock shall bear on the face or reverse thereof substantially the following legend:

> "The securities which are represented by this certificate have not been registered under the Securities Act of 1933, and may not be sold, transferred, hypothecated or otherwise disposed of until a registration statement with respect thereto is declared effective under such act, or the Company receives an opinion of counsel for the Company that an exemption from the registration requirements of such act is available."

9. **Lost, Stolen or Destroyed Warrant**. In the event that the Holder notifies the Company that this Warrant has been lost, stolen or destroyed and provides (a) a letter, in form satisfactory to the Company, to the effect that it will indemnify the Company from any loss incurred by it in connection therewith, and/or (b) an indemnity bond in such amount as is reasonably required by the Company, the Company having the option of electing either (a) or (b) or both, the Company may, in its sole discretion, accept such letter and/or indemnity bond in lieu of the surrender of this Warrant as required by Section 1 hereof.

10. **Notices**. All notices required hereunder shall be given by first-class mail, postage prepaid, or overnight mail or courier and, if given by the Holder addressed to the Company at 555 Heritage Drive, Suite 130, Jupiter, Florida 33458, Attention: Chief Executive Officer, or such other address as the Company may designate in writing to the Holder; and if given by the Company, addressed to the Holder at the address of the Holder shown on the books of the Company.

11. **Applicable Law; Jurisdiction**. This Warrant is issued under, and shall for all purposes be governed by and construed in accordance with, the laws of the State of Nevada, excluding choice of law principles thereof. The Company and, by its acceptance of this Warrant, the Holder hereby irrevocably consent and submit to the exclusive jurisdiction of any federal or state court located within Nassau County, New York over any dispute arising out of or relating to this Warrant and each party hereby irrevocably agrees that all claims in respect of such dispute or any legal action related thereto may be heard and determined in such courts. Each of the Company and the Holder hereby irrevocably waives, to the fullest extent permitted by applicable law, any objection that it or he may now or hereafter have to the laying of venue of any such dispute brought in such court or any defense of inconvenient forum for the maintenance of such dispute.

12. **Construction**. The use of the word "including" in this Warrant means "including without limitation" and is intended by the parties to be by way of example rather than limitation.

13. **Interpretation**. The Company and, by its acceptance of this Warrant, the Holder acknowledge that they have been represented by counsel, or afforded the opportunity to be represented by counsel, in connection with this Warrant. Accordingly, any rule or law or any legal decision that would require the interpretation of any claimed ambiguities in this Warrant against the party that drafted it has no application and is expressly waived by the Company and the Holder. The provisions of this Warrant shall be interpreted in a reasonable manner to give effect to the intent of the Company and the Holder.

***{Remainder of page intentionally left blank. Signature page follows.}***

**IN WITNESS WHEREOF**, the Company has caused this Warrant to be signed on its behalf, in its corporate name, by its duly authorized officer, all as of the day and year first above written.

**BIORESTORATIVE THERAPIES, INC.**

By: _____
Mark Weinreb
Chief Executive Officer

**BIORESTORATIVE THERAPIES, INC.**

**WARRANT EXERCISE FORM**

The undersigned hereby irrevocably elects to exercise the within Warrant dated as of _____, 2012 to the extent of purchasing _____ shares of Common Stock of **BIORESTORATIVE THERAPIES, INC.** The undersigned hereby makes a payment of $_____ in payment therefor.

**HOLDER:**

| **TO BE COMPLETED BY INDIVIDUAL HOLDER** | **TO BE COMPLETED BY CORPORATE, PARTNERSHIP, LIMITED LIABILITY COMPANY OR TRUST HOLDER** |
|---|---|
| _____ | _____ |
| Name(s) of Holder(s) [Please Print] | Name of Holder [Please Print] |
| _____ | By: _____ |
| Signature of Holder | Authorized Signatory |
| _____ | _____ |
| Signature of Holder, if jointly held | Name and Title of Authorized Signatory [Please Print] |
| _____ | _____ |
| Address(es) of Holder(s) | Address of Holder |
| _____ | _____ |
| Social Security Number(s) of Holder(s) | Tax Identification Number of Holder |
| _____ | _____ |
| Date | Date |

**BIORESTORATIVE THERAPIES, INC.**

**WARRANT ASSIGNMENT FORM**

**FOR VALUE RECEIVED**, _____ hereby sells, assigns and transfers unto _____ (please type or print name of assignee) with an address at _____ the right to purchase shares of Common Stock of **BIORESTORATIVE THERAPIES, INC.** (the "Company") represented by this Warrant dated as of _____, 2012 to the extent of _____ shares and does hereby irrevocably constitute and appoint _____ attorney to transfer the same on the books of the Company with full power of substitution in the premises.

**HOLDER:**

| **TO BE COMPLETED BY INDIVIDUAL HOLDER** | **TO BE COMPLETED BY CORPORATE, PARTNERSHIP, LIMITED LIABILITY COMPANY OR TRUST HOLDER** |
|---|---|
| _____ | _____ |
| Name(s) of Holder(s) [Please Print] | Name of Holder [Please Print] |
| _____ | By: _____ |
| Signature of Holder | Authorized Signatory |
| _____ | _____ |
| Signature of Holder, if jointly held | Name and Title of Authorized Signatory [Please Print] |
| _____ | _____ |
| Date | Date |

**Signature(s) Guaranteed**:

**BIORESTORATIVE THERAPIES, INC.**

**FORM OF INVESTMENT REPRESENTATION LETTER**

BioRestorative Therapies, Inc.
555 Heritage Drive
Suite 130
Jupiter, Florida 33458

Gentlemen:

In connection with the acquisition of _____ shares of Common Stock (the "Shares") of **BIORESTORATIVE THERAPIES, INC.**, a Nevada corporation (the "Company"), by the undersigned from the Company pursuant to the exercise of a Warrant, dated as of _____, 2012, the undersigned does hereby represent and warrant to the Company as follows:

(a) The undersigned represents and warrants that the Shares acquired by it are being acquired for its own account, for investment purposes and not with a view to any distribution within the meaning of the Securities Act of 1933, as amended (the "Securities Act"). The undersigned will not sell, assign, mortgage, pledge, hypothecate, transfer or otherwise dispose of any of the Shares unless (i) a registration statement under the Securities Act with respect thereto is in effect and the prospectus included therein meets the requirements of Section 10 of the Securities Act, or (ii) the Company has received a written opinion of its counsel that, after an investigation of the relevant facts, such counsel is of the opinion that such proposed sale, assignment, mortgage, pledge, hypothecation, transfer or disposition does not require registration under the Securities Act or any state securities law.

(b) The undersigned understands that the resale of the Shares is not, and is not being, registered under the Securities Act and the Shares must be held indefinitely unless they are subsequently registered thereunder or an exemption from such registration is available.

(c) The undersigned recognizes that the acquisition of the Shares involves a high degree of risk and is suitable only for persons of adequate financial means who have no need for liquidity in this investment in that (i) the undersigned may not be able to liquidate its investment in the event of emergency; (ii) transferability is extremely limited; and (iii) it could sustain a complete loss of its investment.

(d) The undersigned represents that it (i) is competent to understand and does understand the nature of its investment in the Shares; and (ii) is able to bear the economic risk of its investment in the Shares.

(e) The undersigned represents that, either alone or with its purchaser representative (as such term is defined in Rule 501 promulgated under the Securities Act), it has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of the acquisition of the Shares.

(f) The undersigned represents that it has reviewed all information regarding the Company that has been filed with the Securities Exchange Commission. The undersigned also represents that it has been furnished by the Company with all information regarding the Company which it had requested or desired to know; that all documents which could be reasonably provided have been made available for its inspection and review; that it has been afforded the opportunity to ask questions of and receive answers from duly authorized representatives of the Company concerning the Company; and that it has had the opportunity to consult with its own tax or financial advisor concerning an investment in the Company.

(g) The undersigned represents that the Shares are being acquired for its own account, for investment and not for distribution to others. The undersigned agrees that it will not sell, transfer or otherwise dispose of the Shares, or any portion thereof, unless they are registered under the Securities Act or unless an exemption from such registration is available.

(h) The undersigned consents to the placement of a legend on the Shares stating that they have not been registered under the Securities Act and setting forth or referring to the restrictions on transferability and sale thereof. The undersigned is aware that the Company will make a notation in its appropriate records with respect to the restrictions on the transferability of the Shares.

(i) **THE SHARES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAWS OF ANY STATE AND WILL BE OFFERED AND SOLD IN RELIANCE ON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF SAID ACT AND SUCH LAWS. THE SHARES WILL BE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER SAID ACT AND SUCH LAWS PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. THE SHARES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION OR ANY OTHER REGULATORY AUTHORITY. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL**.

(j) The undersigned acknowledges that counsel to the Company will be relying, and may rely, upon the foregoing in connection with any opinion of counsel it may give with regard to the issuance of the Shares by the Company to the undersigned, and any subsequent transfer of the Shares by the undersigned, and agrees to advise the Company and its counsel in writing in the event of any change in any of the foregoing.

Very truly yours,

**HOLDER:**

| **TO BE COMPLETED BY INDIVIDUAL HOLDER** | **TO BE COMPLETED BY CORPORATE, PARTNERSHIP, LIMITED LIABILITY COMPANY OR TRUST HOLDER** |
|---|---|
| Name(s) of Holder(s) [Please Print] | Name of Holder [Please Print] |
| Signature of Holder | By: Authorized Signatory |
| Signature of Holder, if jointly held | Name and Title of Authorized Signatory [Please Print] |
| Date | Date |

EXHIBIT A-2
WARRANT FORM 2

**NEITHER THIS WARRANT NOR THE WARRANT STOCK (AS HEREINAFTER DEFINED) HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT"), OR THE SECURITIES LAWS OF ANY STATE. THIS WARRANT AND THE WARRANT STOCK MAY BE TRANSFERRED ONLY IN COMPLIANCE WITH THE 1933 ACT AND SUCH LAWS. THIS LEGEND SHALL BE ENDORSED UPON ANY WARRANT ISSUED IN EXCHANGE FOR THIS WARRANT.**

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**BIORESTORATIVE THERAPIES, INC.**

**(Incorporated under the laws of the State of Nevada)**

**Warrant**

50,000,000 Shares _____, 2012

**FOR VALUE RECEIVED, BIORESTORATIVE THERAPIES, INC.**, a Nevada corporation (the "Company"), hereby certifies that **REGENERATIVE SCIENCES, LLC**, a Colorado limited liability company (the "Holder"), is entitled, subject to the provisions of this Warrant, to purchase from the Company up to **FIFTY MILLION (50,000,000) SHARES OF COMMON STOCK**, $.001 par value per share, of the Company ("Common Shares") at a price per share determined in accordance with Section 1 hereof (the "Exercise Price") during the following periods:

(a) All or any part of Seven Million One Hundred Forty-Two Thousand Eight Hundred Fifty-Seven (7,142,857) Common Shares (the "Initial Tranche") may be purchased during the period (i) commencing on the earlier of (A) two (2) years from the date hereof or (B) the date on which the Company initiates FDA-approved Phase I human clinical trials with respect to the Licensor IP (as such term is defined in that certain License Agreement dated January 27, 2012 between the Company and the Holder (the "License Agreement")) (such earlier date being referred to as the "Initial Tranche Commencement Date") and (ii) terminating at 5:00 p.m., Eastern Time, on the second anniversary of the Initial Tranche Commencement Date.

(b) All or any part of Seven Million One Hundred Forty-Two Thousand Eight Hundred Fifty-Seven (7,142,857) Common Shares (the "Second Tranche") may be purchased during the period (i) commencing on the first anniversary of the Initial Tranche Commencement Date (the "Second Tranche Commencement Date") and (ii) terminating at 5:00 p.m., Eastern Time, on the second anniversary of the Second Tranche Commencement Date.

(c) All or any part of Seven Million One Hundred Forty-Two Thousand Eight Hundred Fifty-Seven (7,142,857) Common Shares (the "Third Tranche") may be purchased during the period (i) commencing on the second anniversary of the Initial Tranche Commencement Date (the "Third Tranche Commencement Date") and (ii) terminating at 5:00 p.m., Eastern Time, on the second anniversary of the Third Tranche Commencement Date.

(d) All or any part of Seven Million One Hundred Forty-Two Thousand Eight Hundred Fifty-Seven (7,142,857) Common Shares (the "Fourth Tranche") may be purchased during the period (i) commencing on the third anniversary of the Initial Tranche Commencement Date (the "Fourth Tranche Commencement Date") and (ii) terminating at 5:00 p.m., Eastern Time, on the second anniversary of the Fourth Tranche Commencement Date.

(e) All or any part of Seven Million One Hundred Forty-Two Thousand Eight Hundred Fifty-Seven (7,142,857) Common Shares (the "Fifth Tranche") may be purchased during the period (i) commencing on the fourth anniversary of the Initial Tranche Commencement Date (the "Fifth Tranche Commencement Date") and (ii) terminating at 5:00 p.m., Eastern Time, on the second anniversary of the Fifth Tranche Commencement Date.

(f) All or any part of Seven Million One Hundred Forty-Two Thousand Eight Hundred Fifty-Seven (7,142,857) Common Shares (the "Sixth Tranche") may be purchased during the period (i) commencing on the fifth anniversary of the Initial Tranche Commencement Date (the "Sixth Tranche Commencement Date") and (ii) terminating at 5:00 p.m., Eastern Time, on the second anniversary of the Sixth Tranche Commencement Date.

(g) All or any part of Seven Million One Hundred Forty-Two Thousand Eight Hundred Fifty-Eight (7,142,858) Common Shares (the "Seventh Tranche") may be purchased during the period (i) commencing on the sixth anniversary of the Initial Tranche Commencement Date (the "Seventh Tranche Commencement Date") and (ii) terminating at 5:00 p.m., Eastern Time, on the second anniversary of the Seventh Tranche Commencement Date.

All capitalized terms used but not defined herein shall have the respective meanings given to such terms in the License Agreement.

Notwithstanding the foregoing, in the event, at the time any portion of this Warrant has not yet been exercised, there is a Claimed Infringement that relates to the United States, the Warrant shall no longer be exercisable or shall not be exercisable, as the case may be, unless and until a court of competent jurisdiction shall have determined, without further right of appeal, whether the Exploitation of Procedures or Products in the Field in the United States by the Company, its Affiliates or Sublicensees infringes the Intellectual Property Rights or Know-How of the Third Party. In the event that such court determines that there is no such infringement, the Warrant shall be exercisable as set forth above (subject to any other instances of Claimed Infringement that relate to the United States). In the event that such court determines that there is an infringement, then the Company and the Holder shall utilize the procedures set forth in Section 12.7 of the License Agreement to determine the amount of Losses incurred by Licensee Indemnitees relating to or in connection with the Claimed Infringement, including any license fees or other settlement amounts payable in connection therewith. Following a determination of such Losses, this Warrant shall be deemed adjusted to reduce the number of shares of Warrant Stock (as hereinafter defined) issuable hereunder by fifty (50) shares of Warrant Stock (subject to adjustment for an Event under Section 6.1) for each dollar of Losses. Any such reduction shall apply to the next portion of this Warrant otherwise exercisable. The foregoing provisions shall be applicable to each instance of a Claimed Infringement that relates to the United States.

The number of Common Shares to be received upon the exercise of this Warrant may be adjusted from time to time as hereinafter set forth. The Common Shares deliverable upon such exercise, and as adjusted from time to time, are hereinafter sometimes referred to as "Warrant Stock."

The Holder agrees with the Company that this Warrant is issued, and all the rights hereunder shall be held subject to, all of the conditions, limitations and provisions set forth herein.

14. **Exercise of Warrant**.

