

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT

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

Date of Report: October 30, 2020
(Date of earliest event reported)

BIORESTORATIVE THERAPIES, INC.
(Exact Name of Registrant as Specified in Charter)

Delaware	000-54402	91-1835664
(State or Other Jurisdiction of Incorporation)	(Commission File No.)	(IRS Employer Identification Number)
40 Marcus Drive, Melville, New York		11747
(Address of Principal Executive Offices)		(Zip Code)

Registrant's telephone number, including area code: (631) 760-8100

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
None	N/A	N/A

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

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Chapter 11 Filing

As previously disclosed, on March 20, 2020 (the “**Petition Date**”), BioRestorative Therapies, Inc. (the “**Company**”) filed a voluntary petition commencing a case under chapter 11 of title 11 of the U.S. Code (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the Eastern District of New York (the “**Bankruptcy Court**”). The Company’s chapter 11 case (the “**Chapter 11 Case**”) is being administered under the caption, *In re: BioRestorative Therapies, Inc.*, Case No. 8-20-71757. The Company is continuing to operate its business as a “debtor-in-possession” under the jurisdiction of the Bankruptcy Court and in accordance with the applicable provisions of the Bankruptcy Code and orders of the Bankruptcy Court.

Amended Joint Plan of Reorganization

On August 7, 2020, the Company and Auctus Fund, LLC (“**Auctus**” or the “**DIP Lender**,” and together with the Company, the “**Co-Proponents**”), the Company’s largest unsecured creditor, and a shareholder of the Company, as of the Petition Date, filed an Amended Disclosure Statement with respect to an Amended Joint Plan of Reorganization of BioRestorative Therapies, Inc. and Auctus Fund, LLC (the “**Disclosure Statement**”), attaching an Amended Joint Plan of Reorganization of BioRestorative Therapies, Inc. and Auctus Fund, LLC, dated August 7, 2020 (the “**Plan**”), along with a motion seeking approval of the Disclosure Statement by the Bankruptcy Court. By order dated August 10, 2020 (the “**Disclosure Statement Order**”), the Bankruptcy Court approved the Disclosure Statement, found that the Disclosure Statement contained “adequate information” as required under the Bankruptcy Code, set September 10, 2020 as the hearing date for confirmation of the Plan and fixed related Plan confirmation deadlines. In accordance with the Disclosure Statement Order, the Company mailed the relevant materials to all voting parties (as approved by the Bankruptcy Court), for solicitation of votes on the Plan. On October 23, 2020, the Co-Proponents filed a Plan Supplement (the “**Plan Supplement**”) with the Bankruptcy Court. On October 30, 2020, the Bankruptcy Court entered an order (the “**Confirmation Order**”) confirming the Plan, as amended. Amendments to the Plan are reflected in the Confirmation Order.

The material features of the Plan, as amended and confirmed by the Confirmation Order, are as follows:

- (i) Treatment of the financing to the Company by Auctus of up to \$7,000,000 which Auctus has provided or committed to provide consisting of the debtor-in-possession loans made to the Company by Auctus during the Chapter 11 Case (the “**DIP Obligation**”) and additional funding as described below.
- (ii) All amounts, including principal, interest, costs and fees, owed to Auctus on account of DIP Obligation shall be exchanged on or after the effective date of the Plan (the “**Effective Date**”) for the following:
 - (a) a secured convertible promissory note of the Company (a “**Secured Convertible Note**”) in the principal amount equal to 110% of the DIP Obligation; the payment of the Secured Convertible Note shall be secured by the grant of a security interest in substantially all of the Company’s assets; the Secured Convertible Note shall have the following features:
 - maturity date of three years following the Effective Date;
 - interest at the rate of 7% per annum;
 - the right of the holder to convert the indebtedness into shares of common stock of the Company (the “**Common Stock**”) at a price equal to the volume weighted average price for the Common Stock over the five trading days immediately preceding the conversion; and
 - mandatory conversion of all outstanding indebtedness at such time as the Common Stock is listed on the Nasdaq Capital Market or another senior exchange on the same terms as provided to investors in connection with a public offering undertaken in connection with such listing.
 - (b) a warrant (“**Class A Warrant**”) to purchase a number of shares of Common Stock equal to the DIP Obligation divided by \$0.0005, such Class A Warrant to have an exercise price of \$0.0005 per share; and
 - (c) a warrant (“**Class B Warrant**,” and together with Class A Warrant, the “**Plan Warrants**”) to purchase a number of shares of Common Stock equal to the DIP Obligation divided by \$0.001, such Class B Warrant to have an exercise price of \$0.001 per share.
- (iii) John Desmarais (“**Desmarais**”), the holder of secured promissory notes of the Company, dated February 20, 2020 and February 26, 2020, in the original principal amounts of \$320,200.49 and \$33,561.50, respectively (collectively, the “**Desmarais Notes**”), shall receive a Secured Convertible Note in the amount of \$490,698.81, the amount of the allowed secured claim arising from the Desmarais Notes.
- (iv) The claim arising from the promissory note issued in July 2017 by the Company to Desmarais in the original principal amount of \$175,000 shall be treated as an allowed general unsecured claim in the amount of \$245,191.78, which shall be satisfied and exchanged for 24,519,200 shares of Common Stock.
- (v) The claim arising from the promissory note issued in June 2016 by the Company to Tuxis Trust, an entity related to Desmarais, in the original principal amount of \$500,000 shall be treated as follows:
 - (a) \$444,534.43 shall be treated as an allowed general unsecured claim in such amount and exchanged for 44,453,400 shares of Common Stock; and
 - (b) \$309,301.19 shall be treated as an allowed secured claim in such amount and exchanged for a Secured Convertible Note in such amount.
- (vi) Holders of allowed general unsecured claims shall receive, at the election of the respective holders, on or promptly after the Effective Date, the following:
 - (a) shares of Common Stock in an amount equal to the allowed amount of their claim multiplied by 100, with such shares being subject to a leak-out restriction prohibiting the holder from selling, without the consent of the Company, more than 33% of its shares during each of the three initial 30 day periods following the Effective Date; or
 - (b) in the event a holder provides cash to the Company in an amount at least equal to 75% of its allowed claim (the “**Financing**”), then the holder will receive the following:

- a convertible promissory note of the Company (an “**Unsecured Convertible Note**”) in the allowed amount of the claim, which Unsecured Convertible Note shall have the following material features:
 - maturity date of three years from the Effective Date;
 - interest at the rate of 5% per annum;
 - the right of the holder to convert the indebtedness into shares of Common Stock at a price equal to the volume weighted average price for the Common Stock over the five trading days immediately preceding the conversion;
 - mandatory conversion of all outstanding indebtedness at such time as the Common Stock is listed on the Nasdaq Capital Market or another senior exchange on the same terms as provided to investors in connection with a public offering undertaken in connection with such listing; and
 - a leak-out restriction prohibiting the holder from selling, without the consent of the Company, more than 16.6% of the underlying shares received upon conversion during each of the six initial 30 day periods following the Effective Date.
- (c) a Secured Convertible Note in the principal amount of the Financing;
- (d) a Class A Warrant to purchase a number of shares of Common Stock equal to the dollar amount of the Financing divided by \$0.0005; and
- (e) a Class B Warrant to purchase a number of shares of Common Stock equal to the dollar amount of the Financing divided by \$0.001.

(vii) Holders of shares of Common Stock, options and warrants issued prior to the Petition Date shall retain such interest, except that any and all antidilution rights and rights to sell or put shares to the Company shall be extinguished and cancelled.

(viii) Upon the occurrence of the effectiveness of the Plan, Auctus shall infuse not less than \$3,500,000 in new funding to the Company to fund the Plan and the Company’s ongoing operations plus, subject to the Company becoming current in its Securities and Exchange Commission (the “SEC”) periodic filings and other customary conditions, additional new funding as needed in an amount equal to \$3,500,000 less the DIP Obligation. In consideration of such additional funding, Auctus shall be entitled to receive a Secured Convertible Note in the principal amount equal to 110% of such funding, together with Class A Warrants and Class B Warrants as described above with regard to the DIP Obligation.

(ix) The issuance of (i) the shares of Common Stock and the Unsecured Convertible Notes to the holders of allowed general unsecured claims and (ii) the Secured Convertible Notes and Plan Warrants to Auctus in exchange for the DIP Obligation and any Common Stock into which those Secured Convertible Notes and those Plan Warrants may be converted is exempt from the registration requirements of the Securities Act of 1933, as amended, pursuant to Bankruptcy Code Section 1145. Such securities shall be freely transferable subject to Section 1145(b)(i) of the Bankruptcy Code.

(x) As of the Effective Date, the number of shares of Common Stock authorized to be issued by the Company will be increased to 300,000,000,000 and the par value of the shares of Common Stock will be reduced to \$0.0001 per share.

The Disclosure Statement includes certain exhibits which contain financial projections and other financial data and analyses prepared for purposes of the Chapter 11 Case (the “**Disclosure Statement Financial Information**”). The Company cautions investors and potential investors not to place undue reliance upon the information contained in the Disclosure Statement Financial Information, which was not prepared for the purpose of providing the basis for an investment decision relating to any of the securities of the Company. The Disclosure Statement Financial Information has not been audited or reviewed by independent accountants. The Disclosure Statement Financial Information contains information different from that required to be included in the Company’s reports pursuant to the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), and such Disclosure Statement Financial Information may not be indicative of the Company’s financial condition or operating results that would be reflected in the Company’s financial statements or in its reports pursuant to the Exchange Act. Results set forth in the Disclosure Statement Financial Information should not be viewed as indicative of future results. See “Forward-Looking Statements” below.

The foregoing descriptions of the Confirmation Order, the Disclosure Statement and the Plan Supplement do not purport to be complete and are qualified in their entirety by reference to the texts of the Confirmation Order, the Disclosure Statement (including the Plan as Exhibit A) and the Plan Supplement, which are filed as Exhibits 2.1, 2.2 and 2.3, respectively, to this Current Report on Form 8-K and are incorporated herein by reference. In addition, the foregoing descriptions of the Plan, the Secured Convertible Notes, the Unsecured Convertible Notes, the Class A Warrants and the Class B Warrants do not purport to be complete and are qualified in their entirety by reference to the text of the Plan, which is filed as Exhibit A to the Disclosure Statement and is incorporated herein by reference, and the texts of the forms of the Secured Convertible Note, the Unsecured Convertible Note, the Class A Warrant, the Class B Warrant, the Intercreditor Agreement and the Security Agreement which are filed as Exhibits A, B, C, D, E and F, respectively, to the Plan Supplement and are incorporated herein by reference.

Shares Outstanding

As of the date of the Confirmation Order, there were 1,639,203,270 shares of Common Stock issued and outstanding and 1,058,993,393 shares of Common Stock were reserved for future issuance in respect of claims and interests filed and allowed under the Plan (exclusive of an indeterminate number of shares of Common Stock issuable upon conversion of Secured Convertible Notes and Unsecured Convertible Notes issuable in respect of claims and interests filed and allowed under the Plan). The aggregate total number of shares of Common Stock issued and outstanding and so reserved is 2,698,196,663.

Assets and Liabilities

Reference is made to the Schedules of Assets and Liabilities of the Company filed with the Bankruptcy Court, which schedules are filed as Exhibit 99.1 to this Current Report on Form 8-K and are incorporated herein by reference.

Forward-Looking Statements

This Current Report on Form 8-K contains certain forward-looking statements within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995, as amended, based on our current expectations, estimates and projections about our operations, financial condition, results of operations, and liquidity. Statements containing words such as “may,” “believe,” “anticipate,” “expect,” “intend,” “plan,” “project,” “estimate,” or similar expressions constitute forward-looking statements. These forward-looking statements include, but are not limited to, statements regarding expectations about the timing and execution of the Company’s strategic transactions, the operating expectations during the pendency of the Chapter 11 Case and financial projections and other financial data and analysis prepared for purposes of the Chapter 11 Case. Potential factors that could affect such forward-looking statements include, among others, risks and uncertainties relating to the Chapter 11 Case, including, but not limited to, the effects of the Chapter 11 Case on the Company and on the interests of various constituents, Bankruptcy Court rulings in the Chapter 11 Case and the outcome of the Chapter 11 Case in general, risks associated with third-party motions in the Chapter 11 Case, the conditions to which the Company’s DIP financing is subject and the risk that these conditions may not be satisfied for various reasons, including for reasons outside of the Company’s control, the receipt of the financing from the DIP Lender provided for in the Confirmation Order as well as other financing from third parties, the trading price and volatility of the Company’s common stock and the risks related to trading on the OTC Market’s Pink tier, and the other factors disclosed in the section entitled “Management’s Discussion and Analysis of Financial Condition and Results of Operations - Factors that May Affect Future Results and Financial Condition” in the Company’s most recent Annual Report on Form 10-K filed with the SEC, as updated from time to time in the Company’s subsequent filings with the SEC. Readers are cautioned not to place undue reliance on these forward-looking statements. Such forward-looking statements are not guarantees of future performance or results and involve risks and uncertainties that may cause actual performance and results to differ materially from those predicted or projected. Reported results should not be considered an indication of future performance. Except as required by law, the Company undertakes no obligation to publicly release the results of any revision to these forward-looking statements that may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

- 2.1 Order of the Bankruptcy Court for the Eastern District of New York Confirming Amended Joint Plan of Reorganization of BioRestorative Therapies, Inc. and Auctus Fund, LLC
 - 2.2 Amended Disclosure Statement with respect to Amended Joint Plan of Reorganization of BioRestorative Therapies, Inc. and Auctus Fund, LLC, together with exhibits thereto, including Amended Joint Plan of Reorganization of BioRestorative Therapies, Inc. and Auctus Fund, LLC
 - 2.3 Plan Supplement to Amended Joint Plan of Reorganization of BioRestorative Therapies, Inc. and Auctus Fund, LLC, together with forms of Secured Convertible Note, Unsecured Convertible Note, Class A Warrant, Class B Warrant, Intercreditor Agreement and Security Agreement attached as exhibits thereto.
 - 99.1 Schedules of Assets and Liabilities of the Company
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SIGNATURES

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

BIORESTORATIVE THERAPIES, INC.

Dated: November 5, 2020

By: /s/ Mark Weinreb

Mark Weinreb

Chief Executive Officer and President

-----X
In re:
 BIORESTORATIVE THERAPIES, INC.,

 Debtor.
-----X

Chapter 11

Case No. 20-71757-reg

ORDER CONFIRMING AMENDED JOINT PLAN OF REORGANIZATION

WHEREAS, on August 10, 2020, this Court entered an order [ECF Doc. No. 108] (the “Disclosure Statement Order”)¹ approving the Amended Disclosure Statement for the Amended Joint Plan of Reorganization of BioRestorative Therapies, Inc. and Auctus Fund, LLC, dated August 7, 2020 [ECF Doc. No. 105] (the “Disclosure Statement”) with respect to the Amended Joint Plan of Reorganization of BioRestorative Therapies, Inc. and Auctus Fund, LLC, dated August 7, 2020 [ECF Doc. No. 104] (as it may be amended or supplemented, the “Plan”), and fixing the date for the hearing to consider confirmation of the Plan, and establishing certain procedures for soliciting and tabulating votes with respect to the Plan;

WHEREAS, on August 14, 2020, the Debtor caused to be filed an Affidavit of Service [ECF Doc. No. 118] verifying that on August 12, 2020, the Debtor caused to be served by first class mail, postage prepaid, on all known creditors of the Debtor, including creditors who were listed on the Debtor’s Schedules and creditors who filed proofs of claims against the Debtor: (a) the Disclosure Statement, together with all Exhibits, including the Plan; (b) a Ballot (only to Holders of Claims entitled to Vote); and (c) the Disclosure Statement Order (collectively, the “Solicitation Package”);

WHEREAS, on August 14, 2020, the Debtor caused to be filed an Affidavit of Service [ECF Doc. No. 119] verifying that on August 12, 2020, the Debtor caused the Solicitation Package (with a Ballot to Equity Interest Holders) to be served by first class mail, postage prepaid, on all then known record owners of an Equity Interest in the Debtor;

WHEREAS, on September 3, 2020, an objection to the Plan by John M. Desmarais and Tuxis Trust was filed against confirmation of the Plan [ECF Doc. No. 198] (the “Desmarais Plan Objection”);

WHEREAS, on September 8, 2020, the Debtor’s attorneys filed a Joint Reply of BioRestorative Therapies, Inc. and Auctus Fund, LLC to the Desmarais Plan Objection [ECF Doc. No. 200] (the “Joint Reply”);

¹ Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan, or in the Disclosure Statement Order. Any term used in the Plan, the Disclosure Statement Order or this Confirmation Order that is not defined in the Plan, the Disclosure Statement Order or this Confirmation Order, but that is used in the Bankruptcy Code or the Federal Rules of Bankruptcy Procedure, shall have the meaning ascribed to that term in the Bankruptcy Code or such rules

WHEREAS, on September 9, 2020, the Debtor’s attorneys filed the *Declaration [of Robert D. Nosek] Regarding Voting On and Tabulation of Ballots Accepting and Rejecting Amended Joint Plan of Reorganization for BioRestorative Therapies, Inc. Under Chapter 11 of the Bankruptcy Code* [ECF Doc. No. 201] (the “Certification of Ballots”);

WHEREAS, on September 9, 2020, the Debtor’s attorneys filed the *Declaration of Lance Alstodt in Support of Confirmation of Amended Joint Plan of Reorganization of BioRestorative Therapies Inc. and Auctus Fund, LLC* (ECF Doc. No. 204)

WHEREAS, on September 9, 2020, the Debtor’s attorneys filed the *Declaration of Al Sollami in Support of Confirmation of Amended Joint Plan of Reorganization of BioRestorative Therapies Inc. and Auctus Fund, LLC* (ECF Doc. No. 205);

WHEREAS, on September 9, 2020, the Debtor caused to be filed the *Declaration of Mark Weinreb in Support of Confirmation of Joint Amended Plan of Reorganization Under Chapter 11 of the Bankruptcy Code* [ECF Doc. No. 208]; and

WHEREAS, on September 10, 2020, the Debtor caused to be filed an Affidavit of Service [ECF Doc. No. 209] verifying that on August 25, 2020, the Debtor caused the Solicitation Package (with a Ballot to Equity Interest Holders) to be served by first class mail, postage prepaid, on all then known beneficial owners of an Equity Interest in the Debtor;

WHEREAS, pursuant to Bankruptcy Code § 1128(a), this Court held a hearing on September 10, 2020 (the “Confirmation Hearing”) to consider confirmation of the Plan, the Desmarais Objection and the Joint Reply, and the Court having considered the documentary and testimonial evidence presented at the Confirmation Hearing;

NOW, THEREFORE, based upon this Court’s review of the affidavits, reports, and various affidavits of service previously filed with this Court, including the Certification of Ballots; upon review of the changes to the Amended Plan set forth in the Joint Reply; upon consideration of the resolution of the claims of John M. Desmarais and Tuxis Trust as set forth herein; and upon all of the documents and testimony accepted by the Court into evidence, and arguments of counsel made, at the Confirmation Hearing; and after due deliberation, and upon the entire record of the Debtor’s Chapter 11 Case;

FINDINGS OF FACTS AND CONCLUSIONS OF LAW

IT IS HEREBY FOUND AND DETERMINED by this Court that:²

A. Core Proceeding (28 U.S.C. § 157(b)(2)). This is a core proceeding under 28 U.S.C. § 157(b)(2)(L).

² The findings of fact and conclusions of law stated in this Confirmation Order and on the record at the Confirmation Hearing constitute the Court's findings of fact and conclusions of law pursuant to FRBP 7052, made applicable to the Chapter 11 Cases by FRBP 9014. To the extent that any finding of fact shall be determined to be a conclusion of law, it shall be so deemed, and to the extent that any conclusion of law shall be determined to be a finding of fact, it shall be so deemed.

B. Transmittal and Mailing of Materials; Notice. Transmittal and mailing of the following was adequate and sufficient, and in compliance with the Bankruptcy Rules, the Local Bankruptcy Rules and the Disclosure Statement Order: (a) the Disclosure Statement Order, which gave notice of the (1) approval of the Disclosure Statement, (2) Confirmation Hearing, (3) deadline and procedures for filing objections to confirmation of the Plan, (4) deadline and procedures for temporary allowance of Claims for voting purposes, (5) treatment of certain unliquidated, contingent or disputed Claims for notice, voting, and distribution purposes, (6) Voting Record Date, (7) approval of the Solicitation Package, (8) approval of the Ballots, (9) the Voting Deadline, and (10) approval of procedures for tabulation of votes; (b) the Disclosure Statement; (c) the Plan; and (d) the Ballots. Adequate and sufficient notice of the Confirmation Hearing and other dates and hearings described in the Disclosure Statement Order was given in compliance with the Bankruptcy Rules, the Local Bankruptcy Rules, and the Disclosure Statement Approval Order, and no further notice is required. The solicitation of votes was made in good faith and in compliance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules and all other rules, laws, and regulations.

C. Plan Compliance with Bankruptcy Code (11 U.S.C. § 1129). The Plan complies with the applicable provisions of the Bankruptcy Code and satisfies Bankruptcy Code §§ 1129(a), (b), (c), (d). The Proponents have met their burden of proving the elements of Sections 1129 of the Bankruptcy Code by a preponderance of the evidence.

D. Non-Material Modifications. Any modifications of the Plan (the "Modifications") described at the Confirmation Hearing or contained in this Order do not constitute material modifications of the Plan, will not adversely affect the economic interests of holders of Claims or Interests under the Plan and, accordingly, do not require a resolicitation of votes with respect to the Plan, and are approved in their entirety.

E. Good Faith Solicitation (11 U.S.C. § 1125(e)). The Proponents, their respective agents, accountants, financial advisors, representatives and attorneys, through their participation in the negotiation and preparation of the Plan and the Disclosure Statement and their efforts to confirm the Plan, have solicited acceptances and rejections of the Plan in good faith and participated in the Chapter 11 Case in compliance with the applicable provisions of the Bankruptcy Code.

F. Discharge, Release, Injunction, and Exculpation. Each of the discharge, release, injunction, and exculpation provisions contained in the Plan falls within the jurisdiction of this Court under 28 U.S.C. §§ 1334(a), (b), and (d); and is consistent with Bankruptcy Code §§ 105, 1123, 1129, and other applicable provisions of the Bankruptcy Code.

G. Exemption from Registration Requirements (11 U.S.C. Section 1145)(a)). In accordance with Bankruptcy Code Section 1145(a), the issuance of (i) Common Stock to holders of Allowed General Unsecured Claims under Section 4.3(c)(i) of the Plan; (ii) Convertible Plan Notes to holders of Allowed General Unsecured Claims under Section 4.3(c)(ii)(1) of the Plan; and (iii) Secured Convertible Plan Notes and Plan Warrants to Auctus in exchange for the DIP Obligation under Section 5.2 of the Plan, are distributions in exchange for Claims or Administrative Expense Claims, as the case may be, against the Debtor. Therefore, such issued securities, and the Common Stock into which such securities may be converted, are exempt from the registration requirements of Section 5 of the Securities Act of 1933, as amended ("Securities Act"), or any other applicable federal law, and any state or local law requiring registration for offer or sale of a security or registration or licensing of an issuer of, or underwriter of or broker dealer in such securities. The issuance of the foregoing securities is approved by this Court. Such securities shall be freely tradable by such recipients thereof, subject to the provisions of section 1145(b)(1) of the Bankruptcy Code relating to the definition of an underwriter in section 2(a)(11) of the Securities Act.

H. Conditions to Confirmation and Effective Date. Upon entry of this Order, any conditions precedent to confirmation of the Plan will be satisfied. The occurrence of the Effective Date is conditioned upon the satisfaction of each of the conditions precedent set forth in the Plan.

NOW, THEREFORE, IT IS HEREBY ORDERED THAT,

1. Objections. For the reasons set forth on the record of the Hearing, the Desmarais Plan Objection is sustained, in part, and overruled, in part, consistent with this Order.
2. Confirmation. The Plan is hereby confirmed under Bankruptcy Code § 1129.
3. Provisions of Plan and Order Nonseverable and Mutually Dependent. The provisions of this Order, including the findings of fact and conclusions of law set forth herein, are nonseverable and mutually dependent.
4. Discharges, Releases, Injunction and Exculpation. Any discharges, releases, injunctions, and exculpations provided under the Plan or as modified herein are hereby approved. Subject to the occurrence of the Effective Date, such discharges, releases, injunctions, and exculpations are hereby effective and binding. The treatment accorded to Claims and Interests pursuant to the Plan shall be in full satisfaction, settlement, release of and in exchange for such Claims and Interests.

- a. Section 9.2(a) of the Plan is hereby amended and superseded as follows:

Debtor Releases. NOTWITHSTANDING ANYTHING CONTAINED IN THE PLAN TO THE CONTRARY, AS OF THE EFFECTIVE DATE, FOR THE GOOD AND VALUABLE CONSIDERATION PROVIDED BY THE DEBTOR, THE DEBTOR AND ITS CURRENT AND FORMER AFFILIATES AND REPRESENTATIVES AND THE ESTATE SHALL BE DEEMED TO HAVE PROVIDED A FULL, COMPLETE, UNCONDITIONAL AND IRREVOCABLE RELEASE TO (i) THE DEBTOR'S CURRENT AND FORMER OFFICERS, DIRECTORS, AGENTS AND PROFESSIONALS AND (ii) AUCTUS FUNDS, LLC, AND ITS CURRENT AND FORMER OFFICERS, DIRECTORS, AGENTS AND PROFESSIONALS (EACH, A "RELEASED PARTY," AND COLLECTIVELY, THE "RELEASED PARTIES") AND EACH SUCH RELEASED PARTY SO RELEASED SHALL BE DEEMED RELEASED BY THE DEBTOR AND ITS AFFILIATE AND REPRESENTATIVES AND THE ESTATE FROM ANY AND ALL CLAIMS, CAUSES OF ACTION AND ANY OTHER DEBTS, OBLIGATIONS, RIGHTS, SUITS, DAMAGES, ACTIONS, REMEDIES AND LIABILITIES WHATSOEVER, WHETHER ACCRUED OR UNACCRUED, WHETHER KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, EXISTING BEFORE THE EFFECTIVE DATE, AS OF THE EFFECTIVE DATE OR ARISING THEREAFTER, IN LAW, AT EQUITY, WHETHER FOR TORT, CONTRACT, VIOLATIONS OF STATUTES

(INCLUDING BUT NOT LIMITED TO THE FEDERAL OR STATE SECURITIES LAWS), OR OTHERWISE, BASED IN WHOLE OR IN PART UPON ANY ACT OR OMISSION, TRANSACTION, OR OTHER OCCURRENCE OR CIRCUMSTANCES EXISTING OR TAKING PLACE PRIOR TO OR ON THE EFFECTIVE DATE ARISING FROM OR RELATED IN ANY WAY TO THE DEBTOR, INCLUDING, WITHOUT LIMITATION, THOSE THAT THE DEBTOR WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT OR THAT ANY HOLDER OF A CLAIM OR EQUITY INTEREST OR OTHER ENTITY WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT FOR OR ON BEHALF OF THE DEBTOR OR THE ESTATE, INCLUDING WITHOUT LIMITATION THOSE IN ANY WAY RELATED TO THE CHAPTER 11 CASE OR THE PLAN; PROVIDED, HOWEVER, THAT THE FOREGOING RELEASE SHALL NOT PROHIBIT THE DEBTOR OR THE ESTATE FROM ASSERTING ANY AND ALL DEFENSES AND COUNTERCLAIMS IN RESPECT OF ANY DISPUTED CLAIM ASSERTED BY ANY RELEASED PARTIES; PROVIDED FURTHER, THAT THE FOREGOING PROVISIONS OF THIS SECTION 9.3(a) SHALL HAVE NO EFFECT ON THE LIABILITY OF THE RELEASED PARTIES THAT RESULTS FROM ANY ACT OR OMISSION THAT IS DETERMINED IN A FINAL ORDER TO HAVE CONSTITUTED GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. NOTWITHSTANDING THE FOREGOING, THE DEBTOR DOES NOT RELEASE ANY AVOIDANCE ACTIONS TO AVOID ANY PERFECTION OF ANY SECURITY INTERESTS IN AND/OR LIENS AGAINST ANY OF THE DEBTOR'S TANGIBLE AND/OR INTANGIBLE PROPERTY GRANTED BY THE DEBTOR WHICH PERFECTION ALLEGEDLY OCCURRED WITHIN ONE YEAR OF THE PETITION DATE.

5. General Authorizations. The Debtor (prior to the Effective Date) and the Reorganized Debtor (on and after the Effective Date) are hereby authorized and empowered pursuant to Bankruptcy Code § 1142(b) to issue, execute, deliver, file and record any documents, court papers and pleadings, and to take any and all actions that are necessary or desirable to implement, effectuate or consummate any and all of the transactions contemplated by the Plan, whether or not specifically referred to in the Plan or related documents, and without further application to this Court. The Plan Supplement and the Plan Documents are hereby approved and the Reorganized Debtor is, to the extent applicable, authorized to enter into the Plan Documents.

- a. As of the Effective Date, the Debtor's Organization Documents shall be amended as necessary to effectuate the terms of the Plan and shall become the Organization Documents of the Reorganized Debtor, including, without limitation, to effectuate the issuance and authorization of Common Stock as needed to effectuate the Plan, permit post-Effective Date operations, permit the creation of incentive stock plans, and the raising of additional financing and capital, including, but not limited to the authorization to issue up to 300,000,000,000 shares of Common Stock in the Reorganized Debtor. The par value of the Debtor's pre-confirmation common stock shall be reduced to \$0.0001 per share and the par value of the Common Stock of the Reorganized Debtor shall be established as \$0.0001 per share. To the extent that there is any inconsistency between the Plan and any of the pre-Effective Date Organization Documents, the terms of the Plan shall control. To the extent the Debtor is not in compliance as of the Effective Date with any state or local law requirements necessary to remain as an organized legal entity in good standing and/or remain authorized as an organized legal entity to conduct business in any jurisdiction, the Debtor and/or the Reorganized Debtor, as the case may be, shall be deemed to be in compliance with any such laws if they comply with such laws within six months after the Effective Date.
- b. To the extent necessary, the Debtor's Organization Documents shall be deemed amended to prohibit the issuance of nonvoting equity securities, and to provide, as to any classes of securities possessing voting power, an appropriate distribution of such power among such classes, including, in the case of any class of equity securities having a preference over another class of equity securities with respect to dividends, adequate provisions for the election of directors representing such preferred class in the event of default in the payment of such dividends.
- c. As soon as practicable following the Effective Date, the Reorganized Debtor shall take such action as is necessary to bring it into compliance with all applicable Securities and Exchange Commission rules and regulations.

6. Conflicts; Prior Orders. To the extent this Order or the Plan is inconsistent with the Disclosure Statement, the Plan, or any other agreement entered into between the Debtor and any third party, (a) the Plan shall control the Disclosure Statement and any such agreements, and (b) the Confirmation Order shall control the Plan. In addition, this Order shall supersede any orders of this Court issued in the Chapter 11 Case prior to the Confirmation Date to the extent that those prior orders may be inconsistent with this Order. Pursuant to 11 U.S.C. § 1141, all prior orders entered in the Chapter 11 Cases, and all documents and agreements executed by the Debtor during the pendency of the Chapter 11 Case that were authorized by the Court or permitted under the Bankruptcy Code, shall be, and hereby are, binding upon and shall inure to the benefit of the Reorganized Debtors and their respective successors and assigns.

7. Plan Classification Controlling. The classification of Claims for purposes of the distributions to be made under the Plan is governed solely by the terms of the Plan. The classifications set forth on the Ballots tendered to or returned by the Holders of Claims in connection with voting on the Plan (a) were set forth thereon solely for purposes of voting on the acceptance or rejection of the Plan, (b) do not necessarily represent and in no event shall be deemed to modify or otherwise affect the actual classification of such Claims under the terms of the Plan for distribution purposes, and (c) may not be relied upon by any Creditor as actually representing the actual classification of such Claims under the terms of the Plan for distribution purposes.

8. Debtor's Obligations to John Desmarais and Tuxis Trust.

(a) The claims asserted against the Debtor by John M. Desmarais and Tuxis Trust shall be and hereby are fully settled and resolved as follows:

- i. Claim No. 22 filed by John M. Desmarais (Bridge Loans) will be deemed an Allowed Class 1 Secured Claim in the amount of \$490,698.81, which shall be satisfied and exchanged for a Secured Convertible Plan Note as defined in Section 1.71 of the Plan in the amount \$490,698.81, in the form of the Secured Convertible Plan Note contained in the Plan Supplement, and subject to and with the benefit of the Intercreditor Agreement contained in the Plan Supplement;

- ii. Claim No. 21 filed by John M. Desmarais (2017 Note) will be deemed an Allowed Class 3 General Unsecured Claim in the amount of \$245,191.78, which shall be satisfied and exchanged for 24,519,200 shares of Common Stock in the Reorganized Debtor, as set forth in Section 4.3(c)(i) of the Plan;
- iii. Claim No. 20 filed by Tuxis Trust (2016 Note) will be deemed (a) an Allowed Class 3 General Unsecured Claim in the amount of \$444,534.43, which shall be satisfied and exchanged for 44,453,400 shares of Common Stock in the Reorganized Debtor, as set forth in Section 4.3(c)(i) of the Plan, and (b) an Allowed Class 1 Secured Claim in the amount of \$309,301.19, which shall be satisfied and exchanged for a Secured Convertible Plan Note as defined in Section 1.71 of the Plan in the amount \$309,301.19, in the form of the Secured Convertible Plan Note contained in the Plan Supplement, and subject to and with the benefit of the Intercreditor Agreement; and
- iv. Order of Priority of Secured Convertible Plan Notes. The order of priority of the Secured Convertible Plan Notes shall be as set forth in the Intercreditor Agreement.

(b) Upon the Effective Date of the Plan, the pending adversary proceeding, *BioRestorative Therapies, Inc. v. John M. Desmarais and Tuxis Trust*, Adv. P. No. 20-08117-reg shall be dismissed with prejudice.

(c) For the avoidance of doubt, the amount of the Secured Convertible Plan Notes being issued to Auctus under the Plan shall be limited to one hundred ten percent (110%) of the aggregate of (a) the DIP Obligation and (b) any additional Financing Amount provided by Auctus to the Reorganized Debtor.

9. Convenience Class Adjustment. In the event that a holder of an Allowed Class 3 Claim advises the Reorganized Debtor that it is prohibited by non-bankruptcy statutes, regulations, guidelines, or other applicable non-bankruptcy law from owning any Equity Interest in the Reorganized Debtor, notwithstanding whether such holder previously declined the election to be a member of the Class 4 Convenience Class or failed to submit a ballot, such holder may advise the Reorganized Debtor in writing, which may include e-mail, that it elects to be a member of the Class 4 Convenience Class no later than thirty (30) days after the Effective Date of such election, with that Allowed Claim thereafter being subject to the treatment under the Plan accorded to holders of Allowed Class 4 Convenience Class Claims and waiving any rights under the Plan to receive Equity Interests in the Reorganized Debtor as a Class 3 Claim.

10. DIP Obligation; DIP Costs and Plan Costs of Auctus. Prior to the issuance of any Secured Convertible Plan Notes by the Reorganized Debtor to Auctus that are in exchange for any amounts that include any or all of Auctus' Plan Costs and/or any and all reasonable fees and costs and expenses of Auctus as DIP Lender to be included in the DIP Obligation ("DIP Costs"), Auctus shall have first provided a summary invoice (redacted for privilege) to the Debtor, counsel to John M. Desmarais and to the U.S. Trustee, which parties shall thereafter have fifteen (15) days by which to advise the Court of any objection to such amounts prior to inclusion of the claimed amounts in any such Secured Convertible Plan Note. Nothing herein precludes the Reorganized Debtor from issuing Secured Convertible Plan Notes to Auctus under the Plan for any amounts to which Auctus is entitled that do not include Plan Costs or DIP Costs.

11. Issuances of Common Stock, Convertible Plan Notes, Secured Convertible Plan Notes and Plan Warrants. The Reorganized Debtor is hereby authorized to:

- a. Issue to each holder of a Class 1 Allowed Secured Claim, as provided for in paragraph 8 herein, a Secured Convertible Plan Note equal to the amount of the Allowed Class 1 Secured Claim of such holder;
- b. issue to each holder of an Allowed Unsecured Claim under Section 4.3(c)(i) of the Plan shares of Common Stock in an amount equal to the amount of the Allowed General Unsecured Claim of such holder multiplied by one hundred (100);
- c. issue to each holder of an Allowed General Unsecured Claim that provides Cash to the Reorganized Debtor after the Effective Date equal to not less than the Financing Amount under Section 4.3(c)(ii) of the Plan a Convertible Plan Note equal to the amount of the Allowed General Unsecured Claim of such holder;
- d. issue to each holder of an Allowed General Unsecured Claim that provides Cash to the Reorganized Debtor equal to not less than the Financing Amount under Section 4.3(c)(ii) of the Plan or under Section 5.2 of the Plan a Secured Convertible Plan Note equal to the Financing Amount provided by such person;
- e. issue to each person or other entity who provides Cash to the Reorganized Debtor under Section 4.3(c)(ii) of the Plan or under Section 5.2 of the Plan (i) one (1) Common Stock purchase warrant permitting the holder to purchase a certain amount of Common Stock equal to the Financing Amount divided by \$0.0005, at an exercise price equal to \$0.0005 per share with a cash call option permitting the Reorganized Debtor to redeem such warrant in the event that the holder's resale of all of the shares of Common Stock underlying such warrant are registered under an effective registration statement for a price equal to the exercise price, in each such case subject to adjustment pursuant to the Plan Documents; and (ii) one (1) Common Stock purchase warrant permitting the holder to purchase a certain amount of the Common Stock equal to the Financing Amount divided by \$0.0010, at an exercise price equal to \$0.0010 per share, in each such case subject to adjustment pursuant to the Plan Documents; and
- f. issue to Auctus under Section 5.2 of the Plan in exchange for the DIP Obligation (i) a Secured Convertible Plan Note in an amount equal to one hundred percent (100%) of the principal and interest amount of the DIP Obligation; (ii) a Secured Convertible Plan Note in an amount equal to ten percent (10%) of the principal and interest amount of the DIP Obligation; (iii) a Secured Convertible Plan Note in an amount equal to one hundred ten percent (110%) of the DIP Costs; (i) one (1) Common Stock purchase warrant permitting Auctus to purchase a certain amount of Common Stock equal to the DIP Obligation divided by \$0.0005, at an exercise price equal to \$0.0005 per share with a cash call option permitting the Reorganized Debtor to redeem such warrant in the event that the resale by Auctus of all of the shares of Common Stock underlying such warrant are registered under an effective

registration statement for a price equal to the exercise price, in each such case subject to adjustment pursuant to the Plan Documents; and (ii) one (1) Common Stock purchase warrant permitting Actus to purchase a certain amount of the Common Stock equal to the DIP Obligation divided by \$0.0010, at an exercise price equal to \$0.0010 per share, in each such case subject to adjustment pursuant to the Plan Documents.

12. Plan Amendments from Joint Reply. The Plan is hereby amended, in accordance with Paragraphs “3” and “8” of the Joint Reply, to provide that Actus waives the condition in the Plan that third parties commit to providing at least \$2 million in funding. Additionally, the definition of “Minimum Contribution” in Section 1.51 of the Plan and all other references in the Plan to the Minimum Contribution to be made by Actus, hereby are amended to provide that Actus shall infuse not less than (a) \$3.5 million in new funding to the Reorganized Debtor upon the occurrence of the Effective Date, to fund the Plan and the Reorganized Debtor’s ongoing operations, plus (b) subject only to the Reorganized Debtor becoming current with its SEC filings and other customary conditions, additional new funding as needed in an amount equal to another \$3.5 million, less the DIP Obligation.

13. Exemption from Securities Laws. The issuance of (i) Common Stock to holders of Allowed General Unsecured Claims under Section 4.3(c)(i) of the Plan; (ii) Convertible Plan Notes to holders of Allowed General Unsecured Claims under Section 4.3(c)(ii)(1) of the Plan; and (iii) Secured Convertible Plan Notes and Plan Warrants to Actus in exchange for the DIP Obligation pursuant to Section 5.2 of the Plan, and any Common Stock which such securities may be converted into, is approved by this Court and is exempt from registration under the Securities Act or any other applicable federal, state or local law pursuant to Bankruptcy Code Section 1145. The issuance of the foregoing securities is approved by this Court. Such securities shall be freely tradable by such recipients thereof, subject to the provisions of Section 1145(b)(1) of the Bankruptcy Code relating to the definition of an underwriter in section 2(a)(11) of the Securities Act.

14. The Record. The record of the Confirmation Hearing is closed. The findings of fact and conclusions of law of this Court set forth herein and at the Confirmation Hearing shall constitute findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, and the findings of fact and conclusions of the Court at the Confirmation Hearing are incorporated herein by reference.