1.4 **Exercise Price**. The Exercise Price shall be as follows: with respect to each of the Initial Tranche, the Second Tranche, the Third Tranche, the Fourth Tranche, the Fifth Tranche, the Sixth Tranche and the Seventh Tranche, the Exercise Price shall be the Fair Market Value (as such is determined as provided for in Section 1.2 hereof) of the Company's Common Shares as of the Initial Tranche Commencement Date, the Second Tranche Commencement Date, the Third Tranche Commencement Date, the Fourth Tranche Commencement Date, the Fifth Tranche Commencement Date, the Sixth Tranche Commencement or the Seventh Tranche Commencement Date, as the case may be; provided, however, that in no event shall the Exercise Price be less than three cents ($.03) per Common Share (subject to adjustment for an Event (as such term is defined in Section 6.1)); and provided further that, if an event provided for in Section 6.2 shall occur prior to the setting of the Exercise Price for the Initial Tranche, the Second Tranche, the Third Tranche, the Fourth Tranche, the Fifth Tranche, the Sixth Tranche or the Seventh Tranche, the Exercise Price with respect to the shares of Warrant Stock issuable pursuant to such particular tranche shall be the Fair Market Value of the Company's Common Shares determined as of the date immediately preceding such Section 6.2 event (as if, for purposes only of such Fair Market Value determination, such date were the Initial Tranche Commencement Date, the Second Tranche Commencement Date, the Third Tranche Commencement Date, the Fourth Tranche Commencement Date, the Fifth Tranche Commencement Date, the Sixth Tranche Commencement Date or the Seventh Tranche Commencement Date, as the case may be).

1.5 **Fair Market Value**. For purposes hereof, "Fair Market Value" shall be determined as follows:

(d) if the Common Shares are listed on any established stock exchange or a national market system, including, without limitation, The Nasdaq Stock Market, or quoted on any other market for which closing sales prices are available, Fair Market Value shall be the average of the closing sales prices for such stock, as quoted on such exchange, system or other market, on the twenty (20) trading days immediately preceding the Initial Tranche Commencement Date, the Second Tranche Commencement Date, the Third Tranche Commencement Date, the Fourth Tranche Commencement Date, the Fifth Tranche Commencement Date, the Sixth Tranche Commencement Date or the Seventh Tranche Commencement Date, as the case may be;

(e) if the Common Shares are quoted but closing sales prices are not reported, then Fair Market Value shall be the average of the mean between the high bid and low asked prices for the Common Shares on the twenty (20) trading days immediately preceding the Initial Tranche Commencement Date, the Second Tranche Commencement Date, the Third Tranche Commencement Date, the Fourth Tranche Commencement Date, the Fifth Tranche Commencement Date, the Sixth Tranche Commencement Date or the Seventh Tranche Commencement Date, as the case may be;

(f) in the absence of any quotations for the Common Shares during the twenty (20) trading days immediately preceding the Initial Tranche Commencement Date, the Second Tranche Commencement Date, the Third Tranche Commencement Date, the Fourth Tranche Commencement Date, the Fifth Tranche Commencement Date, the Sixth Tranche Commencement Date or the Seventh Tranche Commencement Date, as the case may be, Fair Market Value shall be determined in good faith by the Board of Directors of the Company.

1.6 **Exercise Notice**. This Warrant may be exercised by its presentation and surrender to the Company at 555 Heritage Drive, Suite 130, Jupiter, Florida 33458 (or such office or agency of the Company as it may designate in writing to the Holder hereof) with the Warrant Exercise Form attached hereto (the "Exercise Notice") duly executed and accompanied by payment (either by wire transfer or official bank check, payable to the order of the Company) of the Exercise Price for the number of shares specified in the Exercise Notice. The Company agrees that the Holder hereof shall be deemed the record owner of such Common Shares as of the close of business on the date on which this Warrant shall have been presented and payment made for such Common Shares as aforesaid whether or not the Company or its transfer agent is open for business. Certificates for the Common Shares so purchased shall be delivered to the Holder hereof within a reasonable time after the rights represented by this Warrant shall have been so exercised. If this Warrant is exercised in part only, the Company shall, upon surrender of this Warrant for cancellation, execute and deliver a new Warrant evidencing the rights of the Holder hereof to purchase the balance of the shares purchasable hereunder.

15. **Registered Owner**. The Company may consider and treat the person in whose name this Warrant shall be registered as the absolute owner thereof for all purposes whatsoever and the Company shall not be affected by any notice to the contrary. Subject to the provisions hereof, the registered owner of this Warrant shall have the right to transfer it by assignment and the transferee thereof, upon his registration as owner of this Warrant, shall become vested with all the powers and rights of the transferor. Registration of any new owner shall take place upon presentation of this Warrant to the Company at its offices together with the Warrant Assignment Form attached hereto duly executed. In case of transfers by operation of law, the transferee shall notify the Company of such transfer and of his address, and shall submit appropriate evidence regarding the transfer so that this Warrant may be registered in the name of the transferee. This Warrant is transferable only on the books of the Company by the Holder on the surrender hereof, duly endorsed. Communications sent to any registered owner shall be effective as against all holders or transferees of this Warrant not registered at the time of sending the communication.

16. **Reservation of Shares**. During the period within which the rights represented by this Warrant may be exercised, the Company shall, at all times, reserve and keep available out of its authorized capital stock, solely for the purposes of issuance upon exercise of this Warrant, such number of its Common Shares as shall be issuable upon the exercise of this Warrant; and if at any time the number of authorized Common Shares shall not be sufficient to effect the exercise of this Warrant, the Company will take such corporate action as may be necessary to increase its authorized but unissued Common Shares to such number of shares as shall be sufficient for such purpose.

17. **Fractional Shares**. The Company shall not be required to issue certificates representing fractions of Common Shares, nor shall it be required to issue scrip or pay cash in lieu of fractional interests, it being the intent of the Company and the Holder that all fractional interests shall be eliminated.

18. **Rights of the Holder**. The Holder shall not, by virtue hereof, be entitled to any voting or other rights of a stockholder of the Company, either at law or in equity, and the rights of the Holder are limited to those expressed in this Warrant.

19. **Anti-Dilution Provisions**.

6.4 **Adjustments for Stock Dividends; Combinations, Etc**. (a) In case the Company shall do any of the following (an "Event"):

(i) declare a dividend or other distribution on its Common Shares payable in Common Shares of the Company,

(ii) subdivide the outstanding Common Shares pursuant to a stock split or otherwise,

(iii) combine the outstanding Common Shares into a smaller number of shares pursuant to a reverse split or otherwise, or

(iv) reclassify its Common Shares,

then, if the Exercise Price has been established at the time of the record date for such dividend or other distribution or of the effective date of such subdivision, combination or reclassification, with respect to any exercise of this Warrant after the Event, such Exercise Price shall be changed to a price determined by dividing (a) the product of the number of Common Shares outstanding immediately prior to such Event, multiplied by the Exercise Price in effect immediately prior to such Event by (b) the number of Common Shares outstanding immediately after such Event. Each such adjustment of the Exercise Price shall be calculated to the nearest one-hundredth of a cent. Such adjustment shall be made successively whenever any Event listed above shall occur and shall be subject to adjustment as provided for in Section 6.2.

(b) Whenever an Event shall occur (whether or not the Company then or thereafter elects to issue additional Warrants in substitution for an adjustment in the number of shares of Warrant Stock), with respect to any exercise of this Warrant after the Event, the number of shares of Warrant Stock specified in this Warrant which the Holder may purchase shall be adjusted, to the nearest full share, by multiplying such number of shares of Warrant Stock immediately prior to such adjustment by a fraction, of which the numerator shall be the number of Common Shares outstanding immediately after such Event and the denominator shall be the number of Common Shares outstanding immediately prior to such Event.

6.5 **Adjustment for Reorganization, Consolidation or Merger**. In case of any reorganization of the Company (or any other entity, the securities of which are at the time receivable on the exercise of this Warrant) after the date hereof or in case after such date the Company (or any such other entity) shall consolidate with or merge with or into another entity, then, and in each such case, the Holder of this Warrant upon the exercise thereof as provided in Section l at any time after the consummation of such reorganization, consolidation or merger, shall be entitled to receive, in lieu of the securities and property receivable upon the exercise of this Warrant prior to such consummation, the securities or property to which such Holder would have been entitled upon such consummation if such Holder had exercised this Warrant immediately prior thereto, all subject to further adjustment as provided in Section 6.l; in each such case, the terms of this Warrant shall be applicable to the securities or property receivable upon the exercise of this Warrant after such consummation.

6.6 **Officer's Certificate**. Whenever the number of shares of Warrant Stock issuable upon exercise of this Warrant shall be adjusted pursuant to the provisions hereof, the Company shall send written notice to the Holder, in the form of an officer's certificate, showing the adjusted number of shares of Warrant Stock determined as herein provided and setting forth in reasonable detail the facts requiring such adjustment.

20. **Investment Intent**. Unless, prior to the exercise of the Warrant, the issuance of the Warrant Stock has been registered with the Securities and Exchange Commission pursuant to the 1933 Act, the Exercise Notice shall be accompanied by the Investment Representation Letter attached hereto, duly executed by the Holder.

21. **Restrictions on Transfer**.

8.3 **Transfer to Comply with the Securities Act of 1933**. Neither this Warrant nor any Warrant Stock may be sold, assigned, transferred or otherwise disposed of except as follows: (1) to a person who, in the opinion of counsel satisfactory to the Company, is a person to whom this Warrant or the Warrant Stock may legally be transferred without registration and without the delivery of a current prospectus under the 1933 Act with respect thereto and then only against receipt of an agreement of such person to comply with the provisions of this Section 8 with respect to any resale, assignment, transfer or other disposition of such securities; or (2) to any person upon delivery of a prospectus then meeting the requirements of the 1933 Act relating to such securities and the offering thereof for such sale, assignment, transfer or disposition.

8.4 **Legend**. Subject to the terms hereof, upon exercise of this Warrant and the issuance of the Warrant Stock, all certificates representing such Warrant Stock shall bear on the face or reverse thereof substantially the following legend:

> "The securities which are represented by this certificate have not been registered under the Securities Act of 1933, and may not be sold, transferred, hypothecated or otherwise disposed of until a registration statement with respect thereto is declared effective under such act, or the Company receives an opinion of counsel for the Company that an exemption from the registration requirements of such act is available."

22. **Lost, Stolen or Destroyed Warrant**. In the event that the Holder notifies the Company that this Warrant has been lost, stolen or destroyed and provides (a) a letter, in form satisfactory to the Company, to the effect that it will indemnify the Company from any loss incurred by it in connection therewith, and/or (b) an indemnity bond in such amount as is reasonably required by the Company, the Company having the option of electing either (a) or (b) or both, the Company may, in its sole discretion, accept such letter and/or indemnity bond in lieu of the surrender of this Warrant as required by Section 1 hereof.

23. **Notices**. All notices required hereunder shall be given by first-class mail, postage prepaid, or overnight mail or courier and, if given by the Holder addressed to the Company at 555 Heritage Drive, Suite 130, Jupiter, Florida 33458, Attention: Chief Executive Officer, or such other address as the Company may designate in writing to the Holder; and if given by the Company, addressed to the Holder at the address of the Holder shown on the books of the Company.

24. **Applicable Law; Jurisdiction**. This Warrant is issued under, and shall for all purposes be governed by and construed in accordance with, the laws of the State of Nevada, excluding choice of law principles thereof. The Company and, by its acceptance of this Warrant, the Holder hereby irrevocably consent and submit to the exclusive jurisdiction of any federal or state court located within Nassau County, New York over any dispute arising out of or relating to this Warrant and each party hereby irrevocably agrees that all claims in respect of such dispute or any legal action related thereto may be heard and determined in such courts. Each of the Company and the Holder hereby irrevocably waives, to the fullest extent permitted by applicable law, any objection that it or he may now or hereafter have to the laying of venue of any such dispute brought in such court or any defense of inconvenient forum for the maintenance of such dispute.

25. **Construction**. The use of the word “including” in this Warrant means “including without limitation” and is intended by the parties to be by way of example rather than limitation.

26. **Interpretation**. The Company and, by its acceptance of this Warrant, the Holder acknowledge that they have been represented by counsel, or afforded the opportunity to be represented by counsel, in connection with this Warrant. Accordingly, any rule or law or any legal decision that would require the interpretation of any claimed ambiguities in this Warrant against the party that drafted it has no application and is expressly waived by the Company and the Holder. The provisions of this Warrant shall be interpreted in a reasonable manner to give effect to the intent of the Company and the Holder.

***{Remainder of page intentionally left blank. Signature page follows.}***

**IN WITNESS WHEREOF**, the Company has caused this Warrant to be signed on its behalf, in its corporate name, by its duly authorized officer, all as of the day and year first above written.

**BIORESTORATIVE THERAPIES, INC.**

By: _____
Mark Weinreb
Chief Executive Officer

**BIORESTORATIVE THERAPIES, INC.**

**WARRANT EXERCISE FORM**

The undersigned hereby irrevocably elects to exercise the within Warrant dated as of _____, 2012 to the extent of purchasing _____ shares of Common Stock of **BIORESTORATIVE THERAPIES, INC.** The undersigned hereby makes a payment of $_____ in payment therefor.

**HOLDER:**

| **TO BE COMPLETED BY INDIVIDUAL HOLDER** | **TO BE COMPLETED BY CORPORATE, PARTNERSHIP, LIMITED LIABILITY COMPANY OR TRUST HOLDER** |
|---|---|
| _____ | _____ |
| Name(s) of Holder(s) [Please Print] | Name of Holder [Please Print] |
| _____ | By: _____ |
| Signature of Holder | Authorized Signatory |
| _____ | _____ |
| Signature of Holder, if jointly held | Name and Title of Authorized Signatory [Please Print] |
| _____ | _____ |
| Address(es) of Holder(s) | Address of Holder |
| _____ | _____ |
| Social Security Number(s) of Holder(s) | Tax Identification Number of Holder |
| _____ | _____ |
| Date | Date |

**BIORESTORATIVE THERAPIES, INC.**

**WARRANT ASSIGNMENT FORM**

**FOR VALUE RECEIVED**, _____ hereby sells, assigns and transfers unto _____ (please type or print name of assignee) with an address at _____ the right to purchase shares of Common Stock of **BIORESTORATIVE THERAPIES, INC.** (the "Company") represented by this Warrant dated as of _____, 2012 to the extent of _____ shares and does hereby irrevocably constitute and appoint _____ attorney to transfer the same on the books of the Company with full power of substitution in the premises.

**HOLDER:**

| **TO BE COMPLETED BY INDIVIDUAL HOLDER** | **TO BE COMPLETED BY CORPORATE, PARTNERSHIP, LIMITED LIABILITY COMPANY OR TRUST HOLDER** |
|---|---|
| _____ | _____ |
| Name(s) of Holder(s) [Please Print] | Name of Holder [Please Print] |
| _____ | By: _____ |
| Signature of Holder | Authorized Signatory |
| _____ | _____ |
| Signature of Holder, if jointly held | Name and Title of Authorized Signatory [Please Print] |
| _____ | _____ |
| Date | Date |

**Signature(s) Guaranteed**:

**BIORESTORATIVE THERAPIES, INC.**

**FORM OF INVESTMENT REPRESENTATION LETTER**

BioRestorative Therapies, Inc.
555 Heritage Drive
Suite 130
Jupiter, Florida 33458

Gentlemen:

In connection with the acquisition of _____ shares of Common Stock (the "Shares") of **BIORESTORATIVE THERAPIES, INC.**, a Nevada corporation (the "Company"), by the undersigned from the Company pursuant to the exercise of a Warrant, dated as of _____, 2012, the undersigned does hereby represent and warrant to the Company as follows:

(k) The undersigned represents and warrants that the Shares acquired by it are being acquired for its own account, for investment purposes and not with a view to any distribution within the meaning of the Securities Act of 1933, as amended (the "Securities Act"). The undersigned will not sell, assign, mortgage, pledge, hypothecate, transfer or otherwise dispose of any of the Shares unless (i) a registration statement under the Securities Act with respect thereto is in effect and the prospectus included therein meets the requirements of Section 10 of the Securities Act, or (ii) the Company has received a written opinion of its counsel that, after an investigation of the relevant facts, such counsel is of the opinion that such proposed sale, assignment, mortgage, pledge, hypothecation, transfer or disposition does not require registration under the Securities Act or any state securities law.