15. Binding Effect of Plan. In accordance with 11 U.S.C. § 1141(a), the Plan (including any exhibits and schedules thereto, and all documents and agreements created pursuant to the Plan) and all of its provisions shall be, and hereby are, binding upon the Debtor, any person acquiring or receiving property or a distribution under the Plan, any lessor or lessee of property to or from the Debtor, any party to a contract with the Debtor or the Estate, any person who granted or is a beneficiary of the exculpations contained in or provided for under the Plan, any creditor or equity security holder of the Debtor or the Estate, including all governmental entities, whether or not the Claim or Equity Interest of such creditor or equity security holder is impaired under the Plan and whether or not such creditor, equity security holder or entity has accepted the Plan, any and all non-debtor parties to executory contracts and unexpired leases with the Debtors, any and all persons that are parties to or are subject to the injunctions described herein or in the Plan, any other party in interest, and the respective heirs, executors, administrators, successors or assigns, if any, of all of the foregoing.

16. Filing and Recording. This Confirmation Order is and shall be binding upon and shall govern the acts of all entities, including, without limitation, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies, governmental departments, secretaries of state, federal, state, and local officials, and all other persons and entities, who may be required, by operation of law, the duties of their office, or contract, to accept, file, register, or otherwise record or release any documents or instruments. Each and every federal, state and local governmental agency is hereby directed to accept any and all documents and instruments necessary, useful, or appropriate (including, without limitation, Uniform Commercial Code financing statements and mortgages) to effectuate, implement and consummate the transactions contemplated by the Plan and this Confirmation Order.

17. Pre-Effective Date Professional Fees and Expenses and Administrative Expenses. Each professional person or firm retained with approval by order of the Court requesting compensation in the Chapter 11 Case through the Effective Date, pursuant to Bankruptcy Code §§ 330 or 503(b), shall be required to file an application for an allowance of their administrative claim or allowance of final compensation and reimbursement of expenses on or before thirty (30) days after the Effective Date.

18. U.S. Trustee Fees. Statutory fees, and any applicable interest thereon, are all fees payable pursuant to Chapter 123 of Title 28, United States Code, including, but not limited to, all fees required to be paid by 28 U.S.C. § 1930(a)(6) and 31 U.S.C. § 3717. U.S. Trustee Fees will accrue and be timely paid until the Case is closed, dismissed, or converted to another chapter of the Bankruptcy Code. Any U.S. Trustee Fees owed on or before the Effective Date of this Plan will be paid in full on the Effective Date of the Plan by the Debtor.

19. Exemption from Transfer Taxes. In accordance with Section 1146(a) of the Bankruptcy Code: (a) the issuance, transfer or exchange of any security under the Plan or the making or delivery of any instrument of transfer pursuant to, in implementation of, or as contemplated by the Plan, including any merger agreements or agreements of consolidation, deeds, bills of sale or assignments executed in connection with any of the transactions contemplated under the Plan, or the re-vesting, transfer or sale of any real or personal property of the Debtors pursuant to, in implementation of, or as contemplated by the Plan, (b) the making, delivery, creation, assignment, amendment or recording of any note or other obligation for the payment of money or any mortgage, deed of trust or other security interest under, in furtherance of, or in connection with the Plan, and the issuance, renewal, modification or securing of indebtedness by such means, and (c) the making, delivery or recording of any deed or other instrument of transfer under, in furtherance of, or in connection with, the Plan, shall not be subject to any document recording tax, stamp tax, conveyance fee or other similar tax, sales tax, mortgage tax, real estate transfer tax, mortgage recording tax or other similar tax or governmental assessment. Each recorder of deeds or similar official for any county, city or governmental unit in which any instrument under the Plan is to be recorded shall, pursuant to this Confirmation Order, be ordered and directed to accept such instrument, without requiring the payment of any such tax or governmental assessment.

20. Effect of Reference to the Plan in this Confirmation Order. The failure to reference or discuss any particular provision of the Plan in this Confirmation Order shall have no effect on the validity, binding effect and enforceability of such provision, and, except to the extent expressly set forth herein, each provision of the Plan shall have the same validity, binding effect and enforceability as if fully set forth in this Confirmation Order.

21. Retention of Jurisdiction; Standing. This Court shall retain jurisdiction in accordance with the terms of the Plan, the other provisions of this Order, and Bankruptcy Code § 1142, including, but not limited to, continued post-confirmation and post-Effective Date exclusive jurisdiction over the Desmarais Adversary Proceeding.

- a. On and after the Effective Date and unless otherwise ordered by this Court after notice and a hearing, the Reorganized Debtor and Auctus shall have the right to the exclusion of all others (except as to the Professionals' applications for allowances of compensation and reimbursement of expenses under Section 327 of the Bankruptcy Code and Rule 2014(a) of the Bankruptcy Rules) to make, file, prosecute, settle, compromise, withdraw or resolve in any manner approved by this Court, objections to Claims. Notwithstanding any other provision of the Plan, the Reorganized Debtor shall not make any distribution on account of any Disputed Claim unless and until such Claim becomes Allowed.
- b. On and after the Effective Date and unless otherwise ordered by this Court after notice and a hearing, the Reorganized Debtor and Auctus shall have the right to the exclusion of all others to prosecute, settle, compromise, withdraw or resolve in any manner approved by this Court the Desmarais Adversary Proceeding.

22. Notice of Entry of Confirmation Order and the Occurrence of Effective Date. In addition to whatever non-bankruptcy law requirements the Reorganized Debtor must satisfy as a publicly traded company, in accordance with Bankruptcy Rules 2002(f) and 3020(c), the Debtor, no later than fifteen (15) days after the Effective Date, shall give notice of the entry of the Confirmation Order and the occurrence of the Effective Date, by first class mail postage prepaid, or by overnight delivery service, to all creditors of the Debtor and all parties who have requested notice in the Chapter 11 Case. Mailing notice of the Effective Date in the time and manner set forth in this paragraph is adequate and satisfies the requirements of Bankruptcy Rules 2002(f) and 3020(c), and no further notice is necessary.

23. Permitted Plan Modifications. After the entry of the Confirmation Order, the Debtor may, upon appropriate notice, and upon an order of the Court, amend or modify the Plan, in accordance with Bankruptcy Code §1127(b) or remedy any defect or omission or reconcile any inconsistency in the Plan in such manner as may be necessary to carry out the purpose and intent of the Plan. A holder of an Allowed Claim that is deemed to have accepted the Plan shall be deemed to have accepted the Plan as modified if the proposed modification does not materially and adversely change the treatment of the Claim of such holder. The Debtor may make material modifications to the Plan only upon appropriate notice and a hearing before the Court.

24. No Stay of Confirmation Order. Any stay that might apply to this Order under Bankruptcy Rules 3020(e), 6004(h), 7062, or otherwise, is hereby waived for good cause shown.

forth in this paragraph is adequate and satisfies the requirements of Bankruptcy Rules 2002(f) and 3020(c), and no further notice is necessary.

23. Permitted Plan Modifications. After the entry of the Confirmation Order, the Debtor may, upon appropriate notice, and upon an order of the Court, amend or modify the Plan, in accordance with Bankruptcy Code §1127(b) or remedy any defect or omission or reconcile any inconsistency in the Plan in such manner as may be necessary to carry out the purpose and intent of the Plan. A holder of an Allowed Claim that is deemed to have accepted the Plan shall be deemed to have accepted the Plan as modified if the proposed modification does not materially and adversely change the treatment of the Claim of such holder. The Debtor may make material modifications to the Plan only upon appropriate notice and a hearing before the Court.

24. No Stay of Confirmation Order. Any stay that might apply to this Order under Bankruptcy Rules 3020(e), 6004(h), 7062, or otherwise, is hereby waived for good cause shown.

**Dated: Central Islip, New York
October 30, 2020**



A handwritten signature in black ink, appearing to read "Robert E. Grossman".

**Robert E. Grossman
United States Bankruptcy Judge**

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

In re:

BIORESTORATIVE THERAPIES, INC.,

Debtor.

Chapter 11

Case No. 20-71757-reg

AMENDED DISCLOSURE STATEMENT WITH RESPECT TO
AMENDED JOINT PLAN OF REORGANIZATION OF
BIORESTORATIVE THERAPIES, INC. AND AUCTUS FUND, LLC

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Dated: August 11, 2020

I. INTRODUCTION

Pursuant to Section 1125 of the Bankruptcy Code,¹ BioRestorative Therapies, Inc. (the “Debtor”), the debtor and debtor-in-possession in the Bankruptcy Case, and Auctus Fund, LLC (“Auctus” and together with the Debtor, the “Proponents”), provide this disclosure statement (the “Disclosure Statement”) to all of the Debtor’s known creditors and parties in interest. The purpose of this Disclosure Statement is to provide the information deemed necessary for creditors to make an informed decision in exercising their rights to vote on the *Amended Joint Plan of Reorganization of BioRestorative Therapies, Inc. and Auctus Fund, LLC* (the “Plan”) dated as of the date of this Disclosure Statement, a copy of which is attached as Exhibit A. Auctus is the largest unsecured creditor of the Debtor, holding pre-petition convertible notes in an amount in excess of \$3,300,000.00. A summary of the Plan, the estimated Claims against the Debtor and the estimated dividend and other consideration to be received by the holders of Claims is set forth below.

THE DEBTOR AND AUCTUS, AS CO-PROONENTS, URGE ALL CREDITORS TO VOTE TO ACCEPT THE PLAN BECAUSE IT IS ANTICIPATED TO PROVIDE A HIGHER AND MORE CERTAIN RETURN TO CREDITORS THAN ANY ALTERNATIVE.

The Proponents are providing the information in this Disclosure Statement to the holders of Claims and Equity Interests to solicit votes on the Plan. Nothing in this Disclosure Statement may be relied upon or used by any entity for any other purpose. Each creditor should carefully review the Plan and this Disclosure Statement in order to determine whether or not to accept or reject the Plan based upon the creditor’s independent judgment and evaluation. No solicitation of votes on the Plan may be made except pursuant to this Disclosure Statement, and no person has been authorized to utilize any information concerning the Debtor’s business or assets other than the information contained in this Disclosure Statement. The Bankruptcy Court’s approval of the adequacy of the information contained in this Disclosure Statement does not constitute the Bankruptcy Court’s approval or endorsement of the Plan.

As a condition to the DIP Facility (defined below) provided by Auctus, the Debtor relinquished its exclusive right to file a plan thereby creating the ability for any party in interest of the Debtor, be it a creditor or shareholder, to formulate, propose and seek confirmation of a plan to either rehabilitate or liquidate the Debtor. *See Order Approving DIP Facility* [ECF Doc. No. 67]. Subsequent to that relinquishment, Auctus formulated the proposed Plan and sought and received input and information from the Debtor. The Debtor joins Auctus as a co-proponent of this Plan after reviewing the options available to it. In doing so, it decided in its business judgment that offering its creditors and shareholders a path that provides for continuation of the Debtor as a going concern is better for them than liquidating the Debtor. Auctus and its agents developed the various budgets and projections accompanying this Disclosure Statement after being provided information from the Debtor during the plan development process, and include projections for the Reorganized Debtor’s operations which have been reviewed and commented on by the Debtor prior to inclusion herewith. As of the filing of the Plan, no other proposed plan has been filed by any other party in interest in this case.

¹ Capitalized terms not otherwise defined in this disclosure statement shall have the meanings ascribed to them in the Plan (as defined below).

The description of the Plan in this Disclosure Statement is in summary form and is qualified by reference to the actual terms and conditions of the Plan, which should be reviewed carefully before making a decision to accept or reject the Plan. In the event of any inconsistency or discrepancy between a description in this Disclosure Statement and the terms and provisions of the Plan or any other documents contemplated by the Plan, the Plan or such other documents will govern for all purposes.

The information contained in this Disclosure Statement has been provided by the Debtor, based upon its knowledge of its records, business and affairs, and Auctus, based on its review of such records and its projections concerning the future operations of the Debtor post-Effective Date. Except as otherwise expressly indicated, such information has not been subject to audit or independent review. Although great effort has been made to be accurate, neither the Proponents nor their respective professional advisors warrant the accuracy of the information contained in this Disclosure Statement. The Proponents are making the statements and providing the financial information contained in this Disclosure Statement as of the date of this Disclosure Statement, unless otherwise specifically noted.

No representations concerning the Debtor, including the value of its assets or the aggregate dollar amount of claims which may be allowed, are authorized other than as set forth in this Disclosure Statement. Any representations, warranties or agreements made to secure acceptance or rejection of the Plan that differ from those contained in this Disclosure Statement should not be relied upon in voting on the Plan. Any descriptions of legal principles contained in this Disclosure Statement do not constitute a legal opinion and may not be relied upon by any creditor or party in interest.

This Disclosure Statement does not constitute, and may not be construed as, an admission of fact, liability, stipulation, or waiver. The Debtor or any other authorized party may seek to investigate, file, and prosecute claims and may object to claims after the confirmation or effective date of the Plan irrespective of whether this Disclosure Statement identifies any such claims or objections to claims.

This Disclosure Statement has been prepared in accordance with Section 1125 of the Bankruptcy Code and Bankruptcy Rule 3016(b) and is not necessarily prepared in accordance with Federal or state securities laws or other similar laws. This Disclosure Statement has not been approved or disapproved by the United States Securities and Exchange Commission (the “SEC”) or any similar Federal, state, local, or foreign regulatory agency, nor has the SEC or any other agency passed upon the accuracy or adequacy of the statements contained in this Disclosure Statement. Any representation to the contrary is a criminal offense.

Upon confirmation of the Plan, certain of the securities described in this Disclosure Statement will be issued without registration under applicable securities law, or similar Federal, state, local, or foreign laws, in reliance on the exemption set forth in Section 1145 of the Bankruptcy Code. Other securities may be issued pursuant to other applicable exemptions under the Federal securities laws, including Section 4(a)(2) of the Securities Act of 1933, as amended, and Rule 506(d) promulgated thereunder. To the extent exemptions from registration under Section 1145 of the Bankruptcy Code or applicable Federal securities law do not apply, the securities may not be offered or sold except pursuant to a valid exemption or upon registration under the securities act. The Debtor makes statements in this Disclosure Statement that are considered forward-looking statements under Federal securities laws. The Debtor considers all statements regarding anticipated or future matters to be forward-

looking statements. Forward-looking statements may include statements about: (a) the Debtor's business and financial strategy; (b) the Debtor's financial condition, revenues, cash flows, and expenses, and the adequacy thereof; (c) the Debtor's levels of indebtedness, liquidity, and compliance with debt covenants; (d) the Debtor's budget, projections, and operating results; (e) the amount, nature, and timing of the Debtor's capital expenditures; (f) the availability and terms of capital; (g) successful results from the Debtor's operations; (h) the integration and benefits of asset and property acquisitions or the effects of asset and property acquisitions or dispositions on the Debtor's cash position and levels of indebtedness; (i) the Debtor's intellectual property and technology; (j) the costs of conducting the Debtor's other operations; (k) general economic and business conditions; (l) the effectiveness of the Debtor's risk management activities; (m) the outcome of pending and future litigation; (n) governmental regulation and taxation; (o) the introduction of new competitors into the Debtor's markets; (p) the uncertainty regarding the Debtor's future operating results; (q) risks in connection with acquisitions; (r) the potential adoption of new governmental regulations; and (s) the Debtor's ability to satisfy future cash obligations.

Statements concerning these and other matters are not guarantees of the Reorganized Debtor's future performance. There are risks, uncertainties, and other important factors that could cause the Reorganized Debtor's actual performance or achievements to be different from those it may project, and the Debtor undertakes no obligation to update the projections made in this Disclosure Statement.

Each holder of a Claim or Equity Interest should consult with its own advisors with respect to any legal, financial, securities, tax, or business advice in reviewing this Disclosure Statement, the Plan, and the proposed transactions contemplated thereby.

II. SUMMARY OF THE PLAN

The Plan contemplates that new capital will be raised that will provide for the payment of Allowed Claims under the Plan and the funding of the Reorganized Debtor's continued operations, including clinical trials and other steps necessary to continue the development of the Debtor's technology and intellectual property. The Plan provides for the satisfaction in full of all Allowed Secured Claims, Administrative Claims, Priority Claims and Priority Tax Claims, unless the holders of such Claims agree to different treatment. The holders of Allowed General Unsecured Claims will receive, at their election, either (a) Common Stock in exchange for their Allowed Claims, or (b) if they choose to provide financing to the Reorganized Debtor in an amount of not less than seventy-five percent (75%) of their respective Allowed Claims, a Convertible Plan Note for the amount of their respective Allowed Claims and a Secured Convertible Plan Note for the amount of financing they provide to the Reorganized Debtor, plus one Plan Warrant for each dollar of financing they provide to the Reorganized Debtor.

A summary of the types of Claims and the projected recovery for each type of Claim follows. A Claim is placed in a particular Class for the purpose of voting on the Plan, and only to the extent that such Claim is Allowed for voting purposes in that Class and such Claim has not been paid, released or otherwise settled prior to the Confirmation Date.

Type of Claim	Estimated Amount of Claim as of Petition Date	Plan Recovery	Voting Status
Administrative Claims	\$25,000.00	Paid in the ordinary course of business	N/A
Professional Fee Claims	\$82,500.00 ²	Paid in full	N/A
Priority Tax Claims	\$0	Paid in full	N/A
Class 1 Secured Claims of John Desmarais, Tuxis Trust and/or Phoenix Cell Group Holdings, LLC	Between \$357,000.00 and \$1,357,000.00 (Proponents contend only \$357,000 should be treated as Class 1 Secured Claims)	February 2020 Bridge Notes satisfied in full; Desmarais Note and Tuxis Trust Note treated as General Unsecured Claims unless otherwise ordered by the Bankruptcy Court	Impaired
Class 2 Priority Claims	\$85,000.00	Paid in full	Unimpaired
Class 3 General Unsecured Claims	\$14,796,000.00 (assumes approximately \$1.0 million of alleged Class 1 Secured Claims are treated as Class 3 General Unsecured Claims)	Receipt of Common Stock or convertible notes and warrants, at the election of the holder	Impaired
Class 4 Convenience Class Claims	\$70,000.00 (subject to election by creditors)	Lesser of 20% of Allowed Claim or \$6,000.00.	Impaired
Class 5 Equity Interests	N/A	Retention of Equity Interests, but cancellation of Anti-dilution Rights and put rights	Impaired

² This figure is the estimated amount of fees and expenses that will be incurred by the Debtor's retained professionals, i.e., Certilman Balin Adler & Hyman, LLP and K&L Gates, LLP, through August 31, 2020, net of a \$50,000.00 retainer held by Certilman and no less than \$272,500.00 funded or to be funded under the DIP Facility and held or to be held by the Debtor for the payment of allowed professional fees.

The description of the Claims and estimation of the recoveries set forth above does not constitute an admission that the claims are Allowed Claims. The recovery under the Plan is a projection and the Proponents reserve all of their rights, claims and defenses with respect to any and all Claims.

III. INFORMATION ABOUT THE REORGANIZATION PROCESS

3.1 Purpose of Disclosure Statement

This Disclosure Statement includes background information about the Debtor and also identifies the classes into which creditors have been placed by the Plan. The Disclosure Statement describes the proposed treatment of each of those classes if the Plan is confirmed. In addition, this Disclosure Statement contains information concerning the prospects for creditors in the event of confirmation or, in the alternative, the prospects if confirmation is denied or the proposed Plan does not become effective.

Upon approval by the Bankruptcy Court and in accordance with the provisions of the Bankruptcy Code, this Disclosure Statement and any exhibits will have been found to contain adequate information of a kind and in sufficient detail that would enable a reasonable, hypothetical investor, typical of a holder of impaired Claims or Equity Interests, to make an informed judgment about the Plan. Approval of this Disclosure Statement by the Bankruptcy Court, however, does not constitute a recommendation by the Bankruptcy Court either for or against the Plan.

3.2 Voting Procedure

All creditors and holders of Equity Interests entitled to vote on the Plan may cast their votes for or against the Plan by completing, dating, signing and causing the Ballot Form accompanying this Disclosure Statement to be returned to the following address in the enclosed envelope:

CERTILMAN BALIN ADLER & HYMAN, LLP
90 Merrick Avenue
East Meadow, NY 11554
Attn: Robert D. Nosek, Esq.

Ballots must be received **on or before 4:00 P.M. (Eastern Standard Time) on September 3, 2020** to be counted in the voting. Ballots received after this time will not be counted in the voting unless the Bankruptcy Court so orders.

3.3 Ballots

Accompanying this Disclosure Statement is a ballot for acceptance or rejection of the Plan (a "Ballot"). Each party in interest entitled to vote on the Plan will receive a Ballot. All Classes except Classes 2 (Priority Claims) are impaired and may vote on the Plan. Each member of a voting Class will be asked to vote for acceptance or rejection of the Plan and make whichever election is available to each voting Class. A party who holds Claims in more than one Class should complete a Ballot for each Class with respect to the applicable portion of its Claim included in each Class.