(l) The undersigned understands that the resale of the Shares is not, and is not being, registered under the Securities Act and the Shares must be held indefinitely unless they are subsequently registered thereunder or an exemption from such registration is available.

(m) The undersigned recognizes that the acquisition of the Shares involves a high degree of risk and is suitable only for persons of adequate financial means who have no need for liquidity in this investment in that (i) the undersigned may not be able to liquidate its investment in the event of emergency; (ii) transferability is extremely limited; and (iii) it could sustain a complete loss of its investment.

(n) The undersigned represents that it (i) is competent to understand and does understand the nature of its investment in the Shares; and (ii) is able to bear the economic risk of its investment in the Shares.

(o) The undersigned represents that, either alone or with its purchaser representative (as such term is defined in Rule 501 promulgated under the Securities Act), it has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of the acquisition of the Shares.

(p) The undersigned represents that it has reviewed all information regarding the Company that has been filed with the Securities Exchange Commission. The undersigned also represents that it has been furnished by the Company with all information regarding the Company which it had requested or desired to know; that all documents which could be reasonably provided have been made available for its inspection and review; that it has been afforded the opportunity to ask questions of and receive answers from duly authorized representatives of the Company concerning the Company; and that it has had the opportunity to consult with its own tax or financial advisor concerning an investment in the Company.

(q) The undersigned represents that the Shares are being acquired for its own account, for investment and not for distribution to others. The undersigned agrees that it will not sell, transfer or otherwise dispose of the Shares, or any portion thereof, unless they are registered under the Securities Act or unless an exemption from such registration is available.

(r) The undersigned consents to the placement of a legend on the Shares stating that they have not been registered under the Securities Act and setting forth or referring to the restrictions on transferability and sale thereof. The undersigned is aware that the Company will make a notation in its appropriate records with respect to the restrictions on the transferability of the Shares.

(s) **THE SHARES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAWS OF ANY STATE AND WILL BE OFFERED AND SOLD IN RELIANCE ON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF SAID ACT AND SUCH LAWS. THE SHARES WILL BE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER SAID ACT AND SUCH LAWS PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. THE SHARES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION OR ANY OTHER REGULATORY AUTHORITY. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL**.

(t) The undersigned acknowledges that counsel to the Company will be relying, and may rely, upon the foregoing in connection with any opinion of counsel it may give with regard to the issuance of the Shares by the Company to the undersigned, and any subsequent transfer of the Shares by the undersigned, and agrees to advise the Company and its counsel in writing in the event of any change in any of the foregoing.

Very truly yours,

**HOLDER:**

**TO BE COMPLETED BY INDIVIDUAL HOLDER**

Name(s) of Holder(s) [Please Print]

Signature of Holder

Signature of Holder, if jointly held

Date

**TO BE COMPLETED BY CORPORATE, PARTNERSHIP, LIMITED LIABILITY COMPANY OR TRUST HOLDER**

Name of Holder [Please Print]

By: _____
Authorized Signatory

Name and Title of Authorized Signatory
[Please Print]

Date

EXHIBIT B-1
LICENSOR CORE PATENT RIGHTS

| OUR REF NO | CTY | SERIAL NO | FILE DATE | STATUS | TITLE | PUBL NO | PUBL DATE |
|---|---|---|---|---|---|---|---|
| 0237.09/PCT | WO | PCT/US2009/066773 | 12/4 /2009 | NAT PHASE | Methods and Compositions to Facilitate Repair of Avascular Tissue | WO 2010/065854 | 6 /10/2010 |
| 0237.09/PCT-US | US | 13/132,840 | 6 /3 /2011 | PUBLISHED | Methods and Compositions to Facilitate Repair of Avascular Tissue | US-2011-0245804-A1 | 10/6 /2011 |
| 0237.09PR | US | 61/120,098 | 12/5 /2008 | EXPIRED | Methods and Compositions for Intervertebral Disc Repair | | |
| 0237.09PR2 | US | 61/154,874 | 2 /24/2009 | EXPIRED | Methods and Compositions for Intervertebral Disc Repair | | |
| 0237.13/US | US | 12/939,856 | 11/4 /2010 | PUBLISHED | Therapeutic Delivery Device | US-2011-0276001-A1 | 11/10/2011 |
| 0237.13PR | US | 61/258,070 | 11/4 /2009 | EXPIRED | Therapeutic Delivery Device | | |
| 0237.13PR-2 | US | 61/258,314 | 11/5 /2009 | EXPIRED | Therapeutic Delivery Device | | |

EXHIBIT B-2
LICENSOR BASE NON-CORE PATENT RIGHTS

| OUR REF NO | CTY | SERIAL NO | FILE DATE | STATUS | TITLE | PUBL NO | PUBL DATE |
|---|---|---|---|---|---|---|---|
| 0237.02/PCT | WO | PCT/US08/68202 | 6 /25/2008 | NAT PHASE | Methods and Compositions For Optimized Expansion And Implantation of Mesenchymal Stem Cells | WO 2009/006161 | 1 /8 /2009 |
| 0237.02/PCT-BR | BR | PI0814651-9 | 6 /25/2008 | PENDING | Methods and Compositions For Optimized Expansion And Implantation of Mesenchymal Stem Cells | | |
| 0237.02/PCT-CA | CA | 2691427 | 6 /25/2008 | PENDING | Methods and Compositions For Optimized Expansion And Implantation of Mesenchymal Stem Cells | | |
| 0237.02/PCT-EP | EP | 08771942.3 | 6 /25/2008 | PUBLISHED | Methods and Compositions For Optimized Expansion And Implantation of Mesenchymal Stem Cells | EP 2 167 648 | 3 /31/2010 |
| 0237.02/PCT-MX | MX | MX/a/2009/014273 | 6 /25/2008 | PENDING | Methods and Compositions For Optimized Expansion And Implantation of Mesenchymal Stem Cells | | |
| 0237.02/US | US | 11/773,774 | 7 /5 /2007 | PUBLISHED | Methods and Compositions For Optimized Expansion And Implantation of Mesenchymal Stem Cells | US-2009-0010896-A1 | 1 /8 /2009 |

EXHIBIT B-3
LICENSOR OTHER NON-CORE PATENT RIGHTS

| OUR REF NO | CTY | SERIAL NO | FILE DATE | STATUS | TITLE | PUBL NO | PUBL DATE |
|---|---|---|---|---|---|---|---|
| 0237.01/PCT | WO | PCT/US07/60889 | 1 /23/2007 | NAT PHASE | MESENCHYMAL STEM CELL ISOLATION AND TRANSPLANTATION METHOD AND SYSTEM TO BE USED IN A CLINICAL SETTING | WO 2007/087519 A2 | 8 /2 /2007 |
| 0237.01/PCT-CA | CA | 2640185 | 1 /23/2007 | PENDING | MESENCHYMAL STEM CELL ISOLATION AND TRANSPLANTATION METHOD AND SYSTEM TO BE USED IN A CLINICAL SETTING | | |
| 0237.01/PCT-EP | EP | 07762515.0 | 1 /23/2007 | PUBLISHED | MESENCHYMAL STEM CELL ISOLATION AND TRANSPLANTATION METHOD AND SYSTEM TO BE USED IN A CLINICAL SETTING | EP 1 978 977 | 10/15/2008 |
| 0237.01/PCT-EP-HK | HK | 09103392.9 | 1 /23/2007 | TRANSFER | MESENCHYMAL STEM CELL ISOLATION AND TRANSPLANTATION METHOD AND SYSTEM TO BE USED IN A CLINICAL SETTING | HK 1123225 | 6 /12/2009 |
| 0237.01/PCT-US | US | 12/161,911 | 11/7 /2008 | PUBLISHED | Mesenchymal Stem Cell Isolation And Transplantation Method And System To Be Used In A Clinical Setting | US-2009-0208464-A1 | 8 /20/2009 |
| 0237.01/PR | US | 60/761,441 | 1 /24/2006 | EXPIRED | MESENCHYMAL STEM CELL ISOLATION AND TRANSPLANTATION METHOD AND SYSTEM TO BE USED IN A CLINICAL SETTING | | |
| 0237.03/PR | US | 61/014,987 | 12/19/2007 | EXPIRED | Compositions to Promote Implantation and Engrafment of Stem Cells | | |
| 0237.03PCT | WO | PCT/US08/87452 | 12/18/2008 | NAT PHASE | Compositions and Methods to Promote Implantation and Engrafment of Stem Cells | WO 2009/085969 | 7 /9 /2009 |
| 0237.03PCT-US | US | 12/809,445 | 11/8 /2010 | PUBLISHED | Compositions and Methods to Promote Implantation and Engrafment of Stem Cells | US-2011-0200642-A1 | 8 /18/2011 |
| 0237.04/PCT | WO | PCT/US2009/037126 | 3 /13/2009 | NAT PHASE | Compositions and Methods for Cartilage Repair | WO 2009/114785 | 9 /17/2009 |
| 0237.04/PCT-EP | EP | 09721049.6 | 3 /13/2009 | PUBLISHED | Compositions and Methods for Cartilage Repair | EP 2257176 | 12/8 /2010 |

| OUR REF NO | CTY | SERIAL NO | FILE DATE | STATUS | TITLE | PUBL NO | PUBL DATE |
|---|---|---|---|---|---|---|---|
| 0237.04/PCT-US | US | 12/922,436 | 10/25/2010 | PUBLISHED | Compositions and Methods for Cartilage Repair | US-2011-0052533-A1 | 3 /3 /2011 |
| 0237.04/PR | US | 61/036,551 | 3 /14/2008 | EXPIRED | Compositions and Methods for Cartilage Repair | | |
| 0237.08/US | US | 12/636,214 | 12/11/2009 | PUBLISHED | Use of In-Vitro Culture to Design or Test Personalized Treatment Regimens | US-2010-0168022-A1 | 7 /1 /2010 |
| 0237.08PR | US | 61/099,415 | 9 /23/2008 | EXPIRED | USE OF IN-VITRO CULTURE TO DESIGN OR TEST PERSONALIZED TREATMENT REGIMENS | | |
| 0237.08PR2 | US | 61/121,819 | 12/11/2008 | EXPIRED | USE OF IN-VITRO CULTURE TO DESIGN OR TEST PERSONALIZED TREATMENT REGIMENS | | |
| 0237.14PR | US | 61/559,293 | 11/14/2011 | PENDING | Suspended Particle Delivery System | | |
| 0352.12US | US | 12/873,530 | 9/1/2010 | PUBLISHED | Stem Cell Marketplace | US-2011-0054929-A1 | 3/3/2011 |
| 0352.12PR | US | 61/238,764 | 9/1/2009 | EXPIRED | Stem Cell Marketplace | | |

EXHIBIT C
LICENSEE MILESTONES

1. First Milestone. Any of the following:

- the filing by Licensee or its Affiliate of an investigational new drug application (the "IND") within twenty-four (24) months following the Effective Date
- Licensor having the right to perform a disc procedure in the United States within twenty-four (24) months following the Effective Date
- Two Hundred Fifty Thousand Dollars ($250,000) in aggregate cumulative gross sales for Licensee and its Affiliates within twenty-four (24) months following the Effective Date

2. Second Milestone. Any of the following:

- the completion by Licensee or its Affiliate of a phase I clinical trial within thirty-six (36) months following the filing of the IND
- Licensor having the right to perform a disc procedure in the United States within thirty-six (36) months following the Effective Date
- One Million Dollars ($1,000,000) in aggregate cumulative gross sales for Licensee and its Affiliates within thirty-six (36) months following the Effective Date

3. Third Milestone. Any of the following:

- the completion by Licensee or its Affiliate of a phase II clinical trial within sixty (60) months following the completion of the phase I clinical trial
- Licensor having the right to perform a disc procedure in the United States within sixty (60) months following the Effective Date
- Two Million Dollars ($2,000,000) in aggregate cumulative gross sales for Licensee and its Affiliates within sixty (60) months following the Effective Date

EXHIBIT D
PRE-BLA ACTIVITIES AND CLINICAL TRIALS

In order to commercialize the Licensor IP in the United States, certain work must be performed under an IND application and possibly an investigational device exemption ("IDE") application. Once completed, the investigational applications would be used to support the submission and approval or clearance of a biologics license application ("BLA") and a 510(k) premarket notification or Premarket Approval ("PMA") application to the FDA for one or more Product.

Licensee shall have a detailed gap analysis performed on all pre-clinical and clinical data.

Licensee will hire a consultant with expertise in clinical development and IND and IDE submissions. Such consultant will work with Licensee and Licensor to review pre-clinical and clinical data and protocols.

Upon completion of the gap analysis, Licensee will develop a clinical strategy for BLA approval and 510(k) and/or PMA clearance. Licensee will also engage Licensor physicians and laboratory staff to develop the clinical strategy.

Licensee will fund a BLA application for an FDA approved clinical trial.

Certain work to be performed in connection with IND/IDE application:

- Treatment of patients under IRB protocol using necessary techniques to refine therapy-treatment costs funded by Licensee at Cayman site (total cost per patient will be $15,000). To save costs, efforts will be made to schedule multiple patients for treatments during the same days. The number of patients treated shall be determined by the necessary data to file an IND. Treatments will include necessary imaging, laboratory culturing preparations, pre and post operative analysis of data, and outcomes. Treatments are expected to start in the 1st quarter of 2012. Christopher Centeno, M.D., or other qualified physicians from the Centeno-Schultz Clinic, will oversee and teach the procedure to Licensee selected physicians (which fees shall be included in the per patient cost above). Work or treatments performed at Cayman site is subject to regulatory consulting recommendations.

- Complete second phase medical delivery device development. This would include utilizing a bioengineering firm and/or medical device company to assist in the device modifications and 510(k) preparations. Licensor will make available its engineering expertise or personnel to assist in the medical device improvements.

- Ready existing disc data for publication while pre-BLA trials are being conducted.

Licensor project supervision and consultation services for pre-BLA work:

- Christopher Centeno, M.D. — $400/hr. Minimum availability of 20 hrs. /month (if time exceeds minimum in any given month, a daily rate of $ 3200/day will replace the hourly fee for the next 3 months. At the end of that three month period, the fee resets to the hourly rate up to 20 hours a month. ).

- Ph.D. Laboratory Personnel: $140/hr.
- Laboratory and Research Personnel — $75/hr.
- Engineering Personnel — $100/hr.
- CSC Physicians — $300/hr (physician fee included in Cayman pre-BLA patient treatment cost).

EXHIBIT E
LICENSOR ASSISTANCE

In consideration of the Initial License Consideration, Licensor shall provide Licensee with the following initial training, assistance and consultation at its Broomfield, Colorado facilities and/or at other Licensor facilities at which it would be appropriate for Licensor to provide such services, including in connection with the collection of cells, laboratory results, delivery devices and clinical treatment protocols ("Other Licensor Facilities"):

1. Physician Training:

   Up to two (2) four-day training sessions, with each training session composed of:

   - Sixteen (16) hours of clinical observation, and
   - Sixteen (16) hours of physician-to-physician training.

2. Laboratory Staff Training:

   Up to two (2) ten-day training sessions.

3. Engineering Staff Training:

   Up to two (2) five-day training sessions.

All initial training sessions must be scheduled within one (1) year of the Effective Date.

After this initial training, during each year after the first year following the Effective Date, if requested by Licensee, Licensor shall provide Licensee with the following annual training at its Broomfield, Colorado facilities and/or at Other Licensor Facilities:

- Physician Training: One (1) two-day training session composed of eight (8) hours of clinical observation, and eight (8) hours of physician-to-physician training.
- Laboratory Staff Training: One (1) three-day training session.

Each of the training sessions described above shall be scheduled with the appropriate Licensor professional to be conducted at a mutually agreed upon date, but no training shall be scheduled less than thirty (30) days before the commencement date of training to allow proper scheduling for Licensor's professionals.

If training in excess of that described in this Exhibit E is required by Licensee, the following hourly rates will apply:

- Christopher Centeno, M.D.: Four Hundred U.S. Dollars ($400) per hour;
- Other Physicians: Three Hundred U.S. Dollars ($300) per hour;
- PhD staff: One Hundred Forty U.S. Dollars ($140) per hour; and
- Non-PhD staff: Seventy-Five U.S. Dollars ($75) per hour.

EXHIBIT F
CENTENO SCHULTZ, P.C. PROFESSIONAL SERVICES

1. CSC physician(s) will travel to the designated site on the following terms:

   - Physician's daily rate will be Three Thousand Two Hundred U.S. Dollars ($3,200).
   - Physician will be given a per diem of $100 for food.
   - Physician's round-trip, business class air travel, airport/hotel/facility transfers, and appropriate hotel accommodations will be arranged and paid by Licensee; if business class is not available, first class air travel will be provided. If scheduled flight is less than five (5) hours, physician will fly coach class.
   - Physician will be paid One Thousand Dollars ($1,000) for each day of travel time to go to the designated site on the day immediately prior to the date of services and to return from the travel site on the day immediately following the date of services.

2. CSC staff personnel will travel to the designated site on the following terms:

   - Non-PhD staff's daily rate will be Six Hundred U.S. Dollars ($600).
   - PhD staff's daily rate will be One Thousand One Hundred Twenty U.S. Dollars ($1,120).
   - Staff will be given a per diem of $65 for food.
   - Staff's round-trip, coach class air travel, airport/hotel/facility transfers, and appropriate hotel accommodations will be arranged and paid by Licensee.

3. All daily rates, hourly rates and per diems will be invoiced from Licensor to Licensee in United States Dollars and such invoices are due "net 30."

EXHIBIT G
STANDARD OPERATING PROCEDURES

105- Quality Assurance and Quality Control of Cells

106- Cryopreserving and Reactivating Bone Marrow Mononucleated and Mesenchmals Stem Cells

107- Doxycyline Preparation and Storage

114- Mesenchymal Stem Cell Colony Formation from Bone Marrow and Synovial Fluid

116-Platelet Rich Plasma Preparation for Platelet Lysate for Mesenchymal Stem Cell Expansion

117- Preparing Platelet Lysate Syringes for Injection, Storage and Use

123- Sample Control and Transport Procedure

128- Blood Bag Preparations for Whole Blood Donation

129- Requirements for Long Term Cryostorage in Vapor Phase of Liquid Nitrogen

132-Conditioned Plasma for Injection (notes-VEGF supernatant used for disc, TGF-beta for joints)

143-Mesencymal Stem Cell Expansion Procedure

144- Karyotype Analysis

103-Cell Culture Media and Reagent Preparation

**BIORESTORATIVE THERAPIES, INC.**
555 Heritage Drive, Suite 130
Jupiter, Florida 33458

March 21, 2012

Regenerative Sciences, LLC
403 Summit Blvd., Suite 201
Broomfield, Colorado 80021

Re: License Agreement

Gentlemen:

Reference is made to the License Agreement, dated as of January 27, 2012, between BioRestorative Therapies, Inc. ("BRT") and Regenerative Sciences, LLC ("RSI"), as amended (the "Agreement"). All capitalized terms used but not defined herein shall have the respective meanings ascribed thereto in the Agreement.

The parties hereby agree as follows:

1. BRT and RSI desire to consummate the transactions contemplated by the Agreement.

2. RSI and BRT agree that the attached emails shall constitute the Analysis in lieu of a formal report.

3. RSI is willing to be bound by the provisions set forth in Section 8.1(a)(ii) of the Agreement to the extent they relate to the United States.

4. The provisions set forth in Section 8 of the Agreement are hereby confirmed and the parties agree to be bound thereby effective as of the Effective Date.

5. At the Closing, Warrant Form 1 shall be issued to RSI.

6. Subject to the fulfillment of all conditions to closing set forth in the Agreement, the Closing shall occur on or before April 6, 2012 and shall take place remotely by the exchange of signature pages by email and/or fax (with originals to follow by overnight mail) (except for the deliveries contemplated to be made pursuant to Section 2.6(a)(iii) and (iv) of the Agreement which shall be made). The date of the Closing is referred to in the Agreement as the "Effective Date."

7. BRT and RSI agree that the provisions of Section 2.2 of the Agreement have been fulfilled and that the provisions of Section 2.3 of the Agreement are replaced by Paragraph 6 above.

8. The conditions precedent to the obligation of BRT and RSI to consummate the transactions contemplated by the Agreement, as set forth in Sections 2.4 and 2.5 of the Agreement, shall remain in effect.

9. BRT and RSI agree that this writing shall constitute an amendment to, and shall be incorporated in, the Agreement.

As amended hereby, the Agreement shall continue in full force and effect in accordance with its terms.

Sincerely,

**BIORESTORATIVE THERAPIES, INC.**

By: _____
Mark Weinreb
Chief Executive Officer

**AGREED:**

**REGENERATIVE SCIENCES, LLC**

By: _____
Christopher J. Centeno, M.D.
CEO and Medical Director

**STOCK OPTION AGREEMENT**, made as of the 10th day of February, 2012, between **BIORESTORATIVE THERAPIES, INC.**, a Nevada corporation (the "Company"), and **MARK WEINREB** (the "Optionee").

---

**WHEREAS**, the Optionee serves as the Chief Executive Officer and Chairman of the Board of the Company;

**WHEREAS**, the Company desires to provide to the Optionee an additional incentive to promote the success of the Company.

**NOW**, **THEREFORE**, in consideration of the foregoing, the Company hereby grants to the Optionee the right and option to purchase shares of Common Stock of the Company under and pursuant to the terms and conditions of the Company's 2010 Equity Participation Plan (the "Plan") and upon and subject to the following terms and conditions:

1. **GRANT OF OPTION**. The Company hereby grants to the Optionee the right and option (the "Option") to purchase up to Fifty Million (50,000,000) shares of Common Stock of the Company (the "Option Shares") during the following periods:

(a) All or any part of Sixteen Million Six Hundred Sixty-Six Thousand Six Hundred Sixty-Seven (16,666,667) shares of Common Stock may be purchased during the period commencing on the date hereof and terminating at 5:00 P.M. on February 9, 2022 (the "Expiration Date").

(b) All or any part of Sixteen Million Six Hundred Sixty-Six Thousand Six Hundred Sixty-Seven (16,666,667) shares of Common Stock may be purchased during the period commencing at 12:01 A.M on February 10, 2013 and terminating at 5:00 P.M. on the Expiration Date.

(c) All or any part of Sixteen Million Six Hundred Sixty-Six Thousand Six Hundred Sixty-Six (16,666,666) shares of Common Stock may be purchased during the period commencing at 12:01 A.M on February 10, 2014 and terminating at 5:00 P.M. on the Expiration Date.

Notwithstanding the foregoing, in the event that the Optionee's employment with the Company is terminated by the Company without "cause" (as such term is defined in the Employment Agreement, dated as of October 4, 2010, between the Company and the Optionee, as amended (the "Employment Agreement")) or by the Optionee without "Good Reason" (as such term is defined in the Employment Agreement), or, in the event of a Change of Control (as such term is defined in the Employment Agreement), and, on the date of termination of employment or any Change of Control, any portion of the Option is not exercisable, such unexercisable portion of the Option shall become exercisable (an "Option Acceleration Event").

2. **NATURE OF OPTION**. The Option is not intended to meet the requirements of Section 422 of the Internal Revenue Code of 1986, as amended, relating to "incentive stock options".

3. **EXERCISE PRICE**. The exercise price of each of the Option Shares shall be Two and One-Tenth Cents ($0.021) (the "Exercise Price"). The Company shall pay all original issue or transfer taxes on the exercise of the Option.

4. **EXERCISE OF OPTIONS**. (a) The Option shall be exercised in accordance with the provisions of the Plan. As soon as practicable after the receipt of notice of exercise and payment of the Exercise Price as provided for in the Plan, the Company shall tender to the Optionee a certificate issued in the Optionee's name evidencing the number of Option Shares covered thereby.

(b) The Company agrees that, as contemplated in Section 13(b) of the Plan, the Optionee may elect to have the Company reduce the number of Option Shares otherwise issuable by a number of Option Shares having a Fair Market Value (as defined in the Plan) equal to the exercise price of the Option being exercised. In the event of such election, the Company shall issue to the Optionee a number of Option Shares computed using the following formula:

$$X = \frac{Y\,(A-B)}{A}$$

Where X = the number of Option Shares to be issued to the Optionee

Y = the number of Option Shares subject to this Option (or the portion thereof being cancelled)

A = the Fair Market Value of one Option Share

B = the Exercise Price

5. **TRANSFERABILITY**. The Option shall not be transferable other than by will or the laws of descent and distribution and, during the Optionee's lifetime, shall not be exercisable by any person other than the Optionee.

6. **TERMINATION OF EMPLOYMENT**. To the extent the Option becomes exercisable, the Option shall remain exercisable until the Expiration Date notwithstanding any subsequent termination of employment with the Company or its subsidiaries for any reason whatsoever. In addition, in the event of an Option Acceleration Event, the Option shall remain exercisable until the Expiration Date notwithstanding any termination of employment with the Company or its subsidiaries for any reason whatsoever.

7. **INCORPORATION BY REFERENCE**. The terms and conditions of the Plan are hereby incorporated by reference and made a part hereof.

8. **NOTICES**. Any notice or other communication given hereunder shall be deemed sufficient if in writing and hand delivered or sent by registered or certified mail, return receipt requested, addressed to the Company, 555 Heritage Drive, Suite 130, Jupiter, Florida 33458, Attention: Vice President of Operations, and to the Optionee at the address indicated below. Notices shall be deemed to have been given on the date of hand delivery or mailing, except notices of change of address, which shall be deemed to have been given when received.

9. **BINDING EFFECT**. This Stock Option Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors and assigns.

10. **ENTIRE AGREEMENT**. This Stock Option Agreement, together with the Plan, contains the entire understanding of the parties hereto with respect to the subject matter hereof and may be modified only by an instrument executed by the party sought to be charged.

11. **GOVERNING LAW**. This Stock Option Agreement shall be governed by, and construed in accordance with, the laws of the State of Nevada, excluding choice of law rules thereof.

12. **EXECUTION IN COUNTERPARTS**. This Stock Option Agreement may be executed in counterparts, each of which shall be deemed to be an original, but both of which together shall constitute one and the same instrument.

13. **FACSIMILE SIGNATURES**. Signatures hereon which are transmitted via facsimile, or other electronic image, shall be deemed original signatures.

14. **INTERPRETATION; HEADINGS**. The provisions of this Stock Option Agreement shall be interpreted in a reasonable manner to give effect to the intent of the parties hereto. The headings and captions under sections and paragraphs of this Stock Option Agreement are for convenience of reference only and do not in any way modify, interpret or construe the intent of the parties or affect any of the provisions of this Stock Option Agreement.

[***Remainder of page intentionally left blank; signature page follows***]

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

**BIORESTORATIVE THERAPIES, INC.**

By: _____
Name: Mandy Clark
Title: Vice President of Operations

_____
Signature of Optionee

Mark Weinreb
Name of Optionee

_____
Address of Optionee

**STOCK OPTION AGREEMENT**, made as of the 10th day of February, 2012, between **BIORESTORATIVE THERAPIES, INC.**, a Nevada corporation (the "Company"), and **A. JEFFREY RADOV** (the "Optionee").

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**WHEREAS**, the Optionee serves as a director of the Company or a parent or subsidiary thereof;

**WHEREAS**, the Company desires to provide to the Optionee an additional incentive to promote the success of the Company.

**NOW**, **THEREFORE**, in consideration of the foregoing, the Company hereby grants to the Optionee the right and option to purchase shares of Common Stock of the Company under and pursuant to the terms and conditions of the Company's 2010 Equity Participation Plan (the "Plan") and upon and subject to the following terms and conditions:

1. **GRANT OF OPTION**. The Company hereby grants to the Optionee the right and option (the "Option") to purchase up to Thirty Million (30,000,000) shares of Common Stock of the Company (the "Option Shares") during the following periods:

(a) All or any part of Fifteen Million (15,000,000) shares of Common Stock may be purchased during the period commencing on the date hereof and terminating at 5:00 P.M. on February 9, 2022 (the "Expiration Date").

(b) All or any part of Fifteen Million (15,000,000) shares of Common Stock may be purchased during the period commencing at 12:01 A.M on February 10, 2013 and terminating at 5:00 P.M. on the Expiration Date.

2. **NATURE OF OPTION**. The Option is not intended to meet the requirements of Section 422 of the Internal Revenue Code of 1986, as amended, relating to "incentive stock options".

3. **EXERCISE PRICE**. The exercise price of each of the Option Shares shall be Two and One-Tenth Cents ($0.021) (the "Exercise Price"). The Company shall pay all original issue or transfer taxes on the exercise of the Option.

4. **EXERCISE OF OPTIONS**. (a) The Option shall be exercised in accordance with the provisions of the Plan. As soon as practicable after the receipt of notice of exercise and payment of the Exercise Price as provided for in the Plan, the Company shall tender to the Optionee a certificate issued in the Optionee's name evidencing the number of Option Shares covered thereby.

(b) The Company agrees that, as contemplated in Section 13(b) of the Plan, the Optionee may elect to have the Company reduce the number of Option Shares otherwise issuable by a number of Option Shares having a Fair Market Value (as defined in the Plan) equal to the exercise price of the Option being exercised. In the event of such election, the Company shall issue to the Optionee a number of Option Shares computed using the following formula:

$$X = \frac{Y\,(A-B)}{A}$$

Where X = the number of Option Shares to be issued to the Optionee

Y = the number of Option Shares subject to this Option (or the portion thereof being cancelled)

A = the Fair Market Value of one Option Share

B = the Exercise Price

5. **TRANSFERABILITY**. The Option shall not be transferable other than by will or the laws of descent and distribution and, during the Optionee's lifetime, shall not be exercisable by any person other than the Optionee.

6. **TERMINATION OF DIRECTORSHIP**. To the extent the Option becomes exercisable, the Option shall remain exercisable until the Expiration Date notwithstanding any subsequent termination of directorship with the Company or its subsidiaries for any reason whatsoever.

7. **INCORPORATION BY REFERENCE**. The terms and conditions of the Plan are hereby incorporated by reference and made a part hereof.

8. **NOTICES**. Any notice or other communication given hereunder shall be deemed sufficient if in writing and hand delivered or sent by registered or certified mail, return receipt requested, addressed to the Company, 555 Heritage Drive, Suite 130, Jupiter, Florida 33458, Attention: Chief Executive Officer, and to the Optionee at the address indicated below. Notices shall be deemed to have been given on the date of hand delivery or mailing, except notices of change of address, which shall be deemed to have been given when received.

9. **BINDING EFFECT**. This Stock Option Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors and assigns.

10. **ENTIRE AGREEMENT**. This Stock Option Agreement, together with the Plan, contains the entire understanding of the parties hereto with respect to the subject matter hereof and may be modified only by an instrument executed by the party sought to be charged.

11. **GOVERNING LAW**. This Stock Option Agreement shall be governed by, and construed in accordance with, the laws of the State of Nevada, excluding choice of law rules thereof.