3.4 The Confirmation Hearing

The Bankruptcy Court has scheduled a hearing on confirmation of the Plan to commence on **September 10, 2020 at 11:30 a.m. (Eastern Standard Time)**, or as soon thereafter as the parties can be heard. The Confirmation Hearing will be held before the Honorable Robert E. Grossman, United States Bankruptcy Judge, by teleconference using Court Solutions (www.court-solutions.com), United States Bankruptcy Court for the Eastern District of New York, Alfonse M. D'Amato U.S. Courthouse, 290 Federal Plaza, Central Islip, NY 11722. At the hearing, the Bankruptcy Court will consider whether the Plan satisfies the various requirements of the Bankruptcy Code, including whether it is feasible and whether it is in the best interests of holders of Claims and Equity Interests. The Bankruptcy Court will also receive and consider a report of plan voting prepared by the Proponents and summarizing the votes for acceptance or rejection of the Plan by the parties entitled to vote.

3.5 Acceptances Necessary to Confirm Plan

At the Confirmation Hearing, the Bankruptcy Court must determine, among other things, whether each impaired Class has accepted the Plan. Under Section 1126 of the Bankruptcy Code, an impaired Class is deemed to have accepted the Plan if at least 2/3 in amount and more than 1/2 in number of the Allowed Claims of Class members who have voted to accept or reject the Plan have voted for acceptance of the Plan. Unless there is acceptance of the Plan by all members of an impaired Class, the Bankruptcy Court must also determine that Class members will receive under the Plan property of a value, as of the Effective Date, that is not less than the amount that such Class members would receive or retain if the Debtors were liquidated under Chapter 7 of the Bankruptcy Code on the Effective Date.

Section 7.2 of the Plan provides, in part: "If a Class contains Claims or Interests eligible to vote and no holders of Claims or Interests eligible to vote in such Class vote to accept or reject the Plan, the holders of such Claims or Interests in such Class shall be deemed to have accepted the Plan." Such "deemed acceptance" by an impaired class in which no class members submit ballots satisfies Section 1129(a)(10) of the Bankruptcy Code. See *In re Ruti-Sweetwater, Inc.*, 836 F.2d 1263 (10th Cir. 1988); *In re Adelphia Communications Corp.*, 368 B.R. 140, 260-262 (Bankr. S.D.N.Y. 2007).

3.6 Confirmation of the Plan without the Necessary Acceptances.

Section 1129(b) of the Bankruptcy Code allows a bankruptcy court to confirm a plan even if all impaired classes have not accepted it; provided that the plan has been accepted by at least one impaired class. Pursuant to Section 1129(b) of the Bankruptcy Code, notwithstanding an impaired class's rejection or deemed rejection of the plan, the plan will be confirmed, at the plan proponent's request, in a procedure commonly known as a "cramdown" so long as the plan does not "discriminate unfairly" and is "fair and equitable" with respect to each class of claims or equity interests that is impaired under, and has not accepted, the Plan.

If any Impaired Class rejects the Plan, the Proponents reserve the right to seek to confirm the Plan utilizing the "cramdown" provision of Section 1129(b) of the Bankruptcy Code. To the extent that any Impaired Class rejects the Plan or is deemed to have rejected the Plan, the Proponents may request Confirmation of the Plan, as it may be modified from time to time, under Section 1129(b) of the Bankruptcy Code. Auctus reserves the right to alter, amend, modify, revoke, or withdraw the Plan or any Plan Supplement document, including the right to amend or modify the Plan or any Plan Supplement document to satisfy the requirements of Section 1129(b) of the Bankruptcy Code.

A. No Unfair Discrimination.

The "unfair discrimination" test applies to classes of claims or interests that are of equal priority and are receiving different treatment under a plan. The test does not require that the treatment be the same or equivalent, but that treatment be "fair." In general, bankruptcy courts consider whether a plan discriminates unfairly in its treatment of classes of claims or interests of equal rank (e.g., classes of the same legal

character). Bankruptcy courts will take into account a number of factors in determining whether a plan discriminates unfairly. A plan could treat two classes of creditors differently without unfairly discriminating against either class.

B. Fair and Equitable Test.

The fair and equitable test applies to classes of different priority and status (*e.g.*, secured versus unsecured) and includes the general requirement that no class of claims receive more than 100 percent of the amount of the allowed claims in such class. As to each non-accepting class, the test sets different standards depending on the type of claims or interests in such class. As set forth below, the Proponents believe that the Plan satisfies the “fair and equitable” requirement, notwithstanding the fact that certain Classes may reject the Plan. There is no Class receiving more than a 100 percent recovery.

(1) Secured Claims.

The condition that a plan be “fair and equitable” to a non-accepting class of secured claims may be satisfied, among other things, if a debtor demonstrates that: (i) the holders of such secured claims retain the liens securing such claims to the extent of the allowed amount of the claims, whether the property subject to the liens is retained by the debtor or transferred to another entity under the plan; and (ii) each holder of a secured claim in the class receives deferred cash payments totaling at least the allowed amount of such claim with a present value, as of the effective date of the plan, at least equivalent to the value of the secured claimant’s interest in the debtor’s property subject to the liens.

(2) Unsecured Claims.

The condition that a plan be “fair and equitable” to a non-accepting class of unsecured claims includes the requirement that either: (i) the plan provides that each holder of a claim of such class receive or retain on account of such claim property of a value, as of the effective date of the plan, equal to the allowed amount of such claim; or (ii) the holder of any claim or any interest that is junior to the claims of such class will not receive or retain under the plan on account of such junior claim or junior interest any property unless the junior class provides “new value” or other consideration to the Debtor. If the class of unsecured claims accepts the Plan, then there is no prohibition on a junior claim or junior equity interest receiving or retaining property under the Plan. Creditors with Secured Claims do not have standing to assert that a plan’s treatment is not fair and equitable to unsecured creditors.

(3) Interests.

The condition that a plan be “fair and equitable” to a non-accepting class of interests includes the requirements that either: (i) the plan provides that each holder of an interest in that class receives or retains under the plan on account of that interest property of a value, as of the effective date of the plan, equal to the greater of: (1) the allowed amount of any fixed liquidation preference to which such holder is entitled; (2) any fixed redemption price to which such holder is entitled; (ii) the value of such interest; or (iii) if the class does not receive the amount as required under (i) no class of interests junior to the non-accepting class may receive a distribution under the plan.

The Proponents may, at their option, choose to rely on Section 1129(b) to seek confirmation of the Plan if it is not accepted by all impaired Classes of Creditors and Equity Interests.

IV. GENERAL INFORMATION

4.1 Description of the Debtor

A. The Debtor

The Debtor is a publicly traded company (Stock Symbol: BRTX) that develops therapeutic products and medical therapies using cell and tissue protocols, primarily involving adult stem cells. The Debtor’s website is at www.biorestorative.com. The Debtor is currently developing a Disc/Spine Program referred to as “brtxDISC”. Its lead cell therapy candidate, BRTX-100, is a product formulated from autologous (or a person’s own) cultured mesenchymal stem cells collected from the patient’s bone marrow. The product is intended to be used for the non-surgical treatment of painful lumbosacral disc disorders. In developing BRTX-100, the Debtor obtained an exclusive license (the “License”) to use patent-pending technology for investigational adult stem cell treatment of disc and spine conditions, including protruding and bulging lumbar 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 leg and foot. Moreover, that license also includes a patented investigational curved needle device that is a needle system designed to deliver cells and/or other therapeutic products or materials to the spine and discs. Also as part of that license, the Debtor sublicenses a part of the licensed intellectual property back to the licensor which results in yearly revenues. In 2019, that revenue totaled approximately \$130,000.

In February 2017, the Debtor received authorization from the Federal Drug Administration to commence a Phase 2 clinical trial investigating the use of BRTX-100, the Debtor’s lead cell therapy candidate, in the treatment of chronic lower back pain arising from degenerative disc disease. If the Debtor does not re-negotiate the time to complete the clinical trials, then the License may become non-exclusive, and it is possible that a competitor may obtain a license to develop the same stem cell treatment. However, the Debtor believes that the market for the product is very large and growing with room for multiple competitive participants.

The Debtor is also engaging in research efforts with respect to a platform technology utilizing brown adipose (fat) for therapeutic purposes to treat type 2 diabetes, obesity and other metabolic disorders and has labeled this initiative its *ThermoStem*TM Program. Further, the Debtor has licensed a patented curved needle device that is a needle system designed to deliver cells and/or other therapeutic products or material to the spine and discs or other potential sites. Patents related to the *ThermoStem*TM Program were issued, or are scheduled to be issued, to the Debtor by (i) the United States in September 2015, January 2019 and March 2020; (ii) Australia in April 2017 and October 2019; (iii) Japan in December 2017; and (iv) Israel in August 2019. Additionally, the Debtor was advised in April 2020 that a patent from the European Union was issued, with the company filing validations of that patent in the United Kingdom and eight different EU countries, including, but not limited Germany, Italy and France.

As of the Petition Date, the Debtor employed seven people, including three laboratory technicians. As of that date, the senior management of the Debtor was comprised of Mandy Clyde, Vice President of Operations and Secretary, Robert Paccasassi, as Vice President of Quality and Compliance, Francisco Silva, as Vice President of Research and Development, and Mark Weinreb as President and Chief Executive Officer. As of May 6, 2020, Ms. Clyde resigned from the company to pursue other employment opportunities. The board of directors of the Debtor (the “Board”) is comprised of Robert B. Catell, A. Jeffrey Radov, Paul Jude Tonna and Mark Weinreb, with Messrs. Catell, Radov and Tonna being “independent directors” based on the definition of independence in Listing Rule 5605(a)(2) The Nasdaq Stock Market and Rule 10A-3(b)(1) under the Exchange Act. The Proponents will disclose the identity of the post-Effective Date officers and directors of the Reorganized Debtor in the Plan Supplement.

The Debtor has a wholly owned subsidiary, Stem Pearls, LLC, which has no operations and did not file for bankruptcy protection.

As a development stage drug therapy company, the Debtor’s primary source of operating funds since inception has been equity and debt financings.

B. The Co-Proponent

Auctus is a private asset management firm, based in Boston, Massachusetts, that specializes in investing in small cap publicly traded companies. Although Auctus invests in all industries, the fund has a focus on healthcare. Auctus’ principals have over twenty-five (25) years of experience in structured investment and the capital markets.

4.2 The Debtor’s Assets

As of the Petition Date, the Debtor owned assets worth approximately \$933,652.00 at book value (i.e., after depreciation) which are comprised primarily of: (i) patents, trademarks and other intellectual property; (ii) cell lines; (iii) lab equipment; and (iv) office furniture and computers and equipment, excluding net operating losses. The Debtor’s assets, as well as its books and records, are located at the Debtor’s premises located at 40 Marcus Drive, Melville, New York, which the Debtor leases. The Debtor also has cell lines in laboratories at the University of Utah in Salt Lake City, Utah and the University of Pennsylvania in Philadelphia, Pennsylvania. Since the Petition Date, the Debtor has been informed that it has been granted four additional patents and has submitted applications for four new patents, all related to the *ThermoStem*TM Program. Detailed descriptions of the Debtor’s intellectual property, including its license with Regenerative Sciences, LLC, are available in its securities filings, which are publicly available at <https://www.sec.gov/edgar/search-and-access>.

4.3 The Debtor’s Liabilities³

Upon a motion by the Debtor, the Court entered an order establishing July 7, 2020 (the “Bar Date”), as the date by which all parties must file proofs of claim against the Debtors. The description of the Claims in this Disclosure Statement is based on the Debtor’s Schedules, but the Proponents have not reviewed the proofs of claim filed by creditors as of the date of this Disclosure Statement.

A. Pre-Petition Secured Claims

In June 2016, the Debtor borrowed \$500,000 from one of its members of its board of directors, John Desmarais (“Desmarais”), through a family trust, Tuxis Trust (“Tuxis”), by issuing Tuxis a promissory note secured by a lien on the Debtor’s intellectual properties and equipment, with that note thereafter amended on July 5, 2017, further amended on November 17, 2018, further amended on November 20, 2018, and further amended on December 17, 2019 (the “Tuxis Note”). As a result of the last amendment in December 2019, the maturity date of the Tuxis Note was extended to January 31, 2020. The lien securing the Tuxis Note was perfected within one (1) year of the Petition Date and, as a result, it appears that such lien is avoidable under Chapter 5 of the Bankruptcy Code.

³ The description of the claims set forth in this Disclosure Statement does not constitute an admission that the claims are Allowed Claims. The Proponents reserve all of their rights, claims and defenses with respect to any and all claims and/or any liens asserted to secure such claims.

In July 2017, the Debtor borrowed an additional \$175,000 from Desmarais, this time directly, by issuing Desmarais a promissory note secured by a lien on the Debtor’s intellectual properties and equipment, with that note amended on November 17, 2018, further amended on November 20, 2018, and further amended on December 17, 2019 (the “July 2017 Desmarais Note,” and collectively with the Tuxis Note, the “2016/2017 Notes”). The lien securing the July 2017 Desmarais Note was perfected within one (1) year of the Petition Date and, as a result, it appears that such lien is avoidable under Chapter 5 of the Bankruptcy Code. As a result of the last amendment in December 2019, the maturity date of the July 2017 Desmarais Note was extended to January 31, 2020. Both the June 2016 Desmarais Note and the July 2017 Desmarais Note matured on January 31, 2020. As of the Petition Date, the Debtor owed \$999,027.40 in the aggregate on the 2016/2017 Notes.

As described in more detail below, the Debtor borrowed new funds from Desmarais or through another of his entities, Phoenix Cell Group Holdings, LLC (“Phoenix”), in February 2020 totaling \$353,761.99, which the Debtor used to continue its operations during February 2020 through the Petition Date. The February 2020 borrowing was comprised of a promissory note dated February 20, 2020, in the amount of \$320,200.49, secured by substantially all of the Debtor’s assets, and a promissory note dated February 26, 2020 in the amount of \$33,561.50, also secured by substantially all of the Debtor’s assets (collectively, the “February 2020 Bridge Notes”). As of the Petition Date, the Debtor owed Desmarais \$356,836.03 on account of the February 2020 Bridge Notes.

B. Administrative Claims

Since the Petition Date, the Debtor has been paying its obligations in the ordinary course of business, and the Proponents do not expect to have any material Administrative Claims arising from the Debtor’s post-petition operations. The Debtor’s bankruptcy counsel estimates that its accrued and unpaid professional fees will be approximately \$82,500 on the Effective Date net of the \$50,000.00 retainer and funds set aside for the payment of the Debtor’s retained professionals under the DIP Facility. The Debtor’s special patent counsel is being paid from the DIP Facility (described below) and the Proponents therefore do not anticipate any material Administrative Claim for the Debtor’s special counsel.

C. Unsecured Claims

As of the Petition Date, exclusive of payroll obligations, the Debtor's unsecured liabilities were approximately \$13,797,835. Those liabilities, exclusive of employee related obligations, are comprised of (i) convertible promissory note debt in the aggregate amount of \$10,101,493, including interest and fees; (ii) convertible promissory note debt held by current insiders, in the aggregate amount of \$156,542; (iii) non-convertible promissory note debt, excluding the 2016/2017 Notes and the February 2020 Bridge Notes, in the aggregate amount of \$481,050, (iv) rent and additional rent arrears to the Debtor's landlord in the amount of \$50,686; (v) unpaid amounts under a services agreement concerning an animal study in the amount of \$15,409; and (vi) other unsecured trade debt other operating debt totaling approximately \$2,991,792. If the liens securing the 2016/2017 Notes are avoided, then the Debtor's unsecured debt would increase by approximately \$999,027.

As of the Petition Date, the Debtor owed its non-officer employees salaries of approximately \$13,333, and officers \$43,260 for the most recent pay period running from March 1, 2020 through and including March 15, 2020. Thus, the total payroll accrued but unpaid as of the Petition Date totaled approximately \$60,923, inclusive of the associated taxes to be withheld from the employees or otherwise paid by the employer. Additionally, as of the Petition Date, the Debtor owed its employees and officers for expense reimbursements, a pre-petition severance claim, unused vacation time and unpaid salary totaling approximately \$210,783. Some portion of these amounts is likely entitled to priority treatment under Section 507 of the Bankruptcy Code.

D. Equity Interests

Under the Plan, existing stock in the Debtor will be retained by the holders of Allowed Equity Interests. In addition to issuing stock, prior to the Petition Date the Debtor entered into various warrants, puts, subscription agreements and other related agreements for the purchase, sale or subscribe to shares of the Debtor. Under the Plan, all pre-Petition Date warrants and options will also be retained by the holders thereof; provided, however, (i) all holders of Equity Interests shall have any and all of their Anti-dilution Rights extinguished and cancelled; (ii) all holders of Equity Interests shall have any and all of their rights to sell or put shares to the Debtor extinguished and cancelled; and (iii) if Class 3 and/or Class 4 vote to reject the Plan, the Equity Interests in the Debtor shall be cancelled. The Plan contemplates that the Debtor's authorized shares will be increased in conjunction with the exchange of debt for equity and the funding contemplated under the Plan. Equity Interests shall be deemed Allowed based on the records maintained by the Debtor and the Debtor's transfer agent absent a Final Order of the Bankruptcy Court to the contrary.

E. Pre-Petition Litigation

Prior to the Petition Date, an action was commenced against the Debtor, *Coventry Enterprises, LLC v. BioRestorative Therapies, Inc.*, CV-20-00703 (the "Coventry Action"), filed in the United States District Court for the Eastern District of New York (the "District Court") that continued to be pending at the Petition Date. In that action, the plaintiff⁴ held unsecured convertible notes issued by the Debtor which those parties were attempting to convert into common shares of the Debtor under the terms of those notes. The complaint accused the Debtor of, among other things, not having sufficient shares of common stock reserved which allegedly prevented the conversion of such notes, and sought to compel the Debtor to release shares so that conversion of those notes could occur. The Debtor filed an answer to that complaint. On March 11, 2020, the District Court granted the plaintiff's request for a preliminary injunction and issued an order for specific performance and equitable relief directing the Debtor to take certain steps to address, including, but not limited to, having the Debtor's board of directors consider and, allegedly, implement a 1,000 to 1 reserve stock split. On March 18, 2020, at a special meeting of the board of directors, the Debtor's board approved taking action consistent with the Court's directives, subject to having funds available to effectuate such actions. Notwithstanding that outcome, the Debtor's bankruptcy filing was not predicated on the existence of this action or the outcome thereof.

⁴ Several allegedly similarly situated convertible note holders, Power Up Lending, Auctus, Eagle Equities, LLC and EMA Financial, LLC, sought, and were permitted by the District Court, to intervene in and join the Coventry Action.

As a result of the Debtor's bankruptcy filing, the Coventry Action was stayed by operation of law, with the District Court entering an order staying the case on March 23, 2020.

4.4 Events Precipitating the Bankruptcy Case

Subsequent to the FDA issuing its approval for the Debtor to commence a Phase 2 trial of BRTX-100, the Debtor engaged in efforts to raise funds sufficient to start such trial. While the Debtor had some success raising funds in order to sustain its operations, those efforts were not successful in raising sufficient funds to commence the Phase 2 trial. The Debtor's efforts continued during the year prior to the Petition Date, with the Debtor directly and through retained professionals reaching out to numerous persons and entities, including individuals, medical device companies, healthcare funds, cell therapy companies, and pharmaceutical companies, in an attempt to summon interest by these entities to make a financial commitment to the Debtor's programs through primarily licensing or purchasing structures. Those discussions targeted a plethora of industries and the full range of company sizes and value. There was no interest in acquiring outright any of the Debtor's programs or technology, or the Company itself. In addition, the Debtor was advised that any potential interest in the technology would only occur after a successful clinical trial of BRTX-100 (which the Debtor has yet to start and is unable to commence due to a lack of funding). After contacting over 70 parties involved in degenerative disc disease, back pain, devices to treat the spine and general regenerative medicine, no parties expressed adequate interest to offer any indication to partner, acquire or license any of the Debtor's programs.

On January 10, 2020, Desmarais resigned from the Debtor's board of directors. With the 2016/2017 Notes maturing on January 30, 2020, Desmarais advised the Debtor that such maturity dates would not be extended, but that he would forebear from calling a default and enforcing his rights under those notes. Subsequent to the maturity of the 2016/2017 Notes, the Debtor received an offer from Desmarais, for the Debtor to sell all or substantially all of the Debtor's assets, including, but not limited to, its owned intellectual properties and licenses of other intellectual properties and goodwill, as a going concern (collectively, the "Sale Assets") through an orderly, competitive bid and sale process (the "Sale") to Phoenix as part of a chapter 11 bankruptcy filing, subject to higher or better offers and Bankruptcy Court approval.

That offer (the “Phoenix Offer”) was thereafter negotiated by the Debtor and Phoenix and culminated in the execution of a stalking horse asset purchase agreement (the “Stalking Horse APA”), as further amended, which provided for the purchase by Phoenix of the Sale Assets, subject to the approval of this Bankruptcy Court and higher or better offers.