12. **EXECUTION IN COUNTERPARTS**. This Stock Option Agreement may be executed in counterparts, each of which shall be deemed to be an original, but both of which together shall constitute one and the same instrument.

13. **FACSIMILE SIGNATURES**. Signatures hereon which are transmitted via facsimile, or other electronic image, shall be deemed original signatures.

14. **INTERPRETATION; HEADINGS**. The provisions of this Stock Option Agreement shall be interpreted in a reasonable manner to give effect to the intent of the parties hereto. The headings and captions under sections and paragraphs of this Stock Option Agreement are for convenience of reference only and do not in any way modify, interpret or construe the intent of the parties or affect any of the provisions of this Stock Option Agreement.

[***Remainder of page intentionally left blank; signature page follows***]

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

**BIORESTORATIVE THERAPIES, INC.**

By: _____
Name: Mark Weinreb
Title: Chief Executive Officer

_____
Signature of Optionee

A. Jeffrey Radov
Name of Optionee

_____
Address of Optionee

**STOCK OPTION AGREEMENT**, made as of the 10th day of February, 2012, between **BIORESTORATIVE THERAPIES, INC.**, a Nevada corporation (the "Company"), and **JOEL SAN ANTONIO** (the "Optionee").

---

**WHEREAS**, the Optionee serves as a director of the Company or a parent or subsidiary thereof;

**WHEREAS**, the Company desires to provide to the Optionee an additional incentive to promote the success of the Company.

**NOW**, **THEREFORE**, in consideration of the foregoing, the Company hereby grants to the Optionee the right and option to purchase shares of Common Stock of the Company under and pursuant to the terms and conditions of the Company's 2010 Equity Participation Plan (the "Plan") and upon and subject to the following terms and conditions:

1. **GRANT OF OPTION**. The Company hereby grants to the Optionee the right and option (the "Option") to purchase up to Thirty Million (30,000,000) shares of Common Stock of the Company (the "Option Shares") during the following periods:

(a) All or any part of Fifteen Million (15,000,000) shares of Common Stock may be purchased during the period commencing on the date hereof and terminating at 5:00 P.M. on February 9, 2022 (the "Expiration Date").

(b) All or any part of Fifteen Million (15,000,000) shares of Common Stock may be purchased during the period commencing at 12:01 A.M on February 10, 2013 and terminating at 5:00 P.M. on the Expiration Date.

2. **NATURE OF OPTION**. The Option is not intended to meet the requirements of Section 422 of the Internal Revenue Code of 1986, as amended, relating to "incentive stock options".

3. **EXERCISE PRICE**. The exercise price of each of the Option Shares shall be Two and One-Tenth Cents ($0.021) (the "Exercise Price"). The Company shall pay all original issue or transfer taxes on the exercise of the Option.

4. **EXERCISE OF OPTIONS**. (a) The Option shall be exercised in accordance with the provisions of the Plan. As soon as practicable after the receipt of notice of exercise and payment of the Exercise Price as provided for in the Plan, the Company shall tender to the Optionee a certificate issued in the Optionee's name evidencing the number of Option Shares covered thereby.

(b) The Company agrees that, as contemplated in Section 13(b) of the Plan, the Optionee may elect to have the Company reduce the number of Option Shares otherwise issuable by a number of Option Shares having a Fair Market Value (as defined in the Plan) equal to the exercise price of the Option being exercised. In the event of such election, the Company shall issue to the Optionee a number of Option Shares computed using the following formula:

$$X = \frac{Y\,(A-B)}{A}$$

Where X = the number of Option Shares to be issued to the Optionee

Y = the number of Option Shares subject to this Option (or the portion thereof being cancelled)

A = the Fair Market Value of one Option Share

B = the Exercise Price

5. **TRANSFERABILITY**. The Option shall not be transferable other than by will or the laws of descent and distribution and, during the Optionee's lifetime, shall not be exercisable by any person other than the Optionee.

6. **TERMINATION OF DIRECTORSHIP**. To the extent the Option becomes exercisable, the Option shall remain exercisable until the Expiration Date notwithstanding any subsequent termination of directorship with the Company or its subsidiaries for any reason whatsoever.

7. **INCORPORATION BY REFERENCE**. The terms and conditions of the Plan are hereby incorporated by reference and made a part hereof.

8. **NOTICES**. Any notice or other communication given hereunder shall be deemed sufficient if in writing and hand delivered or sent by registered or certified mail, return receipt requested, addressed to the Company, 555 Heritage Drive, Suite 130, Jupiter, Florida 33458, Attention: Chief Executive Officer, and to the Optionee at the address indicated below. Notices shall be deemed to have been given on the date of hand delivery or mailing, except notices of change of address, which shall be deemed to have been given when received.

9. **BINDING EFFECT**. This Stock Option Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors and assigns.

10. **ENTIRE AGREEMENT**. This Stock Option Agreement, together with the Plan, contains the entire understanding of the parties hereto with respect to the subject matter hereof and may be modified only by an instrument executed by the party sought to be charged.

11. **GOVERNING LAW**. This Stock Option Agreement shall be governed by, and construed in accordance with, the laws of the State of Nevada, excluding choice of law rules thereof.

12. **EXECUTION IN COUNTERPARTS**. This Stock Option Agreement may be executed in counterparts, each of which shall be deemed to be an original, but both of which together shall constitute one and the same instrument.

13. **FACSIMILE SIGNATURES**. Signatures hereon which are transmitted via facsimile, or other electronic image, shall be deemed original signatures.

14. **INTERPRETATION; HEADINGS**. The provisions of this Stock Option Agreement shall be interpreted in a reasonable manner to give effect to the intent of the parties hereto. The headings and captions under sections and paragraphs of this Stock Option Agreement are for convenience of reference only and do not in any way modify, interpret or construe the intent of the parties or affect any of the provisions of this Stock Option Agreement.

[***Remainder of page intentionally left blank; signature page follows***]

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

**BIORESTORATIVE THERAPIES, INC.**

By: _____
Name: Mark Weinreb
Title: Chief Executive Officer

_____
Signature of Optionee

Joel San Antonio
Name of Optionee

_____
Address of Optionee

**STOCK OPTION AGREEMENT**, made as of the 10th day of February, 2012, between **BIORESTORATIVE THERAPIES, INC.**, a Nevada corporation (the "Company"), and **FRANCISCO SILVA** (the "Optionee").

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**WHEREAS**, the Optionee is an employee of the Company or a parent or subsidiary thereof;

**WHEREAS**, the Company desires to provide to the Optionee an additional incentive to promote the success of the Company.

**NOW**, **THEREFORE**, in consideration of the foregoing, the Company hereby grants to the Optionee the right and option to purchase shares of Common Stock of the Company under and pursuant to the terms and conditions of the Company's 2010 Equity Participation Plan (the "Plan") and upon and subject to the following terms and conditions:

1. **GRANT OF OPTION**. The Company hereby grants to the Optionee the right and option (the "Option") to purchase up to Two Million (2,000,000) shares of Common Stock of the Company (the "Option Shares") during the following periods:

(a) All or any part of One Million (1,000,000) shares of Common Stock may be purchased during the period commencing on the date hereof and terminating at 5:00 P.M. on February 9, 2022 (the "Expiration Date").

(b) All or any part of One Million (1,000,000) shares of Common Stock may be purchased during the period commencing at 12:01 A.M on February 10, 2013 and terminating at 5:00 P.M. on the Expiration Date.

2. **NATURE OF OPTION**. The Option is not intended to meet the requirements of Section 422 of the Internal Revenue Code of 1986, as amended, relating to "incentive stock options".

3. **EXERCISE PRICE**. The exercise price of each of the Option Shares shall be Two and One-Tenth Cents ($0.021) (the "Exercise Price"). The Company shall pay all original issue or transfer taxes on the exercise of the Option.

4. **EXERCISE OF OPTIONS**. (a) The Option shall be exercised in accordance with the provisions of the Plan. As soon as practicable after the receipt of notice of exercise and payment of the Exercise Price as provided for in the Plan, the Company shall tender to the Optionee a certificate issued in the Optionee's name evidencing the number of Option Shares covered thereby.

(b) The Company agrees that, as contemplated in Section 13(b) of the Plan, the Optionee may elect to have the Company reduce the number of Option Shares otherwise issuable by a number of Option Shares having a Fair Market Value (as defined in the Plan) equal to the exercise price of the Option being exercised. In the event of such election, the Company shall issue to the Optionee a number of Option Shares computed using the following formula:

$$X = \frac{Y\,(A-B)}{A}$$

Where X = the number of Option Shares to be issued to the Optionee

Y = the number of Option Shares subject to this Option (or the portion thereof being cancelled)

A = the Fair Market Value of one Option Share

B = the Exercise Price

5. **TRANSFERABILITY**. The Option shall not be transferable other than by will or the laws of descent and distribution and, during the Optionee's lifetime, shall not be exercisable by any person other than the Optionee.

6. **INCORPORATION BY REFERENCE**. The terms and conditions of the Plan are hereby incorporated by reference and made a part hereof.

7. **NOTICES**. Any notice or other communication given hereunder shall be deemed sufficient if in writing and hand delivered or sent by registered or certified mail, return receipt requested, addressed to the Company, 555 Heritage Drive, Suite 130, Jupiter, Florida 33458, Attention: Chief Executive Officer, and to the Optionee at the address indicated below. Notices shall be deemed to have been given on the date of hand delivery or mailing, except notices of change of address, which shall be deemed to have been given when received.

8. **BINDING EFFECT**. This Stock Option Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors and assigns.

9. **ENTIRE AGREEMENT**. This Stock Option Agreement, together with the Plan, contains the entire understanding of the parties hereto with respect to the subject matter hereof and may be modified only by an instrument executed by the party sought to be charged.

10. **GOVERNING LAW**. This Stock Option Agreement shall be governed by, and construed in accordance with, the laws of the State of Nevada, excluding choice of law rules thereof.

11. **EXECUTION IN COUNTERPARTS**. This Stock Option Agreement may be executed in counterparts, each of which shall be deemed to be an original, but both of which together shall constitute one and the same instrument.

12. **FACSIMILE SIGNATURES**. Signatures hereon which are transmitted via facsimile, or other electronic image, shall be deemed original signatures.

13. **INTERPRETATION; HEADINGS**. The provisions of this Stock Option Agreement shall be interpreted in a reasonable manner to give effect to the intent of the parties hereto. The headings and captions under sections and paragraphs of this Stock Option Agreement are for convenience of reference only and do not in any way modify, interpret or construe the intent of the parties or affect any of the provisions of this Stock Option Agreement.

[***Remainder of page intentionally left blank; signature page follows***]

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

**BIORESTORATIVE THERAPIES, INC.**

By: _____
Name: Mark Weinreb
Title: Chief Executive Officer

_____
Signature of Optionee

Francisco Silva
Name of Optionee

_____
Address of Optionee

**STOCK OPTION AGREEMENT**, made as of the 10th day of February, 2012, between **BIORESTORATIVE THERAPIES, INC.**, a Nevada corporation (the "Company"), and **MANDY CLARK** (the "Optionee").

---

**WHEREAS**, the Optionee is an employee of the Company or a parent or subsidiary thereof;

**WHEREAS**, the Company desires to provide to the Optionee an additional incentive to promote the success of the Company.

**NOW**, **THEREFORE**, in consideration of the foregoing, the Company hereby grants to the Optionee the right and option to purchase shares of Common Stock of the Company under and pursuant to the terms and conditions of the Company's 2010 Equity Participation Plan (the "Plan") and upon and subject to the following terms and conditions:

1. **GRANT OF OPTION**. The Company hereby grants to the Optionee the right and option (the "Option") to purchase up to One Million Five Hundred Thousand (1,500,000) shares of Common Stock of the Company (the "Option Shares") during the following periods:

(a) All or any part of Seven Hundred Fifty Thousand (750,000) shares of Common Stock may be purchased during the period commencing on the date hereof and terminating at 5:00 P.M. on February 9, 2022 (the "Expiration Date").

(b) All or any part of Seven Hundred Fifty Thousand (750,000) shares of Common Stock may be purchased during the period commencing at 12:01 A.M on February 10, 2013 and terminating at 5:00 P.M. on the Expiration Date.

2. **NATURE OF OPTION**. The Option is not intended to meet the requirements of Section 422 of the Internal Revenue Code of 1986, as amended, relating to "incentive stock options".

3. **EXERCISE PRICE**. The exercise price of each of the Option Shares shall be Two and One-Tenth Cents ($0.021) (the "Exercise Price"). The Company shall pay all original issue or transfer taxes on the exercise of the Option.

4. **EXERCISE OF OPTIONS**. (a) The Option shall be exercised in accordance with the provisions of the Plan. As soon as practicable after the receipt of notice of exercise and payment of the Exercise Price as provided for in the Plan, the Company shall tender to the Optionee a certificate issued in the Optionee's name evidencing the number of Option Shares covered thereby.

(b) The Company agrees that, as contemplated in Section 13(b) of the Plan, the Optionee may elect to have the Company reduce the number of Option Shares otherwise issuable by a number of Option Shares having a Fair Market Value (as defined in the Plan) equal to the exercise price of the Option being exercised. In the event of such election, the Company shall issue to the Optionee a number of Option Shares computed using the following formula:

$$X = \frac{Y\,(A-B)}{A}$$

Where X = the number of Option Shares to be issued to the Optionee

Y = the number of Option Shares subject to this Option (or the portion thereof being cancelled)

A = the Fair Market Value of one Option Share

B = the Exercise Price

5. **TRANSFERABILITY**. The Option shall not be transferable other than by will or the laws of descent and distribution and, during the Optionee's lifetime, shall not be exercisable by any person other than the Optionee.

6. **INCORPORATION BY REFERENCE**. The terms and conditions of the Plan are hereby incorporated by reference and made a part hereof.

7. **NOTICES**. Any notice or other communication given hereunder shall be deemed sufficient if in writing and hand delivered or sent by registered or certified mail, return receipt requested, addressed to the Company, 555 Heritage Drive, Suite 130, Jupiter, Florida 33458, Attention: Chief Executive Officer, and to the Optionee at the address indicated below. Notices shall be deemed to have been given on the date of hand delivery or mailing, except notices of change of address, which shall be deemed to have been given when received.

8. **BINDING EFFECT**. This Stock Option Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors and assigns.

9. **ENTIRE AGREEMENT**. This Stock Option Agreement, together with the Plan, contains the entire understanding of the parties hereto with respect to the subject matter hereof and may be modified only by an instrument executed by the party sought to be charged.

10. **GOVERNING LAW**. This Stock Option Agreement shall be governed by, and construed in accordance with, the laws of the State of Nevada, excluding choice of law rules thereof.

11. **EXECUTION IN COUNTERPARTS**. This Stock Option Agreement may be executed in counterparts, each of which shall be deemed to be an original, but both of which together shall constitute one and the same instrument.

12. **FACSIMILE SIGNATURES**. Signatures hereon which are transmitted via facsimile, or other electronic image, shall be deemed original signatures.

13. **INTERPRETATION; HEADINGS**. The provisions of this Stock Option Agreement shall be interpreted in a reasonable manner to give effect to the intent of the parties hereto. The headings and captions under sections and paragraphs of this Stock Option Agreement are for convenience of reference only and do not in any way modify, interpret or construe the intent of the parties or affect any of the provisions of this Stock Option Agreement.