To facilitate the Debtor’s ongoing operations until the consummation of the Sale, Phoenix also agreed to provide debtor in possession financing sufficient to maintain operations of the Debtor, pay for the operating and administrative costs of the case according to an agreed upon budget, and implement the Sale process. Accordingly, the Phoenix Offer contemplated the continuation of the Debtor’s business without any corresponding liabilities, and did not provide for a forced liquidation sale of the Sale Assets in pieces.

The February 2020 Bridge Notes funding was made so that the Debtor could continue to operate as a going concern while definitive documents for the proposed sale and DIP Facility, as well as documents necessary to commence a chapter 11 filing, were prepared. After considering available options within the context of the status of the Debtor’s operations and inability to secure sufficient funding at that time, the Debtor determined in its business judgment to accept Phoenix’ offers to purchase the Sale Assets under the Stalking Horse APA, subject to the Bankruptcy Court’s approval and higher or better offers, and to fund the Sale process under 11 U.S.C. § 363(b) and (f) with the DIP Facility, subject to entry of both an order of the Court approving the DIP Facility on an interim basis and the Bid Procedures Order.

Absent the Sale of the Sale Assets under the proposed Stalking Horse APA, the Debtor and its board of directors determined it was unlikely that the Debtor would be able to prevent Desmarais from foreclosing on the Debtor’s assets which would have eliminated any ability to provide any material amount of money to its unsecured creditors. Moreover, the Phoenix Offer preserved the going concern value of the Sale Assets and avoided a possible chapter 7 bankruptcy filing in which going concern value would have been materially impacted and subjected the Sale Asset to forced liquidation value realizations. The Debtor believed no further purpose would have been served in maintaining the Debtor’s operations for a prolonged period beyond the Sale process without additional funding and incurrence of the extra cost and expense of seeking to reorganize the Debtor’s business due to its stage in business development, which relies on debt and/or equity investments to fund operations. The Debtor strongly believed that the Sale Assets needed to be sold as quickly as possible in order to preserve the going concern value of those Assets for the benefit of the Debtor, its creditors and its Estate. This bankruptcy case followed and was commenced on the Petition Date.

V. SIGNIFICANT POST PETITION EVENTS

5.1 General Information

The Debtor’s voluntary chapter 11 petition was filed on March 20, 2020. The Debtor continues to operate as a debtor and debtor-in-possession pursuant to Sections 1107 and 1108 of the Bankruptcy Code. As of the Petition Date and thereafter, the Debtor, as debtor in possession, has been authorized to manage its business and its assets in the ordinary course of business without specific Bankruptcy Court authorization. The Debtor selected Certilman Balin Adler & Hyman, LLP (“Certilman”) as its general bankruptcy counsel, and K & L Gates, LLP (“K&L Gates”) as its special intellectual properties counsel. The employment of Certilman was approved by the Bankruptcy Court on May 5, 2020, effective as of the Petition Date (ECF Doc. No. 60). The employment of K&L Gates was approved by the Bankruptcy Court on June 24, 2020, effective as of the Petition Date (ECF Doc. No. 68).

Because of the Debtor’s financial state and the amount of money Desmarais was willing to lend under the proposed DIP Facility in accordance with a proposed DIP operating budget, the Debtor commenced this case and sought to run the Sale process and close within the thirteen weeks provided for in the DIP budget. In order to do so, the Debtor sought emergency approval of the bidding and notice procedures and approval of the DIP Facility so that the sale process could start forthwith.

5.2 Chapter 11 Activity

On the Petition Date, the Debtor filed the following motions seeking relief critical to avoid irreparable harm to the Debtor and its business (collectively, the “First Day Motions”). On March 26, 2020, the Bankruptcy Court conducted an emergency hearing to consider the First Day Motions designed to facilitate the Debtor’s transition into chapter 11 by approving certain regular business practices that may have not been specifically authorized under the Bankruptcy Code and/or required specific Bankruptcy Court approval.

- A. Debtor's Emergency Motion for Orders (1) Authorizing Debtor to (A) Obtain Post-Petition Secured, Superpriority Financing Pursuant to 11 U.S.C. §§ 105, 361, 362, 363 AND 364; (B) Use of Cash Collateral Pursuant to 11 U.S.C. §§ 105 AND 363; (2) Granting Adequate Protection to Pre-Petition Secured Creditors Pursuant to 11 U.S.C. §§ 361, 362, 363 AND 364; (3) Scheduling a Final Hearing and Establishing Notice Requirements Pursuant to Bankruptcy Rules 2002 and 4001; and (4) Granting Related Relief* [ECF Doc. No. 10], as supplemented (the “DIP Facility Motion”).

The DIP Facility Motion requested authority for the Debtor to borrow up to approximately \$1.3 million from Phoenix during its chapter 11 case on an interim and final basis. After hearings on March 26, 2020 and April 3, 2020 and concerns raised by the Office of the United States Trustee, Auctus and several other creditors and parties in interest and the Court as to the Sale, including that such sale should be done through a plan process for approval, Phoenix ultimately declined to further amend the proposed DIP Facility without the Bankruptcy Court ruling on whether or not to grant the DIP Facility Motion. Thereafter, Auctus proposed a smaller DIP facility of approximately \$713,000 under a 13-week budget to the Debtor conditioned upon, among other things, the Debtor abandoning the proposed Sale and continuing as a going concern. The Debtor and its board of directors evaluated the Auctus funding proposal and, in its business judgment, agreed to accept Auctus’ funding and open up the reorganization plan process to all parties in interest. On April 22, 2020, the Debtor filed a supplement to the DIP Facility Motion [ECF Doc. No. 50] that replaced the proposed funding from Phoenix with the proposed funding from Auctus, and the Bankruptcy Court held an emergency hearing on the Auctus DIP Facility on April 23, 2020. On April 24, 2020, the Bankruptcy Court entered an emergency order approving a portion of the Auctus DIP Facility on an interim basis [ECF Doc. No. 53]. That funding was approved on a final basis at the conclusion of the adjourned hearing on May 11, 2020, with the final order entered by the Court on June 19, 2020 [ECF Doc. No. 67]. As of July 31, 2020, Auctus fully funded the approximately \$713,000 of the Auctus DIP Facility, and the Bankruptcy Court has approved the extension of that facility for an additional eight (8) weeks with an additional funding of approximately \$401,000 on substantially the same terms as currently exist.

B. Debtor's Motion for Entry of an Order Authorizing Debtor to Pay Its Prepetition Insurance Obligations and Maintain Its Postpetition Insurance Coverage [ECF Doc. No. 11] (the "Insurance Motion").

The Insurance Motion sought authority to continue the Debtor's various insurance policies, including commercial liability, workers compensation and director and officer coverage (the "D&O Policy"). At the conclusion of the March 26, 2020 hearing, the Bankruptcy Court approved the Insurance Motion as to all of the Debtor's insurance policies except as to the D&O Policy on an interim basis, and after a final hearing on April 23, 2020, on a final basis as to all of those policies except the D&O Policy.

C. Debtor's Motion for Entry of Interim and Final Orders Authorizing Payment of Certain Prepetition Accrued Wages, Salaries, and Related Taxes and Employee Benefits, and Authorizing and Directing Bank to Honor Employee Wage and Salary Checks [ECF Doc. No. 12] (the "Wages Motion").

The Wages Motion sought authority to pay certain pre-petition wages, salaries, commissions, and related benefits due to the Debtor's employees (collectively, the "Wages"). The Debtor sought this relief out of concern that, if the Wages were not paid on a timely basis, the Debtor's employees might leave and attempt to find work elsewhere. None of the Wages approved were greater than the statutory limit of \$13,650.00 as provided under Bankruptcy Code § 507.

The Bankruptcy Court approved the Wages Motion on a final basis on the record at the conclusion of the April 23, 2020 hearing, and the Debtor paid its employees a total of approximately \$10,000 in Wages.

D. The Sale Motion

Separate from the First Day Motions, the Debtor also filed a motion seeking to approve the Sale [ECF Doc. Nos. 30, 31] (the "Sale Motion"). After discussions with the Court and hearing concerns from the Office of the United States Trustee, Auctus and other creditors and parties in interest during the hearing on April 3, 2020, as well as a hearing on April 20, 2020 on an order to show cause issued by the Bankruptcy Court on April 14, 2020, as to why the Debtor's case should not be converted or dismissed [ECF Doc. No. 40], the Debtor did not move forward with prosecution of the Sale Motion. Rather, the Debtor pivoted to accepting the Auctus DIP Facility and continuing as a going concern while it attempts to reorganize.

E. Post-Petition Operations

Through the post-petition restructuring process, the Debtor has maintained its talent and reputation in the market place. The Debtor has tightened expenses in all areas and continued its research and development of its *ThermoStem*TM Program. Those particular efforts contributed to submitting four patent applications. The Debtor has been advised post-petition that it has been awarded four patents for various aspects of that program, and filed to validate one of those patents issued by the European Union in the United Kingdom and eight member states of the EU. It also completed a pilot animal study and began collecting and evaluating data from that research. The Debtor has also continued to pursue grant money which, if awarded, could provide additional funding to the Debtor.

F. Projected Post-Effective Date Operations

In the event the proposed Plan is confirmed, the Reorganized Debtor's operations following the Effective Date will be funded by the financing obtained pursuant to Sections 4.3(c)(ii) and 5.2 of the Plan, both before and after confirmation of the Plan. Provided that at least \$2,000,000 in other financing is raised prior to confirmation of the Plan, Auctus has agreed to provide financing of \$3,000,000, less the DIP Obligation and the Plan Costs. After the payment of amounts due on the Effective Date (detailed above), the Proponents project that the Reorganized Debtor will have at least approximately \$3,000,000 to fund its post-Effective Date operations, which will provide funding for the Reorganized Debtor to operate for more than a year. Following the Effective Date, the Reorganized Debtor intends to become current with its securities filings, maintain itself as a publicly traded company and seek to become up-listed onto the NASDAQ stock exchange. The Reorganized Debtor will further seek to raise additional financing, pursuant to Section 5.2 of the Plan, to proceed with clinical trials for its *ThermoStem*TM Program and for BRTX-100 program.

VI. DESCRIPTION OF THE PLAN

The following is a summary of the significant provisions of the Plan and is qualified in its entirety by the provisions of the Plan, a copy of which accompanies this Disclosure Statement. In the event and to the extent that the description of the Plan contained in this Disclosure Statement is inconsistent with any provisions of the Plan, the provisions of the Plan shall control and take precedence. All creditors are urged to carefully read the Plan.

6.1 Unclassified Claims.

As provided in Section 1123(a)(1) of the Bankruptcy Code, Administrative Expense Claims and Priority Tax Claims are not classified for the purposes of voting on, or receiving distributions under, the Plan. All such Claims are instead treated separately in accordance with the terms set forth in Article II of the Plan.

A. Administrative Expense Claims.

(1) General. Except for Professional Fee Claims and except as otherwise agreed to by the Debtor and the holder of an Allowed Administrative Expense Claim, each such holder shall be paid in full in Cash on the later of: (i) the date such Allowed Administrative Expense Claim becomes due in accordance with its terms; and (ii) the Effective Date.

(2) U.S. Trustee's Fees. The outstanding fees due to the United States Trustee pursuant to 11 U.S.C. § 1930 shall be paid in full on or before the Effective Date.

(3) Professional Compensation and Expense Reimbursement Claims.

- (i) Within thirty (30) days after the Effective Date, each Professional shall file a final application for the allowance of compensation for services rendered or reimbursement of expenses incurred through and including the Effective Date. Any such application granted by the Bankruptcy Court shall be paid: (1) within fifteen days of the entry of the order of the Bankruptcy Court approving such application, unless a stay of the order approving the application is obtained; or (2) upon such other terms as may be mutually agreed upon between the Professional and the Debtor or Reorganized Debtor.
- (ii) All fees and expenses of Professionals for services rendered after the Effective Date shall be paid by the Reorganized Debtor upon receipt of reasonably detailed invoices in such amounts and on such terms as such Professional and the Reorganized Debtor may agree. No further order or authorization from the Bankruptcy Court shall be necessary to permit the Reorganized Debtor to pay the fees and expenses of Professionals for services rendered after the Effective Date.

(4) **DIP Obligation.** The DIP Obligation shall, in accordance with Section 1145(a)(1) of the Bankruptcy Code, and pursuant to Section 5.2 of the Plan, be exchanged on or promptly after the Effective Date for a Secured Convertible Plan Note in an amount equal to one hundred percent (110%) of the DIP Obligation.

B. Priority Tax Claims.

Each holder of an Allowed Priority Tax Claim against the Debtor, if any, shall be paid, at the sole election of the Debtor, either: (a) upon such terms as may be agreed to between the Debtor and the holder of an Allowed Priority Tax Claim; (b) in full in Cash on the Effective Date; or (c) in installment payments of Cash commencing on the Effective Date and (i) of a total value as of the Effective Date equal to the Allowed amount of such Claim, (ii) over a period ending not later than five (5) years from the Petition Date, and (iii) in a manner not less favorable than the most favored General Unsecured Claim under the Plan.

6.2 Classification.

The Claims against and Equity Interests in the Debtors are categorized below pursuant to Sections 1122 and 1123(a)(1) of the Bankruptcy Code. A Claim or Equity Interest is classified in a particular Class only to the extent that the Claim or Equity Interest qualifies within the description of that Class, and is classified in other Classes to the extent that any portion of the Claim or Equity Interest falls within the description of such other Classes. A Claim is placed in a particular Class for the purpose of voting on the Plan, and only to the extent that such Claim is Allowed for voting purposes in that Class and such Claim has not been paid, released or otherwise settled prior to the Effective Date.

Class	Designation	Impairment	Entitled to Vote
1	Secured Claims of John Desmarais, Tuxis Trust and/or Phoenix Cell Group Holdings, LLC	Impaired	Yes
2	Priority Claims	Unimpaired	No
3	General Unsecured Claims	Impaired	Yes
4	Convenience Class Claims	Impaired	Yes
5	Equity Interests	Impaired	Yes

6.3 Class 1 – Secured Claims of John Desmarais, Tuxis Trust and/or Phoenix Cell Group Holdings, LLC.

A. **Classification.** Class 1 shall consist of the Secured Claims against the Debtor held by John Desmarais, the Tuxis Trust and/or Phoenix Cell Group Holdings, LLC.

B. **Impairment and Voting.** Class 1 is impaired under the Plan and the holder of the Class 1 Secured Claims shall be entitled to vote to accept or reject the Plan.

C. **Claim Treatment.** In full and final satisfaction, settlement, discharge and release of the Allowed Class 1 Secured Claims, the holders of such Claims shall receive the following:

- (i) **February 2020 Bridge Notes Allowed Secured Claims.** The holder of the Allowed Secured Claims arising from the February 2020 Bridge Notes shall receive, at the sole option of Auctus, one of the following: (1) payment in full of such Claim by monthly payments of principal and interest, based on an interest rate of four and one quarter percent (4.25 %) per annum and a twenty (20) year amortization schedule, with all unpaid principal and interest due at the end of the sixtieth (60th) month following the Effective Date, provided that, the outstanding amount due may be pre-paid at any time without penalty, with such payments to commence on the first day of the first full month following the Effective Date; (2) cash on the Effective Date equal to the amount of the Allowed Secured Claims arising from the February 2020 Bridge Notes; (3) a Secured Convertible Plan Note in the amount of the Allowed Secured Claims arising from the February 2020 Bridge Notes; (4) such treatment as is agreed upon in writing between the Proponents and the holder of the Allowed Secured Claims arising from the February 2020 Bridge Notes; or (5) the treatment, as determined by the Bankruptcy Court, necessary to provide the holder of the Allowed Secured Claims arising from the February 2020 Bridge Notes with the indubitable equivalent of such Claim. The Proponents believe that the amount that may be subject to this treatment is comprised of two loans that total approximately \$357,000.
- (ii) **Claims Secured by Avoidable Liens.** Unless otherwise ordered by the Bankruptcy Court, the Claims arising from the Desmarais Note and the Tuxis Note that are secured by Liens that were granted by the Debtor and/or perfected within one (1) year of the Petition Date: (1) shall be treated as Class 3 General Unsecured Claims, (2) shall not constitute Class 1 Allowed Secured Claims, and (3) the Liens securing such Claims shall be canceled, discharged and released pursuant to Article IX of the Plan. There are two loans, one by John Desmarais in the amount of approximately \$245,000 and one by the Tuxis Trust in the approximate amount of \$754,000, which will receive this treatment. If and to the extent that the Bankruptcy Court does not enter an order avoiding the

liens that allegedly secure the Claims arising from the Desmarais Note and the Tuxis Note, then the Reorganized Debtor will be required to treat such Claims as Class 1 Secured Claims.

D. Acceptance of Plan. Notwithstanding Section 4.1(c)(i) of the Plan, if the holder of the Allowed Secured Claims arising from the February 2020 Bridge Notes irrevocably votes to accept the Plan, the holder of such Allowed Claim may elect to receive either the treatment set forth in Section 4.1(c)(i)(2) of the Plan, or the treatment set forth in Section 4.1(c)(i)(3) of the Plan.

6.4 Class 2 – Priority Claims.

Claim Treatment. In full and final satisfaction, settlement, discharge and release of the Allowed Priority Claims, the holders of the Allowed Priority Claims shall be paid in full in Cash either: (i) in accordance with any pre-petition agreements between the holder of the Allowed Priority Claim and the Debtor, (ii) on the later to occur of the Effective Date or the date the Claim becomes an Allowed claim, or (iii) in accordance with any post-Petition Date agreement between the claimant and the Debtor.

6.5 Class 3 – General Unsecured Claims.

Claim Treatment. In full and final satisfaction, settlement, discharge and release of the Allowed General Unsecured Claims, each holder of an Allowed General Unsecured Claim shall receive, at the election of the holder of such Allowed Claim, on or promptly after the Effective Date, or such other date after the Effective Date as provided for herein, one of the following:

(a) In accordance with Section 1145(a)(1) of the Bankruptcy Code and subject to the Leak Out Restriction, shares of Common Stock in the Reorganized Debtor in an amount equal to the Allowed amount of the General Unsecured Claim multiplied by one-hundred (100); or

(b) Provided that the holder of the Allowed General Unsecured Claim provides Cash to the Reorganized Debtor after the Effective Date equal to not less than the Financing Amount:

(1) in accordance with Section 1145(a)(1) of the Bankruptcy Code, in exchange for its Allowed General Unsecured Claim, and subject to the Leak Out Restriction, a Convertible Plan Note equal to the amount of the Allowed General Unsecured Claim; and

(2) pursuant to and in reliance on Section 4(a)(2) of the Securities Act of 1933, as amended, and Rule 506(d) promulgated thereunder, (a) a Secured Convertible Plan Note equal to the Financing Amount; and (b) one Plan Warrant for each dollar of Financing Amount.

(c) Election. In the event that the holder of an Allowed General Unsecured Claim does not, when voting on the Plan, elect which treatment it will receive under Section 4.3(c) of the Plan, such holder shall make the election prior to the Effective Date or such later date as may be agreed upon by Auctus, barring which such holder shall receive the treatment set forth in Section 4.3(c)(i) of the Plan.

(d) Execution of Documents. Any holder of a General Unsecured Claim who elects the treatment provided for in Section 4(c)(ii) of the Plan shall, prior to the hearing on confirmation of the Plan or such later date as may be approved by Auctus, execute (i) an investor questionnaire, (ii) a commitment, in the form of a subscription agreement or other agreement acceptable to Auctus, (ii) an escrow agreement and (iii) such other documents customarily required for such a financing and as may be reasonably requested by Auctus. Such holder may be required to place the Financing Amount in escrow prior to the hearing on confirmation of the Plan; provided, however, that both (i) the release of the Financing Amount from escrow and (ii) the purchase, sale and issuance of the Convertible Plan Note, the Secured Convertible Plan Note and the Plan Warrants shall not occur until after the occurrence of the Effective Date.

6.6 Class 4 – Convenience Class Claims.

Claim Treatment. In full and complete satisfaction, settlement, release and discharge, each holder of an Allowed Convenience Class Claim shall receive, in Cash, upon the later to occur of the Effective Date or the date such Claim becomes an Allowed Claim, the lesser of:

(a) Twenty percent (20%) of the holder's Allowed Claim; or

(b) \$6,000.00.

Election. Any creditor with an Allowed Claim may elect to become an Allowed Convenience Class Claim by doing so on the ballot approved by the Bankruptcy Court not later than the deadline for voting on the Plan.

6.7 Class 5 – Equity Interests.

The holders of Allowed Equity Interests in the Debtor shall retain such interests, provided, however, that: (i) all holders of Equity Interests shall have any and all of their Anti-dilution Rights extinguished and cancelled; (ii) all holders of Equity Interests shall have any and all of their rights to sell or put shares to the Debtor extinguished and cancelled; and (iii) if Class 3 and/or Class 4 vote to reject the Plan, the Equity Interests in the Debtor shall be cancelled.