[***Remainder of page intentionally left blank; signature page follows***]

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

**BIORESTORATIVE THERAPIES, INC.**

By: _____
Name: Mark Weinreb
Title: Chief Executive Officer

_____
Signature of Optionee

Mandy Clark
Name of Optionee

_____
Address of Optionee

**STEM CELL CAYMAN LTD.**

**MARCH 30, 2012**

**PROMISSORY NOTE**

**DUE MARCH 30, 2013**

**STEM CELL CAYMAN LTD.**, a Cayman Islands corporation (the "Company"), for value received, hereby promises to pay to **WESTBURY (BERMUDA) LTD.** or order (the "Holder") on March 30, 2013 (the "Maturity Date') at the offices of the Company, c/o Campbells, 4th Floor, Scotia Centre, Albert Panton Street, George Town, Grand Cayman, Cayman Islands, the principal sum of **ONE MILLION FIVE HUNDRED THOUSAND ($1,500,000) DOLLARS** and to pay interest on said principal sum at the rate of fifteen percent (15%) per annum through the Maturity Date. Interest on the principal balance of this Promissory Note ("Note") from the date hereof shall be payable on the first day of each month commencing on May 1, 2012 and on the Maturity Date.

1. **Registered Owner**. The Company may consider and treat the person in whose name this Note shall be registered as the absolute owner thereof for all purposes whatsoever (whether or not this Note shall be overdue) and the Company shall not be affected by any notice to the contrary. Subject to the provisions hereof, the registered owner of this Note shall have the right to transfer it by assignment and the transferee thereof, upon its registration as owner of this Note, shall become vested with all the powers and rights of the transferor. Registration of any new owner shall take place upon presentation of this Note to the Company at its offices together with the Note Assignment Form attached hereto duly executed. In case of transfers by operation of law, the transferee shall notify the Company of such transfer and of its address, and shall submit appropriate evidence regarding the transfer so that this Note may be registered in the name of the transferee. This Note is transferable only on the books of the Company by the Holder on the surrender hereof, duly endorsed. Communications sent to any registered owner shall be effective as against all holders or transferees of this Note not registered at the time of sending the communication.

2. **Right to Accelerate**. In the event that BioRestorative Therapies, Inc., a Nevada corporation and parent of the Company, receives net proceeds of at least $5,000,000 from an equity or debt financing, then, on or after the six (6) month anniversary of the date hereof, the Holder shall have the right, upon written notice to the Company, to accelerate the Maturity Date to the date thereof and demand that the entire unpaid principal amount of this Note then outstanding, together with accrued interest thereon, be forthwith due and payable whereupon the same shall become forthwith due and payable.

3. **Events of Default**. If the Company shall (i) fail to make any payment due hereunder and such failure shall continue unremedied for a period of fifteen (15) days following receipt of written notice thereof from the Holder; (ii) admit in writing its inability to pay its debts generally as they mature; (iii) make a general assignment for the benefit of creditors; (iv) be adjudicated a bankrupt or insolvent; (v) file a voluntary petition in bankruptcy or a petition or an answer seeking an arrangement with creditors; (vi) take advantage of any bankruptcy, insolvency or readjustment of debt law or statute or file an answer admitting the material allegations of a petition filed against it in any proceeding under any such law; (vii) apply for or consent to the appointment of a receiver, trustee or liquidator for all or substantially all of its assets; or (viii) have an involuntary case commenced against it under any bankruptcy law, which case is not dismissed or stayed within sixty (60) days (each an "Event of Default"), then, at any time thereafter and unless such Event of Default shall have been cured or shall have been waived in writing by the Holder, the Holder may, by written notice to the Company, declare the entire unpaid principal amount of this Note then outstanding, together with accrued interest thereon, to be forthwith due and payable, whereupon the same shall become forthwith due and payable.

4. **Applicable Law**. This Note is issued under and shall for all purposes be governed by and construed in accordance with the laws of the Cayman Islands, excluding choice of law rules thereof.

5. **Notices**. Any notice required or permitted to be given pursuant to this Note shall be deemed to have been duly given when delivered by hand or sent by certified or registered mail, return receipt requested and postage prepaid, overnight mail or telecopier as follows:

If to the Holder:

Victoria Hall
11 Victoria Street
PO Box HM 1065
Hamilton HM EX
Bermuda

If to the Company:

c/o Campbells
4th Floor, Scotia Centre
Albert Panton Street
George Town, Grand Cayman
Cayman Islands
Attn: John Wolf
Facsimile No.: (345) 949-8613

With a copy to

c/o Campbells
4th Floor, Scotia Centre
Albert Panton Street
George Town, Grand Cayman
Cayman Islands
Attn: John Wolf
Facsimile No.: (345) 949-8613

or at such other address as the Holder or the Company shall designate by notice to the other given in accordance with this Section 5.

6. **Miscellaneous**. This Note evidences the entire obligation of the Company with respect to the repayment of the principal amount hereof and the other matters provided for herein. No provision of this Note may be modified except by an instrument in writing signed by the Company and the Holder. Payment of interest due under this Note prior to the Maturity Date shall be made to the registered Holder of this Note. Payment of principal and interest due upon maturity shall be made to the registered Holder of this Note on or after the Maturity Date contemporaneous with and upon presentation of this Note for payment. No interest shall be due on this Note for such period of time that may elapse between the Maturity Date and its presentation for payment.

[Remainder of page intentionally left blank. Signature page follows.]

**IN WITNESS WHEREOF**, the Company has caused this Note to be signed on its behalf, in its corporate name, by its duly authorized officer, all as of the day and year first above written.

**STEM CELL CAYMAN LTD.**

By: _____

**STEM CELL CAYMAN LTD.**

**PROMISSORY NOTE**

**DUE MARCH 30, 2013**

**NOTE ASSIGNMENT FORM**

**FOR VALUE RECEIVED**

The undersigned _____ (please print or typewrite name of assignor) hereby sells, assigns and transfers unto

_____

(please print or typewrite name, address and social security or taxpayer identification number, if any, of assignee) the within Promissory Note of Stem Cell Cayman Ltd., dated March 30, 2012, in the original principal amount of $1,500,000 and hereby authorizes the Company to transfer this Note on its books.

If the Holder is an individual:

| | |
|---|---|
| _____ | _____ |
| Name(s) of Holder | Name of Holder |
| _____ | By: _____ |
| Signature of Holder | Signature of Authorized Representative |
| _____ | _____ |
| Signature, if jointly held | Name and Title of Authorized Representative |
| _____ | _____ |
| Date | Date |

_____

(Signature(s) guaranteed)

# EXCHANGE AGREEMENT

**EXCHANGE AGREEMENT**, dated as of the __ day of _____, 2012 ("Agreement"), by and between **BIORESTORATIVE THERAPIES, INC**., a Nevada corporation (the "Company"), and _____ (the "Holder").

**WHEREAS**, the Holder is the holder of a Promissory Note, dated as of the date set forth on the signature page hereof and issued by the Company in the outstanding principal amount set forth on the signature page hereof (the "Note").

**WHEREAS**, the Company has offered to issue shares of Common Stock of the Company and a warrant for the purchase of shares of Common Stock of the Company in exchange for the Note (the "Exchange Offer").

**WHEREAS**, the Holder desires to exchange the Note for shares of Common Stock of the Company and a warrant for the purchase of shares of Common Stock of the Company pursuant to the Exchange Offer.

**NOW, THEREFORE**, the parties agree as follows:

1. **Exchange**.

1.1 The Company shall issue to the Holder, in exchange for all of the Holder's right, title and interest in, to and under the Note, (a) the number of shares of Common Stock of the Company set forth on the signature page hereof (the "Exchange Shares") at an effective price of two cents ($0.02) per Exchange Share and (b) a five (5) year warrant, in the form attached hereto as Exhibit A, for the purchase of the number of shares of Common Stock of the Company set forth on the signature page hereof (the "Warrant" and together with the Exchange Shares, the "Exchange Securities"). The Holder acknowledges and agrees that (a) the exercise price of the Warrant is three cents ($0.03) per share of Common Stock, subject to adjustment as set forth in the Warrant, and (b) the number of shares of Common Stock of the Company issuable upon the exercise of the Warrant (the "Warrant Shares" and together with the Exchange Securities, the "Securities") is equal to forty percent (40%) of the number of Exchange Shares issuable upon exchange of the Note.

1.2 Promptly following receipt of the Note, the Company shall pay to the Holder an amount equal to all accrued but unpaid interest on the Note through the day immediately preceding the date hereof.

1.3 Simultaneously herewith, the Note is being returned to the Company for cancellation.

1.4 The certificates evidencing the Exchange Shares and the Warrant acquired by the Holder will be delivered by the Company to the Holder within a reasonable period of time following receipt of the Note by the Company.

2. **Representations by Holder**.

The Holder understands and agrees that the Company is relying and may rely upon the following representations, warranties, acknowledgements, consents, confirmations and covenants made by the Holder in entering into this Agreement:

2.1 The Holder recognizes that the acquisition of the Exchange Securities and, in the event of the exercise of the Warrant, the Warrant Shares involves a high degree of risk and is suitable only for persons of adequate financial means who have no need for liquidity with respect to the Securities in that (a) the Holder may not be able to liquidate the Securities in the event of emergency; (b) transferability is extremely limited; and (c) the Holder could sustain a complete loss of its investment.

2.2 The Holder represents and warrants that it (a) is competent to understand and does understand the nature of the Exchange Offer; and (b) is able to bear the economic risk of an acquisition of the Exchange Securities.

2.3 The Holder represents and warrants that it is an "accredited investor," as such term is defined in Rule 501 of Regulation D promulgated under the Securities Act of 1933, as amended (the "Act"). The Holder meets the requirements of at least one of the suitability standards for an "accredited investor" as set forth on the Accredited Investor Certification contained herein.

2.4 The Holder represents and warrants that it has significant prior investment experience, including investment in restricted securities, and that it has read this Agreement and the Warrant in order to evaluate the merits and risks of the Exchange Offer.

2.5 The Holder represents and warrants that it has reviewed all reports, statements and other documents filed by the Company with the Securities and Exchange Commission (collectively, the "SEC Reports"), including, the risk factors set forth therein. The Holder also represents and warrants that it has been furnished by the Company with all information regarding the Company which it had requested or desired to know; that all documents which could be reasonably provided have been made available for its inspection and review; that it has been afforded the opportunity to ask questions of and receive answers from duly authorized representatives of the Company concerning the terms and conditions of the Exchange Offer, and any additional information which it had requested; and that it has had the opportunity to consult with its own tax or financial advisor concerning an acquisition of the Securities. The Holder confirms that no oral representations have been made or oral information furnished to the Holder or its advisers in connection with the Exchange Offer that are inconsistent in any respect with the SEC Reports, this Agreement or the Warrant.

2.6 The Holder acknowledges that this Exchange Offer has not been reviewed by the Securities and Exchange Commission (the "SEC") because it is intended to be either (a) a non-public offering pursuant to Section 4(2) of the Act and Rule 506 of Regulation D promulgated thereunder or (b) exempt from the registration requirements of the Act pursuant to Section 3(a)(9) thereof. The Holder represents that the Securities are and will be being acquired for its own account, for investment and not for distribution to others. The Holder agrees that it will not sell, transfer or otherwise dispose of the Securities, or any portion thereof, unless they are registered under the Act or unless an exemption from such registration is available.

2.7 The Holder consents that the Company may, if it desires, permit the transfer of the Securities by the Holder out of its name only when its request for transfer is accompanied by an opinion of counsel satisfactory to the Company that neither the sale nor the proposed transfer results in a violation of the Act or any applicable state "blue sky" laws (collectively, "Securities Laws"). The Holder agrees to be bound by any requirements of such Securities Laws.

2.8 The Holder acknowledges and agrees that the Company is relying on the Holder's representations and warranties contained in this Agreement in determining whether to enter into this Agreement.

2.9 The Holder consents to the placement of a legend on the Securities stating that they have not been registered under the Act and setting forth or referring to the restrictions on transferability and sale thereof. The Holder is aware that the Company will make a notation in its appropriate records with respect to the restrictions on the transferability of the Securities.

2.10 The Holder represents and warrants that the address set forth on the signature page is the Holder's true and correct address.

2.11 The Holder represents and warrants that it is unaware of, is in no way relying on, and did not become aware of, the Exchange Offer through, or as a result of, any form of general solicitation or advertising, including, without limitation, articles, notices, advertisements or other communications published in any newspaper, magazine or other similar media or broadcast over television or radio or any seminar or meeting where the attendees have been invited by any such means of general solicitation or advertising.

2.12 The Holder represents and warrants as follows:

(i) if a natural person, the Holder represents and warrants that he has reached the age of 21 and has full power and authority to execute and deliver this Agreement and all other related agreements or certificates and to carry out the provisions hereof and thereof;

(ii) if a corporation, partnership, limited liability company or partnership, association, joint stock company, trust, unincorporated organization or other entity, the Holder represents and warrants that it was not formed for the specific purpose of acquiring the Exchange Securities, it is duly organized, validly existing and in good standing under the laws of the state of its organization, the consummation of the transactions contemplated hereby is authorized by, and will not result in a violation of, its charter or other organizational documents, it has full power and authority to execute and deliver this Agreement and all other related agreements or certificates and to carry out the provisions hereof and thereof and to acquire and hold the Securities, the execution and delivery of this Agreement has been duly authorized by all necessary action, this Agreement has been duly executed and delivered on behalf of the Holder and this Agreement a legal, valid and binding obligation of the Holder; and

(iii) if executing this Agreement in a representative or fiduciary capacity, the Holder represents and warrants that it has full power and authority to execute and deliver this Agreement in such capacity and on behalf of the individual, ward, partnership, trust, estate, corporation, limited liability company or partnership, or other entity for whom the Holder is executing this Agreement, and such individual, ward, partnership, trust, estate, corporation, limited liability company or partnership, or other entity has full right and power to perform pursuant to this Agreement and acquire the Securities, and that this Agreement constitutes a legal, valid and binding obligation of such entity.

2.13 The Holder represents and warrants that the execution and delivery of this Agreement will not violate or be in conflict with any order, judgment, injunction, agreement or other document to which the Holder is a party or by which it is bound.

2.14 **NEITHER THE SHARES, NOR THE WARRANT NOR THE WARRANT SHARES OFFERED HEREBY HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAWS OF ANY STATE AND ARE BEING OFFERED AND SOLD IN RELIANCE ON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF SAID ACT AND SUCH LAWS. THE SHARES, THE WARRANT AND THE WARRANT SHARES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER SAID ACT AND SUCH LAWS PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. NEITHER THE SHARES, NOR THE WARRANT NOR THE WARRANT SHARES HAVE BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION OR ANY OTHER REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THE SEC REPORTS. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL**.

2.15 The Holder acknowledges that this Exchange Offer is being made to other noteholders of the Company.

2.16 The Holder represents and warrants that no commission or other remuneration has been or will be given, directly or indirectly, by the Holder or, to its knowledge, the Company in connection with the Exchange Offer.

2.17 The Holder represents and warrants that the Board of Directors, managers or managing members, as the case may be, of the Holder have not adopted any resolutions relative to the distribution of any of the Securities to its securityholders or members, as the case may be, and have no present intention to do so.

2.18 The Holder represents and warrants that any information which the Holder has heretofore furnished or furnishes herewith to the Company is complete and accurate and may be relied upon by the Company.

3. **Piggyback Registration Rights**.

3.1 The Holder shall have certain piggyback registration rights with respect to the resale of the Exchange Shares and the Warrant Shares as set forth in a Registration Rights Agreement of even date between the Company and the Holder.

4. **Miscellaneous**.

4.1 Any notice or other communication given hereunder shall be deemed sufficient if in writing and hand delivered or sent by certified mail (return receipt requested, postage prepaid), or overnight mail or courier, addressed as follows:

To the Company:

555 Heritage Drive
Suite 130
Jupiter, Florida 33458
Attn: Chief Executive Officer

With a copy to:

Certilman Balin Adler & Hyman, LLP
90 Merrick Avenue
East Meadow, New York 11554
Attn: Fred Skolnik, Esq.

To the Holder: at its address indicated on the signature page of this Agreement

or to such other address as to which either party shall notify the other in accordance with the provisions hereof. Notices shall be deemed to have been given on the date of mailing, except notices of change of address, which shall be deemed to have been given when received.

4.2 This Agreement shall not be changed, modified or amended except by a writing signed by the party to be charged, and this Agreement may not be discharged except by performance in accordance with its terms or by a writing signed by the party to be charged.

4.3 This Agreement shall be binding upon and inure to the benefit of the parties hereto and to their respective successors, assigns and legal representatives. This Agreement sets forth the entire agreement and understanding between the parties as to the subject matter thereof and merges and supersedes all prior discussions, agreements and understandings of any and every nature between them.

4.4 This Agreement and its validity, construction and performance shall be governed in all respects by the laws of the State of New York, applicable to agreements to be performed wholly within the State of New York. The Company and the Holder hereby irrevocably consent and submit to the exclusive jurisdiction of any federal or state court located within Nassau County, New York over any dispute arising out of or relating to this Agreement and each party hereby irrevocably agrees that all claims in respect of such dispute or any legal action related thereto may be heard and determined in such courts. Each of the Company and the Holder hereby irrevocably waives, to the fullest extent permitted by applicable law, any objection that it may now or hereafter have to the laying of venue of any such dispute brought in such court or any defense of inconvenient forum for the maintenance of such dispute.

4.5 The headings in this Agreement are inserted only as a matter of convenience, and in no way define, limit, extend or interpret the scope of this Agreement or of any particular section.

4.6 All references to the neuter gender herein shall likewise apply to the masculine or feminine gender as and where applicable, and vice-versa.

4.7 This Agreement may be executed in counterparts, each of which shall be deemed to be an original and all of which together shall constitute one instrument. Signatures transmitted herein via facsimile or other electronic image shall be deemed original signatures. Upon the execution and delivery of this Agreement by the Holder, this Agreement shall become the binding obligation of the Holder with respect to the acquisition of the Exchange Securities as herein provided.

4.8 Only upon written approval and acceptance of this Agreement by the Company shall the Company be obligated hereunder.

4.9 The Holder acknowledges that it has been represented by counsel, or afforded the opportunity to be represented by counsel, in connection with this Agreement. Accordingly, any rule of law or any legal decision that would require the interpretation of any claimed ambiguities in this Agreement against the party that drafted it has no application and is expressly waived by the Holder. The provisions of this Agreement shall be interpreted in a reasonable manner to give effect to the intent of the parties hereto.

[Remainder of page intentionally left blank. Signature page follows.]

**BIORESTORATIVE THERAPIES, INC.**

**EXCHANGE AGREEMENT**

**Accredited Investor Certification**
**(Initial the appropriate box(es))**

The Holder represents and warrants that it, he or she is an "accredited investor" based upon the satisfaction of one or more of the following criteria:

_____ (1) he or she is a natural person who has a net worth or joint net worth with his or her spouse in excess of $1,000,000 at the date here of [1]; or

_____ (2) he or she is a natural person who had an individual income in excess of $200,000 in each of the two most recent years or a joint income with his or her spouse in excess of $300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year; or

_____ (3) he or she is a director or executive officer of the Company; or

_____ (4) it is either (a) a bank as defined in Section 3(a)(2) of the Securities Act of 1933, as amended (the "Securities Act"), or a savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Securities Act, whether acting in its individual or fiduciary capacity, (b) a broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934, (c) an insurance company as defined in Section 2(13) of the Securities Act, (d) an investment company registered under the Investment Company Act of 1940 or a business development company as defined in Section 2(a)(48) of such act, (e) a small business investment company licensed by the United States Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958, (f) a plan established and maintained by a state or its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of $5,000,000 or (g) an employee benefit plan within the meaning of Title I of the Employee Retirement Income Security Act of 1974, if the determination to accept the Exchange Offer is made by a plan fiduciary, as defined in Section 3(21) of such act, which plan fiduciary is a bank, savings and loan association, an insurance company or a registered investment advisor, or if the employee benefit plan has total assets in excess of $5,000,000 or, if a self-directed plan, with the determination to accept the Exchange Offer made solely by persons who otherwise meet these suitability standards; or

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[1] For purposes of calculating net worth:

(i) The Holder's primary residence shall not be included as an asset;

(ii) Indebtedness that is secured by the Holder's primary residence, up to the estimated fair market value of the primary residence at the date hereof, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the date hereof exceeds the amount outstanding 60 days before the date hereof, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability); and

(iii) Indebtedness that is secured by the Holder's primary residence in excess of the estimated fair market value of the primary residence at the date hereof shall be included as a liability.

_____ (5) it is a private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940; or

_____ (6) it is an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, a corporation, a Massachusetts or similar business trust or a partnership not formed for the specific purpose of acquiring the Exchange Securities offered hereby, with total assets in excess of $5,000,000; or

_____ (7) it is a trust, with total assets in excess of $5,000,000, not formed for the specific purpose of acquiring the Exchange Securities, whose determination to accept the Exchange Offer is directed by a sophisticated person who has such knowledge and experience in financial and business matters that he or she is capable of evaluating the merits and risks of the acquisition of the Exchange Securities; or

_____ (8) it is a corporation, partnership or other entity, and each and every equity owner of such entity initials a separate Accredited Investor Certification pursuant to which it, he or she certifies that it, he or she meets the qualifications set forth in either (1), (2), (3), (4), (5), (6) or (7) above.

**If the Holder is an INDIVIDUAL, or if the Exchange Securities are being acquired as JOINT TENANTS, as TENANTS IN COMMON, or as COMMUNITY PROPERTY:**

_____
Name(s) of Holder

_____
Signature of Holder

_____
Signature, if jointly held

_____
Date

**If the Holder is a PARTNERSHIP, CORPORATION, LIMITED LIABILITY COMPANY or TRUST**:

_____
Name of Holder

By: _____
Signature of Authorized Representative

_____
Name and Title of Authorized Representative

_____
Date

**IN WITNESS WHEREOF**, the parties have executed this Exchange Agreement as of the day first above written.

**BIORESTORATIVE THERAPIES, INC.**

By: _____
Mark Weinreb
President and Chief Executive Officer

**If the Holder is an INDIVIDUAL, or if the Exchange Securities are being acquired as JOINT TENANTS, as TENANTS IN COMMON, or as COMMUNITY PROPERTY:**

| | |
|---|---|
| Print Name(s) | Social Security Number(s) |
| Signature of Holder | Signature of Holder, if more than one |
| Principal Amount of Note | Date of Note |
| Number of Exchange Shares | Address(es) |
| Number of Warrant Shares | Date |

**If the Holder is a PARTNERSHIP, CORPORATION, LIMITED LIABILITY COMPANY or TRUST:**

| | |
|---|---|
| Name of Partnership, Corporation Limited Liability Company or Trust | Type of Entity |
| By: _____<br>Name: _____<br>Title: _____ | Federal Taxpayer Identification Number |
| Principal Amount of Note | Address |
| Number of Exchange Shares | State of Organization |
| Number of Warrant Shares | Date |

**VOID AFTER 5:00 P.M., EASTERN TIME, ON _____, 2017**

**NEITHER THIS WARRANT NOR THE WARRANT STOCK (AS HEREINAFTER DEFINED) HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR THE SECURITIES LAWS OF ANY STATE. THIS WARRANT AND THE WARRANT STOCK MAY BE TRANSFERRED ONLY IN COMPLIANCE WITH THE ACT AND SUCH LAWS. THIS LEGEND SHALL BE ENDORSED UPON ANY WARRANT ISSUED IN EXCHANGE FOR THIS WARRANT.**

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**BIORESTORATIVE THERAPIES, INC.**

**(Incorporated under the laws of the State of Nevada)**

**Warrant**

_____ Shares _____, 2012

**FOR VALUE RECEIVED, BIORESTORATIVE THERAPIES, INC.**, a Nevada corporation (the "Company"), hereby certifies that **_____** (the "Holder") is entitled, subject to the provisions of this Warrant, to purchase from the Company up to **_____ (_____) SHARES OF COMMON STOCK**, $.001 par value per share, of the Company ("Common Shares") at a price of **THREE CENTS ($0.03)** per share (the "Exercise Price") during the period commencing on the date hereof and terminating at 5:00 P.M. on the fifth anniversary of the date hereof.

The number of Common Shares to be received upon the exercise of this Warrant may be adjusted from time to time as hereinafter set forth. The Common Shares deliverable upon such exercise, and as adjusted from time to time, are hereinafter sometimes referred to as "Warrant Stock."

The Holder agrees with the Company that this Warrant is issued, and all the rights hereunder shall be held subject to, all of the conditions, limitations and provisions set forth herein.

1. **Exercise of Warrant**. This Warrant may be exercised by its presentation and surrender to the Company at 555 Heritage Drive, Suite 130, Jupiter, Florida 33458 (or such office or agency of the Company as it may designate in writing to the Holder hereof) with the Warrant Exercise Form attached hereto duly executed and accompanied by payment (either in cash or by official bank check, payable to the order of the Company) of the Exercise Price for the number of shares specified in such Form. The Company agrees that the Holder hereof shall be deemed the record owner of such Common Shares as of the close of business on the date on which this Warrant shall have been presented and payment made for such Common Shares as aforesaid whether or not the Company or its transfer agent is open for business. Certificates for the Common Shares so purchased shall be delivered to the Holder hereof within a reasonable time after the rights represented by this Warrant shall have been so exercised. If this Warrant is exercised in part only, the Company shall, upon surrender of this Warrant for cancellation, execute and deliver a new Warrant evidencing the rights of the Holder hereof to purchase the balance of the shares purchasable hereunder.

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2. **Registered Owner**. The Company may consider and treat the person in whose name this Warrant shall be registered as the absolute owner thereof for all purposes whatsoever and the Company shall not be affected by any notice to the contrary. Subject to the provisions hereof, the registered owner of this Warrant shall have the right to transfer it by assignment and the transferee thereof, upon his registration as owner of this Warrant, shall become vested with all the powers and rights of the transferor. Registration of any new owner shall take place upon presentation of this Warrant to the Company at its offices together with the Warrant Assignment Form attached hereto duly executed. In case of transfers by operation of law, the transferee shall notify the Company of such transfer and of his address, and shall submit appropriate evidence regarding the transfer so that this Warrant may be registered in the name of the transferee. This Warrant is transferable only on the books of the Company by the Holder on the surrender hereof, duly endorsed. Communications sent to any registered owner shall be effective as against all holders or transferees of this Warrant not registered at the time of sending the communication.

3. **Reservation of Shares**. During the period within which the rights represented by this Warrant may be exercised, the Company shall, at all times, reserve and keep available out of its authorized capital stock, solely for the purposes of issuance upon exercise of this Warrant, such number of its Common Shares as shall be issuable upon the exercise of this Warrant; and if at any time the number of authorized Common Shares shall not be sufficient to effect the exercise of this Warrant, the Company will take such corporate action as may be necessary to increase its authorized but unissued Common Shares to such number of shares as shall be sufficient for such purpose; the Company shall have analogous obligations with respect to any other securities or property issuable upon exercise of this Warrant.

4. **Fractional Shares**. The Company shall not be required to issue certificates representing fractions of Common Shares, nor shall it be required to issue scrip or pay cash in lieu of fractional interests, it being the intent of the Company and the Holder that all fractional interests shall be eliminated.

5. **Rights of the Holder**. The Holder shall not, by virtue hereof, be entitled to any voting or other rights of a stockholder of the Company, either at law or in equity, and the rights of the Holder are limited to those expressed in this Warrant.

6. **Anti-Dilution Provisions**.

6.1 **Adjustments for Stock Dividends; Combinations, Etc**. (a) In case the Company shall do any of the following (an "Event"):

(i) declare a dividend or other distribution on its Common Shares payable in Common Shares of the Company,

(ii) subdivide the outstanding Common Shares pursuant to a stock split or otherwise,

(iii) combine the outstanding Common Shares into a smaller number of shares pursuant to a reverse split or otherwise, or

(iv) reclassify its Common Shares,

then the Exercise Price in effect at the time of the record date for such dividend or other distribution or of the effective date of such subdivision, combination or reclassification shall be changed to a price determined by dividing (a) the product of the number of Common Shares outstanding immediately prior to such Event, multiplied by the Exercise Price in effect immediately prior to such Event by (b) the number of Common Shares outstanding immediately after such Event. Each such adjustment of the Exercise Price shall be calculated to the nearest one-hundredth of a cent. Such adjustment shall be made successively whenever any Event listed above shall occur.

(b) Whenever the Exercise Price is adjusted as set forth in Section 6.1 (whether or not the Company then or thereafter elects to issue additional Warrants in substitution for an adjustment in the number of shares of Warrant Stock), the number of shares of Warrant Stock specified in each Warrant which the Holder may purchase shall be adjusted, to the nearest full share, by multiplying such number of shares of Warrant Stock immediately prior to such adjustment by a fraction, of which the numerator shall be the Exercise Price immediately prior to such adjustment and the denominator shall be the Exercise Price immediately thereafter.

6.2 **Adjustment for Reorganization, Consolidation or Merger**. In case of any reorganization of the Company (or any other entity, the securities of which are at the time receivable on the exercise of this Warrant) after the date hereof or in case after such date the Company (or any such other entity) shall consolidate with or merge with or into another entity, then, and in each such case, the Holder of this Warrant upon the exercise thereof as provided in Section l at any time after the consummation of such reorganization, consolidation or merger, shall be entitled to receive, in lieu of the securities and property receivable upon the exercise of this Warrant prior to such consummation, the securities or property to which such Holder would have been entitled upon such consummation if such Holder had exercised this Warrant immediately prior thereto, all subject to further adjustment as provided in Section 6.l; in each such case, the terms of this Warrant shall be applicable to the securities or property receivable upon the exercise of this Warrant after such consummation.

7. **Investment Intent**. Unless, prior to the exercise of this Warrant, the issuance of the Warrant Stock has been registered with the Securities and Exchange Commission pursuant to the Act, the Warrant Exercise Form shall be accompanied by the Investment Representation Letter attached hereto, duly executed by the Holder.

8. **Restrictions on Transfer; Registration Rights**.

8.1 **Transfer to Comply with the Securities Act of 1933**. Neither this Warrant nor any Warrant Stock may be sold, assigned, transferred or otherwise disposed of except as follows: (1) to a person who, in the opinion of counsel satisfactory to the Company, is a person to whom this Warrant or the Warrant Stock may legally be transferred without registration and without the delivery of a current prospectus under the Act with respect thereto and then only against receipt of an agreement of such person to comply with the provisions of this Section 8 with respect to any resale, assignment, transfer or other disposition of such securities; or (2) to any person upon delivery of a prospectus then meeting the requirements of the Act relating to such securities and the offering thereof for such sale, assignment, transfer or disposition.

8.2 **Legend**. Subject to the terms hereof, upon exercise of this Warrant and the issuance of the Warrant Stock, all certificates representing such Warrant Stock shall bear on the face or reverse thereof substantially the following legend:

"The securities which are represented by this certificate have not been registered under the Securities Act of 1933, and may not be sold, transferred, hypothecated or otherwise disposed of until a registration statement with respect thereto is declared effective under such act, or the Company receives an opinion of counsel for the Company that an exemption from the registration requirements of such act is available."

8.3 **Registration Rights**. The Holder shall have certain registration rights with respect to the resale of the Warrant Stock as set forth in that certain Exchange Agreement of even date between the Company and the Holder.

9. **Lost, Stolen or Destroyed Warrant**. In the event that the Holder notifies the Company that this Warrant has been lost, stolen or destroyed and provides (a) a letter, in form satisfactory to the Company, to the effect that it will indemnify the Company from any loss incurred by it in connection therewith, and/or (b) an indemnity bond in such amount as is reasonably required by the Company, the Company having the option of electing either (a) or (b) or both, the Company may, in its sole discretion, accept such letter and/or indemnity bond in lieu of the surrender of this Warrant as required by Section 1 hereof.