6.8 Reservation of Rights With Respect to Claims.

The Proponents reserve the right to, among other things, (a) contest the right of the holder of any Claim to vote on the Plan, or designate the vote of the holder of any Claim, (b) contest the right of the holder of any Claim to receive distributions under the Plan, (c) seek to subordinate any Claim for inequitable conduct or otherwise, and (d) seek to estimate any claim for any purposes under the Plan.

6.9 Plan Implementation.

The Plan and the Reorganized Debtor's post-Effective Date operations will be funded from the cash received in exchange for Secured Convertible Plan Notes, including the Minimum Contribution, and from any other financing as may be authorized pursuant to the Reorganized Debtor's Organization Documents or applicable law. Upon the Effective Date, the Reorganized Debtor is authorized to take all action permitted by their Organization Documents (as amended) and by the law, including, without limitation, to use their Cash and other Assets for all purposes provided for in the Plan and in its operations, to the borrow funds, to refinance its Secured obligations, to grant liens on its unencumbered Assets, and to sell its existing Assets. Any Assets sold by the Reorganized Debtor to fund the Plan shall be transferred, assigned or otherwise conveyed to the buyer free and clear of all liens, claims, encumbrances and interests, with such liens, claims, encumbrances and interests to attach to the Net Proceeds of the sale to the same extent, priority and validity as is set forth in the Plan.

Following the Effective Date, Lance Alstodt will be the interim Chief Executive Officer and the interim Chief Financial Officer of the Reorganized Debtor. The Reorganized Debtor's board of directors will consist of Lance Alstodt and Francisco Silva; provided that the board of directors may be expanded and/or changed as a result of among other things, new funding raised for the Debtor. Mr. Alstodt's salary will be \$225,000, plus other forms of consideration to be negotiated and consistent with emerging growth publicly traded biopharma companies.

6.10 Secured Convertible Plan Notes.

Any entity that is an Accredited Investor, as that term is defined in 17 CFR § 230.501, and has provided all documents customarily required to demonstrate such status, may, subject to the approval of Auctus, provide financing to the Reorganized Debtor prior to or after the Effective Date, in increments of \$1,000.00, in exchange for which the entity providing the financing shall receive a Secured Convertible Plan Note in the amount of such financing and one Plan Warrant for each dollar of such financing; provided that, in no event shall such financing exceed the Financing Cap (\$15,000,000.00) absent the express consent of Auctus. If the financing provided under Section 4.3(c)(ii) and Section 5.2 of the Plan exceeds the Financing Cap, then Auctus shall have the right to limit the financing provided by any single holder of an Allowed General Unsecured Claim to an amount equal to seventy-five percent (75%) of such Allowed General Unsecured Claim. Auctus shall have the right to choose which entities may provide financing under Section 5.2 of the Plan. In consideration of the Minimum Contribution, Auctus shall receive two or more Secured Convertible Plan Notes in an amount equal to one-hundred ten percent (110%) of the aggregate of the Minimum Contribution, the DIP Obligation and the Plan Costs. The Secured Convertible Plan Note received by Auctus in exchange for the DIP Obligation in an amount equal to one hundred ten percent (110%) of the DIP Obligation shall be issued in accordance with Section 1145(a)(1) of the Bankruptcy Code. Auctus shall also receive a Secured Convertible Plan Note for any amount of financing it provides to the Debtor in excess of the Minimum Contribution. One condition to the Minimum Contribution is that the Debtor shall have received commitments for new financing, not including the Minimum Contribution, pursuant to Sections 4.3(c)(ii) and/or 5.2 of the Plan, in an amount of not less than \$2,000,000.00, to be funded as soon as practicable following the Effective Date.

6.11 Revesting of Property.

Except as otherwise provided in the Plan, the Reorganized Debtor shall, as of the Effective Date, be vested with all of the Assets of the Debtor.

6.12 Preservation and Resolution of Causes of Action.

Except as provided in, and unless expressly waived, relinquished, exculpated, released, compromised or settled in the Plan, the Confirmation Order, any Final Order, or in any contract, instrument, release or other agreement entered into or delivered in connection with the Plan, the Reorganized Debtor will exclusively retain and may enforce, and the Debtor and the Reorganized Debtor expressly reserve and preserve for these purposes, in accordance with Sections 1123(a)(5)(A) of the Bankruptcy Code, any Claims, demands, rights and Causes of Action that the Debtor or the Estate may hold against any person or entity. No preclusion doctrine, including, without limitation, the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable or otherwise) or laches shall apply to them by virtue of or in connection with the confirmation or consummation of the Plan. After the Effective Date and except as otherwise provided in the Plan, the Reorganized Debtor is authorized, without further Bankruptcy Court order, to compromise, settle and/or otherwise dispose of any Causes of Action.

6.13 Default.

No event of default under the Plan or any Plan Documents shall occur unless, in the event of a breach of the Debtor's or the Reorganized Debtor's obligations under the Plan, the holder of the Allowed Claim asserting the default shall provide written notice of such breach to the Reorganized Debtor and such breach is not cured: (a) in the event of a breach that can be cured by the payment of a sum of money, within ten (10) Business Days of the Reorganized Debtor's receipt of such notice; and (b) for any other breach, within thirty (30) days of the Reorganized Debtor's receipt of such notice, provided that, if such non-monetary breach cannot reasonably be cured within such 30-day period and the Reorganized Debtor has commenced curing such breach and continue to cure such breach, the thirty (30) day period shall be extended for such time as is reasonably necessary to cure such breach.

6.14 Allowance of Claims; Distributions.

Section 6.2(a) of the Plan provides for the objection to and allowance of Claims against the Debtor, as well as the procedures for making distributions to the holders of Allowed Claims.

6.15 Assumption of Executory Contracts and Unexpired Leases.

Pursuant to Sections 1123(b)(2) and 365(a) of the Bankruptcy Code, any executory contract or unexpired lease (excluding insurance policies) that (i) has not expired by its own terms on or prior to the Confirmation Date, (ii) has not been assumed, assumed and assigned or rejected with the approval of the Bankruptcy Court on or prior to the Confirmation Date, (iii) is not the subject of a motion to assume or reject which is pending at the time of the Confirmation Date, or (iv) is not designated by Auctus as being an executory contract or unexpired lease to be rejected at the time of confirmation of the Plan, shall be deemed assumed on the Effective Date. The entry of the Confirmation Order by the Bankruptcy Court shall constitute approval of such assumption pursuant to Sections 365(a) and 1123(b)(2) of the Bankruptcy Code.

6.16 Payments Related to The Assumption of Executory Contracts And Unexpired Leases.

(a) Payment of Claims Arising From Assumed Contracts And Leases. Any Allowed Claims arising from the assumption of an executory contract or unexpired lease will receive, in full and complete satisfaction, settlement, release and discharge of such Claims, payment in the ordinary course of business as and when such Allowed Claims become due pursuant to such executory contract or unexpired lease.

(b) Disputed Claims and Bar Date. If there is a dispute regarding (i) the amount of any claim arising from the assumption or rejection of an executory contract or unexpired lease, (ii) the ability of the Debtor or any assignee to provide “adequate assurance of future performance,” within the meaning of Section 365 of the Bankruptcy Code, under a contract or lease to be assumed, or (iii) any other matter pertaining to the assumption or assumption and assignment of any contract or lease, the payment of any Claim related to the foregoing will be made following entry of a Final Order resolving the dispute and approving the assumption.

6.17 Rejection Damage Claims.

If the rejection of an executory contract or unexpired lease by the Debtor results in a Claim by the other party or parties to such contract or lease, any claim for damages, if not previously evidenced by a filed proof of claim, shall be forever barred and shall not be enforceable against the Estate, the Reorganized Debtor and their respective properties, agents, successors, or assigns, unless a proof of claim is filed with the Bankruptcy Court and served upon counsel for the Proponents on or before thirty (30) days following the later to occur of: (a) the rejection of such executory contract or unexpired lease, and (b) the Confirmation Date. Unless otherwise ordered by the Bankruptcy Court or provided in the Plan, all such Claims for which proofs of claim are timely filed will be treated as General Unsecured Claims subject to the provisions of the Plan. The Debtor, the Reorganized Debtor or Auctus shall have the right to object to any such Claim for rejection damages in accordance with the Plan.

6.18 Discharge.

Except as otherwise expressly provided in Section 1141 of the Bankruptcy Code or the Plan, the distributions made pursuant to and in accordance with the applicable terms and conditions of the Plan are in full and final discharge as against the Debtor and the Reorganized Debtor of any debt or obligation of the Debtor that arose before the Effective Date, and any debt of the Debtor of a kind specified in Section 502(g), 502(h), or 502(i) of the Bankruptcy Code, and all Claims against the Debtor or the Estate of any nature, including, without limitation, any setoff claims and/or any interest accrued on any Claim from and after the Petition Date, whether or not: (a) a proof of claim based on such debt, obligation or Equity Interest is filed or deemed filed under Section 501 of the Bankruptcy Code, (b) such Claim is Allowed under Section 502 of the Bankruptcy Code, or (c) the holder of such Claim has accepted the Plan.

6.19 Injunction Relating to the Plan.

As of the Effective Date, all Persons are hereby permanently enjoined from commencing, continuing or enforcing in any manner or in any place, any action or other proceeding, whether directly, indirectly, derivatively or otherwise against the Debtor, the Estate or the Reorganized Debtor, on account of, or respecting any Claims, debts, rights, obligations, Causes of Action or liabilities discharged pursuant to the Plan, except to the extent expressly permitted under the Plan.

6.20 Releases.

(a) DEBTOR RELEASES. NOTWITHSTANDING ANYTHING CONTAINED IN THE PLAN TO THE CONTRARY, AS OF THE EFFECTIVE DATE, FOR THE GOOD AND VALUABLE CONSIDERATION PROVIDED BY THE DEBTOR, THE DEBTOR AND ITS CURRENT AND FORMER AFFILIATES AND REPRESENTATIVES AND THE ESTATE SHALL BE DEEMED TO HAVE PROVIDED A FULL, COMPLETE, UNCONDITIONAL AND IRREVOCABLE RELEASE TO (i) THE DEBTOR'S CURRENT OFFICERS, DIRECTORS, AGENTS AND PROFESSIONALS AND (ii) AUCTUS FUNDS, LLC, AND ITS CURRENT OFFICERS, DIRECTORS, AGENTS AND PROFESSIONALS (EACH, A “RELEASED PARTY,” AND COLLECTIVELY, THE “RELEASED PARTIES”) AND EACH SUCH RELEASED PARTY SO RELEASED SHALL BE DEEMED RELEASED BY THE DEBTOR AND ITS AFFILIATE AND REPRESENTATIVES AND THE ESTATE FROM ANY AND ALL CLAIMS, CAUSES OF ACTION AND ANY OTHER DEBTS, OBLIGATIONS, RIGHTS, SUITS, DAMAGES, ACTIONS, REMEDIES AND LIABILITIES WHATSOEVER, WHETHER ACCRUED OR UNACCRUED, WHETHER KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, EXISTING BEFORE THE EFFECTIVE DATE, AS OF THE EFFECTIVE DATE OR ARISING THEREAFTER, IN LAW, AT EQUITY, WHETHER FOR TORT, CONTRACT, VIOLATIONS OF STATUTES (INCLUDING BUT NOT LIMITED TO THE FEDERAL OR STATE SECURITIES LAWS), OR OTHERWISE, BASED IN WHOLE OR IN PART UPON ANY ACT OR OMISSION, TRANSACTION, OR OTHER OCCURRENCE OR CIRCUMSTANCES EXISTING OR TAKING PLACE PRIOR TO OR ON THE EFFECTIVE DATE ARISING FROM OR RELATED IN ANY WAY TO THE DEBTOR, INCLUDING, WITHOUT LIMITATION, THOSE THAT THE DEBTOR WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT OR THAT ANY HOLDER OF A CLAIM OR EQUITY INTEREST OR OTHER ENTITY WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT FOR OR ON BEHALF OF THE DEBTOR OR THE ESTATE, INCLUDING WITHOUT LIMITATION THOSE IN ANY WAY RELATED TO THE CHAPTER 11 CASE OR THE PLAN; PROVIDED, HOWEVER, THAT THE FOREGOING RELEASE SHALL NOT PROHIBIT THE DEBTOR OR THE ESTATE FROM ASSERTING ANY AND ALL DEFENSES AND COUNTERCLAIMS IN RESPECT OF ANY DISPUTED CLAIM ASSERTED BY ANY RELEASED PARTIES;

PROVIDED FURTHER, THAT THE FOREGOING PROVISIONS OF THIS SECTION 6.19(a) SHALL HAVE NO EFFECT ON THE LIABILITY OF THE DEBTOR'S CURRENT DIRECTORS AND OFFICERS, THE DEBTOR'S DIRECTORS AND OFFICERS THAT SERVED IN SUCH CAPACITY AS OF THE PETITION DATE, THE DEBTOR'S PROFESSIONALS, AND THE REPRESENTATIVES OF EACH OF THE FOREGOING THAT RESULTS FROM ANY ACT OR OMISSION THAT IS DETERMINED IN A FINAL ORDER TO HAVE CONSTITUTED GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. NOTWITHSTANDING THE FOREGOING, THE DEBTOR DOES NOT RELEASE ANY AVOIDANCE ACTIONS TO AVOID ANY PERFECTION OF ANY SECURITY INTERESTS IN AND/OR LIENS AGAINST ANY OF THE DEBTOR'S TANGIBLE OR INTANGIBLE PROPERTY GRANTED BY THE DEBTOR WHICH PERFECTION ALLEGEDLY OCCURRED WITHIN ONE YEAR OF THE PETITION DATE.

- (b) CREDITOR RELEASES. EXCEPT AS OTHERWISE SET FORTH IN THE PLAN, AS OF THE EFFECTIVE DATE, IN CONSIDERATION FOR, AMONG OTHER THINGS, THE OBLIGATIONS OF THE DEBTOR UNDER THE PLAN AND OTHER CONTRACTS, INSTRUMENTS, RELEASES, AGREEMENTS OR DOCUMENTS TO BE ENTERED INTO OR DELIVERED IN CONNECTION WITH THE PLAN, (A) EACH HOLDER OF A CLAIM OR INTEREST THAT VOTES IN FAVOR OF THE PLAN AND (B) TO THE FULLEST EXTENT PERMISSIBLE UNDER APPLICABLE LAW, AS SUCH LAW MAY BE EXTENDED OR INTERPRETED SUBSEQUENT TO THE EFFECTIVE DATE, EACH PERSON THAT HAS HELD, HOLDS OR MAY HOLD A CLAIM OR EQUITY INTEREST OR AT ANY TIME WAS A CREDITOR OR EQUITY HOLDER OF THE DEBTOR AND THAT DOES NOT VOTE ON THE PLAN OR VOTES AGAINST THE PLAN, IN EACH CASE WILL BE DEEMED TO FOREVER RELEASE, WAIVE AND DISCHARGE ALL CLAIMS, OBLIGATIONS, SUITS, JUDGMENTS, DAMAGES, DEMANDS, RIGHTS, CAUSES OF ACTION AND LIABILITIES (OTHER THAN THE RIGHT TO ENFORCE THE REORGANIZED DEBTOR'S OBLIGATIONS UNDER THE PLAN AND THE CONTRACTS, INSTRUMENTS, RELEASES, AGREEMENTS AND DOCUMENTS DELIVERED, OR THAT REMAIN IN EFFECT, UNDER THE PLAN), WHETHER LIQUIDATED OR UNLIQUIDATED, FIXED OR CONTINGENT, MATURED OR UNMATURED, KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, THEN EXISTING OR THEREAFTER ARISING IN LAW, EQUITY OR OTHERWISE, THAT ARE BASED IN WHOLE OR IN PART ON ANY ACT, OMISSION, TRANSACTION OR OTHER OCCURRENCE TAKING PLACE ON OR PRIOR TO THE EFFECTIVE DATE IN ANY WAY RELATING TO THE DEBTOR, THE BANKRUPTCY CASE OR THE PLAN THAT SUCH ENTITY HAS, HAD OR MAY HAVE AGAINST THE DEBTOR, THE ESTATE, THE ESTATE'S ASSETS, THE REORGANIZED DEBTOR AND/OR THE REORGANIZED DEBTOR'S ASSETS.**

The Amended Plan and the Creditor Releases set forth above do not require a creditor of the Debtor to release, or to be deemed to have released, any claim(s) such creditor owns and may directly bring against any person except as against the Debtor, the Debtor's Estate, the Estate's Assets, the Reorganized Debtor and/or the Reorganized Debtor's Assets. However, for the avoidance of doubt, because the Debtor and its Estate are waving claims they may have against, among other persons, i.e., the Released Parties, and such waiver includes claims, if any, that might otherwise be asserted derivatively by a creditor on behalf of the Debtor, upon the Effective Date, derivative claims, to the extent any exist, shall not be asserted by a creditor against any of the Released Parties.

6.21 Cancellation of Existing Indebtedness and Liens.

Except as is otherwise provided in the Plan, on the Effective Date: (a) all credit agreements, promissory notes, mortgages, security agreements, invoices, contracts, agreements and any other documents or instruments evidencing Claims against the Debtor, together with any and all Liens securing same, including without limitation any rights of setoff, shall be canceled, discharged and released without further act or action by any Person under any applicable agreement, law, regulation, order or rule, (b) the obligations of the Debtor thereunder shall be deemed cancelled, discharged and released, and (c) all of the right, title and interest of any holder of such mortgages, deeds of trust, liens or other security interests, including any rights to any collateral thereunder, will revert to the Reorganized Debtor. To the extent deemed necessary or advisable by the Proponents, any holder of a Claim shall promptly provide the Reorganized Debtor with an appropriate instrument of cancellation, discharge or release, as the case may be, in suitable form for recording wherever necessary to evidence such cancellation, discharge or release, including the cancellation, discharge or release of any Lien securing such Claim.

6.22 Exculpation.

As of the Effective Date, the Debtor, its directors, officers, employees, agents and professionals (including professional firms and individuals within such firms) and Auctus, its directors, officers, employees, agents and professionals (including professional firms and individuals within such firms) shall be deemed to have solicited acceptances of this Plan in good faith and in compliance with the applicable provisions of the Bankruptcy Code. To the fullest extent permitted by Section 1125(e) of the Bankruptcy Code, the Debtor, its directors, trustees, officers, employees, and professionals (including professional firms and individuals within such firms), and Auctus, its directors, officers, employees, agents and professionals (including professional firms and individuals within such firms) shall not have or incur any liability to any holder of any Claim against or Interest in or any other Person for any act or omission taken or not taken in good faith in connection with, or arising out of, the Chapter 11 Case, the Disclosure Statement, the Plan, or any contract, instrument, release or other agreement or document created or entered into in connection with the Plan, or any act taken or omitted to be taken during the Chapter 11 Case, including, without limiting the generality of the foregoing, all retentions, motions and applications, the Disclosure Statement, the pursuit of approval of the Disclosure Statement, the pursuit of confirmation of the Plan, the consummation of the Plan or the administration of the Plan or the property to be distributed under the Plan, the solicitation of votes for and the pursuit of confirmation of the Plan, and, without limitation, the steps taken to effectuate the transactions described in Article 6.8 of the Plan, except for acts or omissions constituting fraud, willful misconduct or gross negligence as determined by a Final Order; and in all respects such parties shall be entitled to rely upon the advice of counsel with respect to their duties and responsibilities under the Plan.

6.23 Setoffs.

Except as otherwise provided in the Plan, nothing contained in the Plan shall constitute a waiver or release by the Debtor, the Estate and/or the Reorganized Debtor of any rights of setoff each may have against any Person.

6.24 Tax Consequences of the Plan.

The following is a general summary of certain material federal income tax consequences of the Plan and the distributions provided under the Plan. This summary does not discuss all aspects of federal taxation that may be relevant to a particular creditor in light of its individual investment circumstances or to certain creditors or shareholders subject to special treatment under the federal income tax laws (for example, tax-exempt organizations, financial institutions, broker-dealers, life insurance companies, foreign corporations or individuals who are not citizens or residents of the United States). This summary does not discuss any aspects of state, local or foreign taxation. The impact on foreign holders of claims and equity interests is not discussed.