10. **Notices**. All notices required hereunder shall be given by first-class mail, postage prepaid, or overnight mail or courier and, if given by the Holder addressed to the Company at 555 Heritage Drive, Suite 130, Jupiter, Florida 33458, Attention: Chief Executive Officer, or such other address as the Company may designate in writing to the Holder; and if given by the Company, addressed to the Holder at the address of the Holder shown on the books of the Company.

11. **Applicable Law; Jurisdiction**. This Warrant is issued under, and shall for all purposes be governed by and construed in accordance with, the laws of the State of Nevada, excluding choice of law principles thereof. The Company and, by its acceptance of this Warrant, the Holder hereby irrevocably consent and submit to the exclusive jurisdiction of any federal or state court located within Nassau County, New York over any dispute arising out of or relating to this Warrant and each party hereby irrevocably agrees that all claims in respect of such dispute or any legal action related thereto may be heard and determined in such courts. Each of the Company and the Holder hereby irrevocably waives, to the fullest extent permitted by applicable law, any objection that it may now or hereafter have to the laying of venue of any such dispute brought in such court or any defense of inconvenient forum for the maintenance of such dispute.

**IN WITNESS WHEREOF**, the Company has caused this Warrant to be signed on its behalf, in its corporate name, by its duly authorized officer, all as of the day and year first above written.

**BIORESTORATIVE THERAPIES, INC.**

By: _____
Mark Weinreb
President and Chief Executive Officer

**BIORESTORATIVE THERAPIES, INC.**

**WARRANT EXERCISE FORM**

The undersigned hereby irrevocably elects to exercise the within Warrant dated as of _____, 2012 to the extent of purchasing _____ shares of Common Stock of **BIORESTORATIVE THERAPIES, INC.** The undersigned hereby makes a payment of $_____ in payment therefor.

| **TO BE COMPLETED BY INDIVIDUAL HOLDER, JOINT TENANTS, TENANTS IN COMMON OR AS HOLDERS OF COMMUNITY PROPERTY** | **TO BE COMPLETED BY CORPORATE, PARTNERSHIP, LIMITED LIABILITY COMPANY OR TRUST HOLDER** |
|---|---|
| _____ | _____ |
| Name(s) of Holder(s) [Please Print] | Name of Holder [Please Print] |
| _____ | By: _____ |
| Signature of Holder | Authorized Signatory |
| _____ | _____ |
| Signature of Holder, if jointly held | Name and Title of Authorized Signatory [Please Print] |
| _____ | _____ |
| Address(es) of Holder(s) | Address of Holder |
| _____ | _____ |
| Social Security Number(s) of Holder(s) | Tax Identification Number of Holder |
| _____ | _____ |
| Date | Date |

**BIORESTORATIVE THERAPIES, INC.**

**WARRANT ASSIGNMENT FORM**

**FOR VALUE RECEIVED**, _____ hereby sells, assigns and transfers unto _____ (please type or print name of assignee) with an address at _____ the right to purchase shares of Common Stock of **BIORESTORATIVE THERAPIES, INC.** (the "Company") represented by this Warrant dated as of _____, 2012 to the extent of _____ shares and does hereby irrevocably constitute and appoint _____ attorney to transfer the same on the books of the Company with full power of substitution in the premises.

**TO BE COMPLETED BY INDIVIDUAL HOLDER, JOINT TENANTS, TENANTS IN COMMON OR AS HOLDERS OF COMMUNITY PROPERTY**

_____
Name(s) of Holder(s) [Please Print]

_____
Signature of Holder

_____
Signature of Holder, if jointly held

_____
Date

**TO BE COMPLETED BY CORPORATE, PARTNERSHIP, LIMITED LIABILITY COMPANY OR TRUST HOLDER**

_____
Name of Holder [Please Print]

By: _____
Authorized Signatory

_____
Name and Title of Authorized Signatory
[Please Print]

_____
Date

**Signature(s) Guaranteed**:

_____

**BIORESTORATIVE THERAPIES, INC.**

**FORM OF INVESTMENT REPRESENTATION LETTER**

BioRestorative Therapies, Inc.
555 Heritage Drive
Suite 130
Jupiter, Florida 33458

Gentlemen:

In connection with the acquisition of _____ shares of Common Stock (the "Shares") of **BIORESTORATIVE THERAPIES, INC.**, a Nevada corporation (the "Company"), by the undersigned from the Company pursuant to the exercise of a Warrant, dated as of _____, 2012 (the "Warrant"), the undersigned does hereby represent and warrant to the Company as follows:

(a) The undersigned represents and warrants that the Shares acquired by it are being acquired for its own account, for investment purposes and not with a view to any distribution within the meaning of the Securities Act of 1933, as amended (the "Securities Act"). The undersigned will not sell, assign, mortgage, pledge, hypothecate, transfer or otherwise dispose of any of the Shares unless (i) a registration statement under the Securities Act with respect thereto is in effect and the prospectus included therein meets the requirements of Section 10 of the Securities Act, or (ii) the Company has received a written opinion of its counsel that, after an investigation of the relevant facts, such counsel is of the opinion that such proposed sale, assignment, mortgage, pledge, hypothecation, transfer or disposition does not require registration under the Securities Act or any state securities law.

(b) The undersigned understands that the Shares must be held indefinitely unless they are registered under the Securities Act or an exemption from such registration is available.

(c) The undersigned recognizes that the acquisition of the Shares involves a high degree of risk and is suitable only for persons of adequate financial means who have no need for liquidity with respect to the Shares in that (a) it may not be able to liquidate the Shares in the event of emergency; (b) transferability is extremely limited; and (c) it could sustain a complete loss of its investment.

(d) The undersigned represents and warrants that it (a) is competent to understand and does understand the nature of its investment; and (b) is able to bear the economic risk of an acquisition of the Shares.

(e) The undersigned represents and warrants that it is an "accredited investor," as such term is defined in Rule 501 of Regulation D promulgated under the Securities Act. The undersigned meets the requirements of at least one of the suitability standards for an "accredited investor" as set forth on the Accredited Investor Certification attached hereto.

(f) The undersigned has reviewed the Company's filings with the Securities and Exchange Commission, including the risk factors set forth therein, and has been afforded the opportunity to obtain such information regarding the Company as it has reasonably requested to evaluate the merits and risks of the undersigned's investment in the Shares. No oral or written representations have been made or oral information furnished to the undersigned or its advisers in connection with the investment in the Shares.

(g) The undersigned confirms that the representations and warranties set forth in the Exchange Agreement pursuant to which the Warrant was issued are true and correct as of the date hereof as if made on and as of the date hereof with respect to the purchase of the Shares.

(h) The undersigned acknowledges that counsel to the Company will be relying, and may rely, upon the foregoing in connection with any opinion of counsel it may give with regard to the issuance of the Shares by the Company to the undersigned, and any subsequent transfer of the Shares by the undersigned, and agrees to advise the Company and its counsel in writing in the event of any change in any of the foregoing.

Very truly yours,

| **TO BE COMPLETED BY INDIVIDUAL HOLDER, JOINT TENANTS, TENANTS IN COMMON OR AS HOLDERS OF COMMUNITY PROPERTY** | **TO BE COMPLETED BY CORPORATE, PARTNERSHIP, LIMITED LIABILITY COMPANY OR TRUST HOLDER** |
|---|---|
| _____ | _____ |
| Name(s) of Holder(s) [Please Print] | Name of Holder [Please Print] |
| | By: _____ |
| Signature of Holder | Authorized Signatory |
| _____ | _____ |
| Signature of Holder, if jointly held | Name and Title of Authorized Signatory [Please Print] |
| _____ | _____ |
| Date | Date |

**BIORESTORATIVE THERAPIES, INC.**

**WARRANT EXERCISE**

**Accredited Investor Certification**
**(Initial the appropriate box(es))**

The undersigned represents and warrants that it, he or she is an "accredited investor" based upon the satisfaction of one or more of the following criteria:

_____ (1) he or she is a natural person who has a net worth or joint net worth with his or her spouse in excess of $1,000,000 at the time of his or her purchase[1]; or

_____ (2) he or she is a natural person who had an individual income in excess of $200,000 in each of the two most recent years or a joint income with his or her spouse in excess of $300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year; or

_____ (3) he or she is a director or executive officer of the Company; or

_____ (4) it is either (a) a bank as defined in Section 3(a)(2) of the Securities Act or a savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Securities Act, whether acting in its individual or fiduciary capacity, (b) a broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934, (c) an insurance company as defined in Section 2(13) of the Securities Act, (d) an investment company registered under the Investment Company Act of 1940 or a business development company as defined in Section 2(a)(48) of such act, (e) a small business investment company licensed by the United States Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958, (f) a plan established and maintained by a state or its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of $5,000,000 or (g) an employee benefit plan within the meaning of Title I of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such act, which plan fiduciary is a bank, savings and loan association, an insurance company or a registered investment advisor, or if the employee benefit plan has total assets in excess of $5,000,000 or, if a self-directed plan, with investment decisions made solely by persons who otherwise meet these suitability standards; or

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[1]For purposes of calculating net worth:

(i) The undersigned's primary residence shall not be included as an asset;

(ii) Indebtedness that is secured by the undersigned's primary residence, up to the estimated fair market value of the primary residence at the date hereof, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the date hereof exceeds the amount outstanding 60 days before the date hereof, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability); and

(iii) Indebtedness that is secured by the undersigned's primary residence in excess of the estimated fair market value of the primary residence at the date hereof shall be included as a liability.

_____ (5) it is a private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940; or

_____ (6) it is an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, a corporation, a Massachusetts or similar business trust or a partnership not formed for the specific purpose of acquiring the Shares offered hereby, with total assets in excess of $5,000,000; or

_____ (7) it is a trust, with total assets in excess of $5,000,000, not formed for the specific purpose of acquiring the Shares, whose purchase is directed by a sophisticated person who has such knowledge and experience in financial and business matters that he or she is capable of evaluating the merits and risks of the prospective investment; or

_____ (8) it is a corporation, partnership or other entity, and each and every equity owner of such entity initials a separate Accredited Investor Certification pursuant to which it, he or she certifies that it, he or she meets the qualifications set forth in either (1), (2), (3), (4), (5), (6) or (7) above.

**If the Warrant Holder is an INDIVIDUAL, or if the Exchange Securities are being acquired as JOINT TENANTS, as TENANTS IN COMMON, or as COMMUNITY PROPERTY:**

Name(s) of Warrant Holder

Signature of Warrant Holder

Signature, if jointly held

Date

**If the Warrant Holder is a PARTNERSHIP, CORPORATION, LIMITED LIABILITY COMPANY or TRUST**:

Name of Warrant Holder

By: _____

Signature of Authorized Representative

Name and Title of Authorized Representative

Date

**BIORESTORATIVE THERAPIES, INC.**

**Code of Ethics**

**Introduction**

This Code of Ethics (the "Code") embodies the commitment of BioRestorative Therapies, Inc. and its subsidiaries (collectively, the "Company") to conduct its business in accordance with all applicable laws, rules and regulations and the highest ethical standards. All directors, officers and employees of the Company (individually, a "Covered Party" and collectively, the "Covered Parties") are expected to adhere to the principles and procedures set forth in this Code. For purposes of Section 406 of the Sarbanes-Oxley Act of 2002 and the rules promulgated thereunder, this Code shall be the Company's code of ethics for its principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions.

**Code Compliance and Reporting**

The Covered Parties should strive to identify and raise potential issues before they lead to problems, and should ask about the application of this Code whenever in doubt. Any Covered Party who becomes aware of any existing or potential violation of this Code should promptly notify the Audit Committee of the Board of Directors (see Exhibit A attached hereto for contact information) (we refer to such contacts as the "Appropriate Ethics Contact"). The Company will take such disciplinary or preventive action as it deems appropriate to address any existing or potential violation of this Code brought to its attention.

Any questions relating to how these policies should be interpreted or applied should be addressed to the Appropriate Ethics Contact.

**Personal Conflicts of Interest**

A "personal conflict of interest" occurs when an individual's private interest improperly interferes with the interests of the Company. Personal conflicts of interest, whether actual or apparent, are prohibited as a matter of Company policy, unless they have been approved or waived by the Company. In particular, a Covered Party must never use or attempt to use his or her position at the Company to obtain any improper personal benefit for himself or herself, for his or her family members, or for any other person, including loans or guarantees of obligations, from any person or entity.

Service to the Company should never be subordinated to personal gain and advantage. Conflicts of interest, whether actual or apparent, should, to the extent possible, be avoided.

Any Covered Party who is aware of a material transaction or relationship that could reasonably be expected to give rise to a conflict of interest should discuss the matter promptly with the Appropriate Ethics Contact.

**Public Disclosure**

It is Company policy that the information in our public communications, including our filings made with the United States Securities and Exchange Commission, be full, fair, accurate, timely and understandable. Covered Parties who are involved in the Company's disclosure process are responsible for acting in furtherance of this policy. In particular, these individuals are required to maintain familiarity with the disclosure requirements applicable to the Company and are prohibited from knowingly misrepresenting, omitting, or causing others to misrepresent or omit, material facts about the Company to others, whether within or outside the Company, including the Company's independent auditors.

**Compliance with Laws, Rules and Regulations**

It is Company policy to comply with all applicable laws, rules and regulations. It is the personal responsibility of each Covered Party to adhere to the standards and restrictions imposed by those laws, rules and regulations. If a Covered Party is not aware or familiar with the laws, rules or regulations that apply specifically to the Company's business, he or she must request that the Appropriate Ethics Contact provide such information.

Generally, it is both illegal and against Company policy for any Covered Party who is aware of material nonpublic information relating to the Company, any of the Company's business associates or any other private or governmental issuer of securities to buy or sell any securities of those issuers, or recommend that another person buy, sell or hold the securities of those issuers. Any Covered Party who is uncertain about the legal rules involving his or her purchase or sale of any Company securities or any securities in issuers with which he or she is familiar by virtue of his or her work for the Company should consult with the Appropriate Ethics Contact before making any such purchase or sale.

**Amendment, Modification and Waiver**

This Code may be amended or modified by our Board of Directors. Waivers of this Code may only be granted by the Board of Directors or a committee of the Board with specific delegated authority. Waivers will be disclosed as required by the Securities Exchange Act of 1934, as amended, and the rules promulgated thereunder and any applicable rules relating to the maintenance of the listing of the Company's securities on any stock exchange.

**EXHIBIT A**

**Appropriate Ethics Contact**

BioRestorative Therapies, Inc. Audit Committee
BioRestorative Therapies, Inc.
555 Heritage Drive
Suite 130
Jupiter, Florida 33458

EXHIBIT 31.1

**SECTION 302 CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER**

I, Mark Weinreb, certify that:

1. I have reviewed this Annual Report on Form 10-K of BioRestorative Therapies, Inc.

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

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

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 16, 2012

*/s/ Mark Weinreb*
Mark Weinreb
Principal Executive Officer

EXHIBIT 31.2

**SECTION 302 CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER**

I, Mark Weinreb, certify that:

1. I have reviewed this Annual Report on Form 10-K of BioRestorative Therapies, Inc.

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

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

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 16, 2012

*/s/ Mark Weinreb*

Mark Weinreb
Principal Financial Officer

EXHIBIT 32

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER**

**AND PRINCIPAL FINANCIAL OFFICER**

**PURSUANT TO**

**18 U.S.C. SECTION 1350,**

**AS ADOPTED PURSUANT TO**

**SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

Pursuant to 18 U.S.C. § 1350, the undersigned officer of BioRestorative Therapies, Inc. (the "Company") hereby certifies that the Company's Annual Report on Form 10-K for the year ended December 31, 2011 (the "Report") fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: April 16, 2012

*/s/ Mark Weinreb*

Mark Weinreb
Principal Executive Officer and
Principal Financial Officer

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