This summary is based upon the Internal Revenue Code of 1986, as amended (the “IRC”), the Treasury regulations (including temporary regulations) promulgated thereunder, judicial authorities and current administrative rulings, all as in effect on the date hereof and all of which are subject to change (possibly with retroactive effect) by legislation, administrative action or judicial decision. Moreover, due to a lack of definitive judicial or administrative authority or interpretation and the complexity of the transactions contemplated in the Plan, substantial uncertainties exist with respect to various tax consequences of the Plan. The Proponents have not requested a ruling from the Internal Revenue Service (the “IRS”) with respect to these matters and no opinion of counsel has been sought or obtained by the Proponents with respect thereto. There can be no assurance that the IRS or any state or local taxing authorities will not challenge any or all of the tax consequences of the Plan, or that such a challenge, if asserted, would not be sustained. **FOR THE FOREGOING REASONS, CREDITORS ARE URGED TO CONSULT WITH THEIR OWN TAX ADVISORS AS TO THE SPECIFIC TAX CONSEQUENCES (FOREIGN, FEDERAL, STATE AND LOCAL) TO THEM OF THE PLAN. THE PROPONENTS ARE NOT MAKING ANY REPRESENTATIONS REGARDING THE PARTICULAR TAX CONSEQUENCES OF THE CONFIRMATION AND CONSUMMATION OF THE PLAN AS TO ANY CREDITOR, NOR ARE THE PROPONENTS RENDERING ANY FORM OF LEGAL OPINION AS TO SUCH TAX CONSEQUENCES.**

A. Federal Income Tax Consequences to the Debtor.

Cancellation of Indebtedness. Generally, the Debtor will realize cancellation of debt (“COD”) income to the extent, if at all, that the Debtor pays a creditor pursuant to the Plan an amount of consideration in respect of a Claim against the Debtor that is worth less than the amount of such Claim. For this purpose, the amount of consideration paid to a creditor generally will equal the amount of cash or the fair market value of property paid to such creditor. Because the Debtor will be in a bankruptcy case at the time the COD income is realized (if any is realized), the Debtor will not be required to include COD income in gross income, but rather will be required to reduce tax attributes by the amount of COD income so excluded.

B. Tax Consequences to Creditors.

In General. The federal income tax consequences of the implementation of the Plan to a holder of a Claim will depend, among other things, on: (a) whether such Claim constitutes a debt or a security for federal income tax purposes, (b) whether the holder of the Claim receives consideration in more than one tax year, (c) whether the holder of the Claim is a resident of the United States, (d) whether all the consideration received by the holder of the Claim is deemed to be received by the holder of the Claim as part of an integrated transaction, (e) whether the holder of the Claim reports income using the accrual or cash method of accounting, and (f) whether the holder has previously taken a bad debt deduction or worthless security deduction with respect to the Claim.

Gain or Loss on Exchange. Generally, a holder of an Allowed Claim will realize a gain or loss on the exchange under the Plan of his or her Allowed Claim for cash and other property in an amount equal to the difference between (i) the sum of the amount of any cash and the fair market value on the date of the exchange of any other property received by the holder (other than any consideration attributable to accrued but unpaid interest on the Allowed Claim), and (ii) the adjusted basis of the Allowed Claim exchanged therefore (other than basis attributable to accrued but unpaid interest previously included in the holder’s taxable income). Any gain recognized generally will be a capital gain (except to the extent the gain is attributable to accrued but unpaid interest or accrued market discount, as described below) if the Claim was a capital asset in the hands of an exchanging holder, and such gain would be a long-term capital gain if the holder’s holding period for the Claim surrendered exceeded one (1) year at the time of the exchange.

Any loss recognized by a holder of an Allowed Claim will be a capital loss if the Claim constitutes a “security” for federal income tax purposes or is otherwise held as a capital asset. For this purpose, a “security” is a debt instrument with interest coupons or in registered form.

C. Information Reporting and Backup Withholding.

Under the backup withholding rules of the Internal Revenue Code, holders of Claims may be subject to backup withholding at the rate of 31 percent with respect to payments made pursuant to the Plan unless such holder (i) is a corporation or comes within certain other exempt categories and, when required, demonstrates this fact, or (ii) provides a correct taxpayer identification number and certifies under penalties of perjury that the taxpayer identification number is correct and that the holder is not subject to backup withholding because of a failure to report all dividends and interest income. Any amount withheld under these rules will be credited against the holder’s federal income tax liability. Holders of Claims may be required to establish exemption from backup withholding or to make arrangements with respect to the payment of backup withholding.

THE FOREGOING IS INTENDED TO BE A SUMMARY ONLY AND IS NOT A SUBSTITUTE FOR CAREFUL TAX PLANNING WITH A TAX PROFESSIONAL. THE FEDERAL, STATE, AND FOREIGN TAX CONSEQUENCES OF THE PLAN ARE COMPLEX AND, IN MANY AREAS, UNCERTAIN. ACCORDINGLY, EACH HOLDER OF A CLAIM OR EQUITY INTEREST IS STRONGLY URGED TO CONSULT WITH HIS OWN TAX ADVISOR REGARDING SUCH TAX CONSEQUENCES.

VII. MISCELLANEOUS

7.1 Exemption from Transfer Taxes.

Section 1146(c) of the Bankruptcy Code provides that transfers of property pursuant to a confirmed plan are not subject to any document recording tax, stamp tax, conveyance fee or other similar tax, mortgage tax, real estate transfer tax, mortgage recording tax or other similar tax or governmental assessment. Sales of real property, if any, by the Debtor after the Confirmation Date will not, therefore, be subject to any such tax or assessment.

7.2 Certain Securities Law Matters.

The Proponents believe that the Common Stock in the Reorganized Debtor, the Convertible Plan Notes, the Secured Convertible Plan Notes and the Plan Warrants issuable pursuant to the Plan are “securities,” as defined in Section 2(a)(1) of the Securities Act, Section 101 of the Bankruptcy Code, and any applicable state securities law (a “Blue Sky Law”). The Proponents also believe that the offer, sale, issuance and initial distribution of the Common Stock and the Convertible Plan Notes (collectively the “1145 Securities”) by the Reorganized Debtor pursuant to the Plan is exempt from federal and state securities registration requirements under various provisions of the Securities Act, the Bankruptcy Code and any applicable state Blue Sky Law as described in more detail below. Because the Secured Convertible Plan Notes and the Plan Warrants (collectively the “Accredited Securities”) will be issued only to Accredited Investors (as defined under the Securities Act), the Proponents believe they will be subject to another available exemption from registration under the Securities Act and other applicable law.

A. Issuance of 1145 Securities

- i. Section 1145(a)(1) of the Bankruptcy Code exempts the offer and sale of securities under a plan of reorganization from registration under Section 5 of the Securities Act, and state securities laws if three principal requirements are satisfied: (a) the securities must be offered and sold under a plan of reorganization and must be securities of the debtor, of an affiliate participating in a joint plan with the debtor, or of a successor to the debtor under the plan; (b) the recipients of the securities must hold prepetition or administrative expense claims against the debtor or interests in the debtor; and (c) the securities must be issued entirely in exchange for the recipient’s claim against or interest in the debtor, or principally in exchange for such claim or interest and partly for cash or property.
- ii. The Plan provides that the holders of Allowed Claims may, in exchange for such Claims, elect to receive Common Stock or, under certain circumstances, a Convertible Plan Note. Auctus intends to exchange the DIP Obligation, which is entitled to administrative expense status, for a Secured Convertible Plan Note. The Proponents therefore submit that all 1145 Securities issued pursuant to the Plan will be issued entirely or principally in exchange for corresponding Allowed Claims, that the 1145 Securities satisfy all the requirements of Section 1145(a)(1) of the Bankruptcy Code and that the 1145 Securities are exempt from registration under the Securities Act and Blue Sky Laws (except with respect to an underwriter as described below).

Recipients of any 1145 Securities are advised to consult with their own legal advisors as to the availability of any exemption from registration under the Securities Act and any applicable state Blue Sky Laws.

B. Subsequent Transfers

The 1145 Securities may be freely transferred by most recipients following the initial issuance under the Plan, and all resales and subsequent transfers of the 1145 Securities are exempt from registration under the Securities Act and state securities laws, unless the holder is an “underwriter” with respect to such securities. Section 1145(b)(1) of the Bankruptcy Code defines an “underwriter” as one who, except with respect to “ordinary trading transactions” of an entity that is not an “issuer”: (a) purchases a claim against, interest in, or claim for an administrative expense in the case concerning, the debtor, if such purchase is with a view to distribution of any security received or to be received in exchange for such claim or interest; (b) offers to sell securities offered or sold under a plan for the holders of such securities; (c) offers to buy securities offered or sold under a plan from the holders of such securities, if such offer to buy is (i) with a view to distribution of such securities and (ii) under an agreement made in connection with the plan, with the consummation of the plan, or with the offer or sale of securities under the plan; or (d) is an issuer of the securities within the meaning of Section 2(a)(11) of the Securities Act. In addition, a person who receives a fee in exchange for purchasing an issuer’s securities could also be considered an underwriter within the meaning of Section 2(a)(11) of the Securities Act.

The definition of an “issuer” for purposes of whether a person is an underwriter under Section 1145(b)(1)(D) of the Bankruptcy Code, by reference to Section 2(a)(11) of the Securities Act, includes as “statutory underwriters” all persons who, directly or indirectly, through one or more intermediaries, control, are controlled by, or are under common control with, an issuer of securities. The reference to “issuer,” as used in the definition of “underwriter” contained in Section 2(a)(11) of the Securities Act, is intended to cover “Controlling Persons” of the issuer of the securities. “Control,” as defined in Rule 405 of the Securities Act, means the possession, directly or indirectly, 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. Accordingly, an officer or director of a reorganized debtor or its successor under a plan of reorganization may be deemed to be a “Controlling Person” of the debtor or successor, particularly if the management position or directorship is coupled with ownership of a significant percentage of the reorganized debtor’s or its successor’s voting securities. In addition, the legislative history of Section 1145 of the Bankruptcy Code suggests that a creditor who owns ten percent or more of a class of securities of a reorganized debtor may be presumed to be a “Controlling Person” and, therefore, an underwriter.

Resales of 1145 Securities by entities deemed to be “underwriters” (which definition includes “Controlling Persons”) are not exempted by Section 1145 of the Bankruptcy Code from registration under the Securities Act or other applicable law. Under certain circumstances, holders of 1145 Securities who are deemed to be “underwriters” may be entitled to resell their 1145 Securities pursuant to the limited safe harbor resale provisions of Rule 144 of the Securities Act. Generally, Rule 144 of the Securities Act would permit the public sale of securities received by such Person if the required holding period has been met and, under certain circumstances, current information regarding the issuer is publicly available and volume limitations, manner of sale requirements and certain other conditions are met. Whether any particular Person would be deemed to be an “underwriter” (including whether the Person is a “Controlling Person”) with respect to the 1145 Securities would depend upon various facts

and circumstances applicable to that Person. Accordingly, the Debtors express no view as to whether any Person would be deemed an “underwriter” with respect to the 1145 Securities and, in turn, whether any Person may freely resell 1145 Securities.

BECAUSE OF THE COMPLEX, SUBJECTIVE NATURE OF THE QUESTION OF WHETHER A PARTICULAR PERSON MAY BE AN UNDERWRITER OR AN AFFILIATE AND THE HIGHLY FACT-SPECIFIC NATURE OF THE AVAILABILITY OF EXEMPTIONS FROM REGISTRATION UNDER THE SECURITIES ACT, INCLUDING THE EXEMPTIONS AVAILABLE UNDER SECTION 1145 OF THE BANKRUPTCY CODE AND RULE 144 UNDER THE SECURITIES ACT, NONE OF THE PROPOSERS OR THE REORGANIZED DEBTOR MAKE ANY REPRESENTATION CONCERNING THE ABILITY OF ANY PERSON TO DISPOSE OF THE SECURITIES TO BE DISTRIBUTED UNDER THE PLAN. THE PROPOSERS RECOMMEND THAT POTENTIAL RECIPIENTS OF THE SECURITIES TO BE ISSUED UNDER THE PLAN CONSULT THEIR OWN COUNSEL CONCERNING WHETHER THEY MAY FREELY TRADE SUCH SECURITIES.

VIII. FEASIBILITY AND LIQUIDATION ANALYSES

8.1 Feasibility of the Plan

Auctus and its advisors have prepared projections (collectively the “Projections”) for the anticipated post-Effective Date operating costs, attached as Exhibit B and for the clinical trials for the *ThermoStem*TM Program and BRTX-100 program, attached as Exhibit C-1 and Exhibit C-2, respectively. The projections for the post-confirmation Effective Date period include projected payments under the Plan, other than the payments due on or about the Effective Date, which are estimated to be approximately \$684,500, consisting of: (a) payments to the Convenience Class, which are estimated to be not more than \$70,000, (b) cure claims for assumed leases and contracts, which are estimated to be not more than \$65,000, (c) Professional Fee Claims, in the estimated amount of approximately \$82,500 of fees and expenses that will be incurred by the Debtor’s retained professionals through August 31, 2020, net of retainer monies funded or to be funded under the DIP Facility and held or to be held by the Debtor for the payment of allowed professional fees., (d) Priority Claims, estimated to be not more than \$110,000, and (e) a contingent amount of approximately \$357,000 to the holder of the Class 1 Allowed Secured Claim, the payment of which is contingent on the treatment the holder of such claim receives under the Plan.

The Reorganized Debtor’s operations following the Effective Date will be funded by the financing obtained pursuant to Sections 4.3(c)(ii) and 5.2 of the Plan, both before and after confirmation of the Plan. Provided that at least \$2,000,000 in other financing is raised prior to confirmation of the Plan, Auctus has agreed to provide financing of \$3,000,000, less the DIP Obligation and the Plan Costs. After the payment of amounts due on the Effective Date (detailed above), the Proponents project that the Reorganized Debtor will have at least approximately \$3,000,000 to fund its post-Effective Date operations, which will provide funding for the Reorganized Debtor to operate for more than a year. Following the Effective Date, the Reorganized Debtor will raise additional financing, pursuant to Section 5.2 of the Plan, to proceed with clinical trials for its *ThermoStem*TM Program and for BRTX-100 program, the projected costs of which are set forth on Exhibits C-1 and C-2. Accordingly, the Proponents submit that the Plan is feasible.

8.2 Best Interests of Creditors and Comparison with Chapter 7 Liquidation

As a condition to confirmation of the Plan, Section 1129(a)(7)(A)(ii) of the Bankruptcy Code requires that each holder of a claim or an interest in an impaired Class of Claims or Equity Interests must either accept the Plan or receive or retain at least the amount or value it would receive if the Debtor were liquidated under chapter 7 of the Bankruptcy Code on the Effective Date of the Plan.

Attached as Exhibit D is a liquidation analysis for the Debtor. If the Plan is not confirmed, the Debtor’s case would be converted to a chapter 7 case. As is demonstrated by the liquidation analysis, in a chapter 7 case the liquidation of the Debtor’s assets would not generate sufficient funds to pay secured claims in full, much less pay a dividend to Administrative Claims, Priority Claims or General Unsecured Claims.

In contrast, the Plan will provide for the payment in full of all secured claims, Administrative Claims and Priority Claims, and will distribute Common Stock or convertible notes and warrants to the holders of Allowed General Unsecured Claims and Allowed Equity Interests. The Proponents have not projected the value of such Common Stock on the Effective Date, but if the Reorganized Debtor can successfully develop its technology, the Common Stock may increase in value. Since the Petition Date, the Debtor’s stock has generally been trading at between \$0.0001 and \$0.0002 per share. If the Debtor’s share price continues to trade in that range after the Effective Date, a creditor electing to receive 100 shares per each \$1.00 of unsecured debt would receive value of between \$0.01 and \$0.02 on that debt. Naturally, in the event that share price increases because the marketplace determines that the Debtor’s value has increased prior to confirmation of the Plan or will increase upon exit from bankruptcy under a confirmed Plan, such value may increase to the benefit of all shareholders, including those creditors receiving shares in exchange for debt. In any event, confirmation of the Plan will result in a greater return to unsecured creditors than might be realized if this case were converted to a case under chapter 7 of the Bankruptcy Code.

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/s/ Al Sollami

By: Al Sollami

Its: Managing Member

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EXHIBIT A

[Amended Joint Plan of Reorganization of BioRestorative Therapies, Inc. and Auctus Fund, LLC]

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

In re:

BIORESTORATIVE THERAPIES, INC.,

Debtor.

Chapter 11

Case No. 20-71757-reg

**AMENDED JOINT PLAN OF REORGANIZATION OF
BIORESTORATIVE THERAPIES, INC. AND AUCTUS FUND, LLC**

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(Counsel to BioRestorative Therapies, Inc.)

Dated: August 7, 2020

BioRestorative Therapies, Inc., the debtor and debtor-in-possession in the Bankruptcy Case (as defined below), and Auctus Fund, LLC, propose the following joint plan of reorganization under Section 1121 of the United States Bankruptcy Code.

ARTICLE I

DEFINITIONS AND CONSTRUCTION OF TERMS

For purposes of the Plan, the following terms shall have the meanings specified in this Article I. A capitalized term used but not defined in the Plan that is also used in the Bankruptcy Code shall have the meaning ascribed to that term in the Bankruptcy Code. Wherever from the context it appears appropriate, each term stated shall include both the singular and the plural, and pronouns shall include the masculine, feminine and neuter, regardless of how stated. The words “in the Plan,” “the Plan,” “hereto,” “herein,” “hereunder” and other words of similar import refer to the Plan as a whole and not to any particular Section, sub-Section or clause contained in the Plan. The rules of construction contained in Section 102 of the Bankruptcy Code shall apply to the terms of the Plan. The headings in the Plan are for convenience of reference only and shall not limit or otherwise affect the provisions the Plan.

- 1.1** “Administrative Expense Claim” shall mean a Claim that is Allowed under Section 503(b) of the Bankruptcy Code and that is entitled to priority under Section 507(a)(1) of the Bankruptcy Code, including Professional Fee Claims.
- 1.2** “Affiliate” shall mean any Person that is an affiliate of the Debtor or the Reorganized Debtor under the Bankruptcy Code.
- 1.3** “Allowed” shall mean, with reference to any Claim or Equity Interest:
- (a) a Claim that has been listed by the Debtor in its Schedules and (i) is not listed as disputed, contingent or unliquidated, and (ii) is not a Claim or as to which a proof of claim or interest has been filed;
 - (b) a Claim or Equity Interest as to which a timely proof of claim or interest has been filed by the Bar Date and either (i) no objection thereto, or application to estimate, equitably subordinate or otherwise limit recovery, has been made on or before any applicable deadline, or (ii) if an objection thereto, or application to estimate, equitably subordinate or otherwise limit recovery has been interposed, the extent to which such Claim has been allowed (whether in whole or in part) by a Final Order;
 - (c) a Claim arising from the recovery of property under Section 550 or 553 of the Bankruptcy Code and allowed in accordance with Section 502(h) of the Bankruptcy Code; or
 - (d) any Claim or Equity Interest expressly allowed under the Plan, pursuant to the Confirmation Order or pursuant to a Final Order of the Bankruptcy Court. Equity Interests shall be deemed Allowed based on the records maintained by the Debtor and the Debtor’s transfer agent absent a Final Order of the Bankruptcy Court to the contrary.
- 1.4** “Anti-dilution Right” shall mean any and all rights of any holder of an Equity Interest to anti-dilution protections, make whole protections, preemptive rights, subscription rights, subscription privileges or similar protections, rights or privileges, whether such Anti-dilution Right pertains or relates to any declaration of a dividend or other distribution payable in Equity Interests; subdivision of Equity Interests pursuant to a stock split or otherwise; combination of outstanding Equity Interests into a smaller number of shares pursuant to a reverse split or otherwise; reclassification of Equity Interests; reorganization of the Debtor; consolidation; merger; or otherwise.
- 1.5** “Asset(s)” shall mean any real or personal property of any Debtor, whether tangible or intangible and wherever situated, together with the proceeds thereof.
- 1.6** “Avoidance Actions” shall mean all causes of action under chapter 5 of the Bankruptcy Code.
- 1.7** “Auctus” shall mean Auctus Fund, LLC.
- 1.8** “Bankruptcy Case” shall mean the chapter 11 bankruptcy proceedings pending in the Bankruptcy Court under docket number 20-71757-reg.
- 1.9** “Bankruptcy Code” shall mean Title 11 of the United States Code in effect in the Bankruptcy Case.
- 1.10** “Bankruptcy Court” shall mean the United States Bankruptcy Court for the Eastern District of New York in which the Bankruptcy Case is pending and, to the extent of any reference under 28 U.S.C. §157, the unit of such District Court specified pursuant to 28 U.S.C. §151.
- 1.11** “Bankruptcy Rules” shall mean the Federal Rules of Bankruptcy Procedure as promulgated under 28 U.S.C. § 2075, and any local rules of the Bankruptcy Court.
- 1.12** “Bar Date” shall mean July 7, 2020, the date fixed by order of the Bankruptcy Court as the last date by which Persons asserting certain Claims against the Debtor must file a proof of claim or interest or be forever barred from asserting a Claim against the Debtor or its property, from voting on the Plan and/or sharing in distributions under the Plan.

1.13 “Business Day” shall mean any day other than a Saturday, Sunday or legal holiday recognized in the Commonwealth of Massachusetts.

1.14 “Cash” shall mean lawful currency of the United States of America (including wire transfers, cashier’s checks drawn on a bank insured by the Federal Deposit Insurance Corporation, certified checks and money orders).

1.15 “Causes of Action” shall mean, without limitation, any and all actions, causes of action, choses in action, defenses, liabilities, obligations, rights, suits, debts, sums of money, damages, judgments, Claims or proceedings to recover money or property and demands of any nature whatsoever, whether known or unknown, in law, equity or otherwise including, without limitation, (a) Avoidance Actions, (b) rights of setoff, counterclaim and recoupment, (c) claims and defenses on contracts or for breaches of duties imposed by law, (d) the right to object to claims or interests, (e) claims and defenses pursuant to Section 362 of the Bankruptcy Code, (f) claims and defenses for fraud, negligence, conversion, mistake, duress, indemnification and usury, (g) claims for unfair and deceptive business practices under applicable state and Federal law, (h) claims and defenses for unjust enrichment, and (i) claims for tax refunds..

1.16 “Claim” shall mean a claim against a Person or its property as defined in Section 101(5) of the Bankruptcy Code, including, without limitation, (a) any right to payment, whether or not such right is reduced to judgment, and whether or not such right is liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured; or (b) any right to an equitable remedy for breach of performance, if such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, or is fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured.

1.17 “Class” shall mean those classes designated in Article III of the Plan.

1.18 “Collateral” shall mean any property or interest in property of the Estate subject to a Lien to secure the payment or performance of a Claim, which Lien is not subject to avoidance under the Bankruptcy Code or otherwise invalid under the Bankruptcy Code or applicable law.

1.19 “Common Stock” shall mean shares of common stock in the Reorganized Debtor.

1.20 “Confirmation Date” shall mean the date on which the clerk of the Bankruptcy Court enters the Confirmation Order on the docket in the Bankruptcy Case.

1.21 “Confirmation Order” shall mean the order of the Bankruptcy Court confirming the Plan pursuant to the provisions of the Bankruptcy Code, and any supplementary orders of the Bankruptcy Court issued in furtherance of the Plan, in form and substance reasonably acceptable to the Debtor and the Proponent.

1.22 “Contingent or Unliquidated Claim” shall mean any Claim for which a proof of claim has been filed with the Bankruptcy Court but which was not filed in a sum certain, or for which the event that would give rise to such a liability or debt has not occurred and is dependent upon a future event that has not occurred or may never occur, and which has not been Allowed.

1.23 “Convenience Class Claim” shall mean all Allowed General Unsecured Claims in an amount equal to or lesser than \$30,000.00.

1.24 “Convertible Plan Note” shall mean an unsecured convertible note, in a form to be provided in the Plan Supplement, issued by the Reorganized Debtor that contains, among other things, the following terms: (a) a maturity date thirty-six (36) months following the Effective Date, (b) an interest rate of five percent (5%) per annum, (c) the indebtedness shall be convertible at the option of the investor pursuant to applicable securities laws into shares of Common Stock at a zero percent (0%) discount to the VWAP of the Common Stock over the five (5) trading days immediately preceding any conversion, (d) mandatory conversion of all outstanding indebtedness at such time as the Reorganized Debtor consummates the listing of its Common Stock on the NASDAQ Capital Markets or another senior exchange, with outstanding indebtedness to be converted on the same terms as provided to investors in connection with a public offering undertaken in connection with the senior exchange listing, and (e) other terms that are customarily included in similar convertible notes.

1.25 “Costs of Collection” shall mean all professional fees and costs, and other costs of collection, reasonably incurred, that are allowable under Section 506(b) of the Bankruptcy Code, in each case to the extent Allowed either by an agreement in writing between the Proponents and the holder of such Claim, or by a Final Order of the Bankruptcy Court.

1.26 “Covenants” shall mean the covenants attached as Exhibit 1.

1.27 “Cure Claim” shall mean the amount necessary to cure any defaults in an executory contract or unexpired lease so that such contract or lease may be assumed pursuant to Section 365(b)(1) of the Bankruptcy Code.

1.28 “Debtor” shall mean BioRestorative Therapies, Inc., including, from and after the Effective Date, in its capacity as Reorganized Debtor.

1.29 “Default” shall mean the occurrence after the Effective Date, and lapse of any applicable grace or cure period under the Plan, of an Event of Default. No change in the rights of any parties under the Plan triggered by “Default” shall occur unless notice has been given in accordance with the Plan and any applicable grace or cure period has elapsed without the Event of Default being cured.

1.30 “Desmarais Note” shall mean the promissory note issued by the Debtor to John Desmarais in July of 2017, and amended on or about November 17, 2018, November 20, 2018, and December 17, 2019.

1.31 “DIP Obligation” shall mean all amounts, including principal, interest, costs and fees, owed to Auctus on account of the debtor-in-possession loans made to the Debtor by Auctus during the Bankruptcy Case.

1.32 “Disclosure Statement” shall mean the disclosure statement relating to the Plan, including, without limitation, all exhibits and schedules thereto, in the form approved by the Bankruptcy Court pursuant to Section 1125 of the Bankruptcy Code.

1.33 “Disputed Claim” shall mean:

- (a) if no proof of claim relating to a Claim has been filed, a claim that is listed in the Schedules as unliquidated, disputed or contingent; or
- (b) if a proof of claim relating to a Claim has been filed, a Claim as to which a timely objection or request for estimation, or request to equitably subordinate or otherwise limit recovery in accordance with the Bankruptcy Code and the Bankruptcy Rules, has been made, or which is otherwise disputed by the Debtor in accordance with applicable law, which objection, request for estimation, action to limit recovery or dispute has not been withdrawn or determined by Final Order; or
- (c) a Claim that is a Contingent or Unliquidated Claim.

1.34 “Distribution Record Date” shall mean fifteen (15) days prior to the first scheduled hearing on the approval of the Disclosure Statement or such other date established by the Bankruptcy Court.

1.35 “Effective Date” shall mean the first Business Day after the later to occur of (a) the fifteenth (15th) day following the Confirmation Date, provided that no stay pending appeal of the Confirmation Order has been granted, or (b) the date that all conditions precedent to the effectiveness of the Plan have been satisfied or waived by Auctus pursuant to Section 10.2 of the Plan.

1.36 “Equity Interest” shall mean the interest of any holder of any general or limited partnership interest in, membership interest in, or voting or non-voting shares of the Debtor, and all options, warrants, puts and/or rights, contractual or otherwise, to acquire, sell or subscribe to, at any time, any such interest, as such interests exist immediately prior to the Effective Date.

1.37 “Estate(s)” shall mean the estate created in the Bankruptcy Case pursuant to Section 541 of the Bankruptcy Code.

1.38 “Event of Default” shall mean, subject to any applicable grace periods, one or more of the following events: (a) the failure to make when due any payment required under the Plan; (b) the breach of any Covenant or obligation owed to the holders of Allowed Claims under the Plan.

1.39 “February 2020 Bridge Notes” shall mean, collectively, the promissory notes issued by the Debtor to John Desmarais, the Tuxis Trust and/or Phoenix Cell Group Holdings, LLC, and dated February 20, 2020, and February 26, 2020.

1.40 “Final Order” shall mean an order or judgment which has not been reversed, stayed, modified or amended and, as to which (a) the time to appeal or seek review or rehearing has expired and as to which no appeal or petition for certiorari, review or rehearing is pending, or (b) if appeal, review, re-argument or certiorari of the order has been sought, the order has been affirmed or the request for review, re-argument or certiorari has been denied and the time to seek a further appeal, review, re-argument or certiorari has expired, and as a result of which such order shall have become final and non-appealable in accordance with applicable law; provided, however, that the possibility that a motion under Rule 59 or Rule 60 of the Federal Rules of Civil Procedure, or any analogous rule under the Bankruptcy Rules, may be filed with respect to such order shall not cause such order not to be a Final Order.

1.41 “Financial Statements” shall mean an income statement, balance sheet and statement of cash flows for the Debtor, substantially in the same form prepared by the Debtor prior to the Petition Date.

1.42 “Financing Amount” shall, (a) in the context of Section 4.3 of the Plan, mean an amount equal to the product of multiplying the amount of an Allowed General Unsecured Claim by .75, rounded up to the nearest thousand dollars and (b) in the context of Section 5.2 of the Plan, mean the amount of financing provided to the Reorganized Debtor.

1.43 “Financing Cap” shall mean an aggregate of all amounts provided to the Debtor pursuant to Sections 4.3(c)(ii) and 5.2 of the Plan equal to \$15,000,000.00.

1.44 “General Unsecured Claim” shall mean a Claim that is: (a) not a Secured Claim, (b) not entitled to priority of payment under Section 507 of the Bankruptcy Code, and (c) not a Claim for an Equity Interest.

1.45 “Intercreditor Agreement” shall mean that certain Intercreditor Agreement, in a form to be provided in the Plan Supplement, by and among the Reorganized Debtor and such other creditors as are signatories thereto, pursuant to which, among other things, the parties provide for security interest priorities, rights of enforcement and rights of repayment.

1.46 “Internal Revenue Code” shall mean Title 26 of the United States Code, as amended from time to time.

1.47 “Insider” shall have the meaning set forth in Section 101(31) of the Bankruptcy Code, provided that it shall not include any Debtor.

1.48 “Leak Out Restriction” shall mean, unless waived by the Reorganized Debtor, in its discretion, in one or more instances:

- (a) For shares of Common Stock received pursuant to Section 4.3(c)(i) of the Plan, a restriction prohibiting the holder of such stock and any of its Trading Affiliates, from selling, directly or indirectly, (including, without limitation, any sales, short sales, swaps or any derivative transactions that would be equivalent to any sales or short positions): (i) during the period between the Effective

Date and 11:59 p.m. (Eastern Standard Time) on the thirtieth (30th) day following the Effective Date, more than thirty-three percent (33%) of the total amount of shares of Common Stock it received on the Effective Date; (ii) during the period between 12:01 a.m. (Eastern Standard Time) on the thirty-first (31st) day following the Effective Date and 11:59 p.m. (Eastern Standard Time) on the sixtieth (60th) day following the Effective Date, more than thirty-three percent (33%) of the total amount of shares of Common Stock it received on the Effective Date; and (iii) during the period between 12:01 a.m. (Eastern Standard Time) on the sixty-first (61st) day following the Effective Date and 11:59 p.m. (Eastern Standard Time) on the ninetieth (90th) day following the Effective Date, more than thirty-three percent (33%) of the total amount of shares of Common Stock it received on the Effective Date; and

- (b) For shares of Common Stock obtained through the conversion of a Convertible Plan Note received pursuant to Section 4.3(c)(ii)(1) of the Plan, a restriction prohibiting the holder of such stock and any of its Trading Affiliates, from selling, directly or indirectly, (including, without limitation, any sales, short sales, swaps or any derivative transactions that would be equivalent to any sales or short positions): (i) during the period between the Effective Date and 11:59 p.m. (Eastern Standard Time) on the thirtieth (30th) day following the Effective Date, more than sixteen and six-tenths percent (16.6%) of the total amount of shares of Common Stock it received upon the conversion of such note; (ii) during the period between 12:01 a.m. (Eastern Standard Time) on the thirty-first (31st) day following the Effective Date and 11:59 p.m. (Eastern Standard Time) on the sixtieth (60th) day following the Effective Date, more than sixteen and six-tenths percent (16.6%) of the total amount of shares of Common Stock it received upon the conversion of such note; (iii) during the period between 12:01 a.m. (Eastern Standard Time) on the sixty-first (61st) day following the Effective Date and 11:59 p.m. (Eastern Standard Time) on the ninetieth (90th) day following the Effective Date, more than sixteen and six-tenths percent (16.6%) of the total amount of shares of Common Stock it received upon the conversion of such note; (iv) during the period between 12:01 a.m. (Eastern Standard Time) on the ninety-first (91st) day following the Effective Date and 11:59 p.m. (Eastern Standard Time) on the one-hundred and twentieth (120th) day following the Effective Date, more than sixteen and six-tenths percent (16.6%) of the total amount of shares of Common Stock it received upon the conversion of such note; (v) during the period between 12:01 a.m. (Eastern Standard Time) on the one-hundred and twenty-first (121st) day following the Effective Date and 11:59 p.m. (Eastern Standard Time) on the one-hundred and fiftieth (150th) day following the Effective Date, more than sixteen and six-tenths percent (16.6%) of the total amount of shares of Common Stock it received upon the conversion of such note; and (vi) during the period between 12:01 a.m. (Eastern Standard Time) on the one-hundred and fifty-first (151st) day following the Effective Date and 11:59 p.m. (Eastern Standard Time) on the one-hundred and eightieth (180th) day following the Effective Date, more than sixteen and six-tenths percent (16.6%) of the total amount of shares of Common Stock it received upon the conversion of such note.

1.49 “Lien” shall have the meanings set forth in Sections 101(36) and (37) of the Bankruptcy Code; provided that (a) a lien that has been avoided in accordance with Sections 544, 545, 546, 547, 548, 549 or 553 of the Bankruptcy Code shall not constitute a Lien and (b) no lien shall be valid unless approved by a Final Order of the Bankruptcy Court or by agreement of the Debtor against whom the lien is asserted.

1.50 “Loan Documents” shall mean all documents evidencing a Secured Claim and/or the Lien securing such Claim, executed by the Debtor prior to the Petition Date, including, without limitation, notes, loan agreements, mortgages, security agreements, financing statements, guarantees, swap agreements, and such other documents executed in connection with such Secured Claim and/or Lien.

1.51 “Minimum Contribution” shall mean the amount of \$3,000,000, less the Plan Costs and the DIP Obligation, to be made by Auctus and used to fund the Plan and the Reorganized Debtor’s ongoing operations, in exchange for which Auctus shall receive a Secured Convertible Plan Note pursuant to Section 5.2 of the Plan.

1.52 “Net Proceeds” shall mean the gross proceeds of any sale, transfer or other liquidation of any of the Assets, including the prosecution of Causes of Action, less the aggregate of: (a) the costs and expenses of selling, transferring, prosecuting and/or liquidating the Assets, including, without limitation, professional fees and expenses related to the recovery and disposition of the Assets; (b) taxes (including capital gains taxes); (c) accrued and unpaid real estate taxes and municipal liens; and (d) closing costs and other usual and ordinary recording and/or settlement charges.

1.53 “Organization Documents” shall mean, as applicable, the Debtor’s operating agreements, trust agreements, articles of incorporation, bylaws, corporate minute books and such other documents evidencing the Debtor’s formation and/or operation in such jurisdictions in which the Debtor is authorized to conduct business.

1.54 “Person” shall mean any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated association or organization, governmental agency or political subdivision.

1.55 “Petition Date” shall mean March 20, 2020.

1.56 “Plan” shall mean this *Amended Joint Plan of Reorganization of Biorestorative Therapies, Inc. and Auctus Fund, LLC*, including, without limitation, all exhibits, supplements, appendices and schedules to the Plan, either in their present form or as the same may be altered, amended or modified from time to time.

1.57 “Plan Costs” shall mean the costs incurred by Auctus to be a proponent of the Plan, including, without limitation, attorneys’ fees and costs, consultants’ fees and costs, and out of pocket costs and expenses.

1.58 “Plan Documents” shall mean the documents reasonably necessary to effectuate the Plan, including the Intercreditor Agreements, the Convertible Plan Notes and the Secured Convertible Plan Notes.

1.59 “Plan Lien” shall mean a Lien on substantially all assets of the Reorganized Debtor.

1.60 “Plan Supplement” shall mean the compilation of documents, agreements, papers, instruments and forms of documents associated with the Plan, including the Convertible Plan Note, the Secured Convertible Plan Note, and the Intercreditor Agreement relating to the

Secured Convertible Plan Note, to be filed in connection with the confirmation of the Plan.

1.61 “Plan Warrants” shall mean (a) one (1) Common Stock purchase warrant per dollar of Financing Amount permitting the holder to purchase a certain amount of the Common Stock at an exercise price equal to \$0.0002 per share with a cash call option permitting the Reorganized Debtor to redeem such warrant in the event that such warrant is registered in an effective registration statement for a price equal to the exercise price (subject to adjustment per the definitive documents) multiplied by the number of warrants outstanding; and (b) one (1) Common Stock purchase warrant per dollar of Financing Amount permitting the holder to purchase a certain amount of the Common Stock at an exercise price equal to \$0.0004 per share. The Plan Warrants shall include such anti-dilution provisions which are standard for common stock purchase warrants of this type, with the anti-dilution to be terminated upon the Reorganized Debtor’s consummating the listing of its common stock on the NASDAQ Capital Markets or another senior exchange.

1.62 “Priority Claims” shall mean all Claims, if any, entitled to priority under Section 507(a) of the Bankruptcy Code other than Priority Tax Claims and Administrative Expense Claims.

1.63 “Priority Tax Claims” shall mean any Claim of a governmental unit entitled to priority under Section 507(a)(8) of the Bankruptcy Code.

1.64 “Professionals” shall mean those Persons (a) employed pursuant to an order of the Bankruptcy Court in accordance with Sections 327 or 1103 of the Bankruptcy Code and to be compensated for services pursuant to Sections 327, 328, 329, 330 and 331 of the Bankruptcy Code, or (b) for which compensation and reimbursement is allowed by the Bankruptcy Court pursuant to Section 503(b)(4) of the Bankruptcy Code.

1.65 “Professional Fee Claims” shall mean the fees and expenses of Professionals under Sections 330, 331, or 503 of the Bankruptcy Code approved by an order of the Bankruptcy Court.

1.66 “Proponents” shall mean Auctus and the Debtor.

1.67 “Pro Rata” shall mean, when used with reference to a distribution of property under the Plan, proportionately so that with respect to a particular Allowed Claim, the ratio of (a)(1) the amount of property distributed on account of such Claim to (2) the amount of such Claim, is the same as the ratio of (b)(1) the amount of property distributed on account of all Allowed Claims of the Class in which such Claim is included to (2) the amount of all Allowed Claims in that Class.

1.68 “Reorganized Debtor” shall mean the Debtor, from and after the Effective Date, as recapitalized, reconstituted and reorganized pursuant to the Plan and any associated documents.

1.69 “Schedules” shall mean the schedules of assets and liabilities, the list of holders of interests and the statements of financial affairs filed by the Debtor under Section 521 of the Bankruptcy Code and Bankruptcy Rule 1007, as such schedules, lists and statements have been or may be supplemented or amended from time to time.

1.70 “Secured Claim” shall any Claim that is secured by a Lien on Collateral to the extent of the value of such Collateral, as determined in accordance with Section 506(a) of the Bankruptcy Code, or, in the event that such Claim is a claim of setoff under Section 553 of the Bankruptcy Code, to the extent of such setoff.

1.71 “Secured Convertible Plan Note” shall mean a convertible note, in a form to be provided in the Plan Supplement, issued by the Reorganized Debtor, secured by the Plan Lien and subject to an Intercreditor Agreement, that contains, among other things, the following terms: (a) a maturity date thirty-six (36) months following the Effective Date; (b) an interest rate of seven percent (7%) per annum; (c) the indebtedness shall be convertible at the option of the investor pursuant to applicable securities laws into shares of the Common Stock at a zero percent (0%) discount to the VWAP of the Common Stock over the five (5) trading days immediately preceding any conversion, (d) mandatory conversion of all outstanding indebtedness at such time as the Reorganized Debtor consummates the listing of the Common Stock on the NASDAQ Capital Markets or another senior exchange; outstanding indebtedness to be converted on the same terms as provided to investors in connection with a public offering undertaken in connection with the senior exchange listing; and (e) other terms that are customarily included in similar convertible notes.

1.72 “Trading Affiliate” shall mean any Person acting on behalf of or pursuant to any holder of Common Stock which had knowledge of the transactions contemplated by the Plan, has or shares discretion relating to such holder’s investments and trading or information concerning such holder’s investments, or is subject to such holder’s review or input concerning such Person’s investments or trading

1.73 “Tuxis Note” shall mean the promissory notes issued by the Debtor to the Tuxis Trust in June of 2016, and amended on or about November 17, 2018, November 20, 2018, and December 17, 2019.

1.74 “Voting Deadline” shall mean the deadline for submitting ballots with respect to the Plan that is established by the Bankruptcy Court.

1.75 “VWAP” shall mean the volume weighted average price for the Common Stock.

ARTICLE II

TREATMENT OF ALLOWED UNCLASSIFIED CLAIMS

2.1 Non-Classification.

As provided in Section 1123(a)(1) of the Bankruptcy Code, Administrative Expense Claims and Priority Tax Claims against the Debtor are not classified for the purposes of voting on, or receiving distributions under, the Plan. All such Claims are instead treated separately in accordance with the terms set forth in this Article II.

2.2 Administrative Expense Claims.

(a) General. Except for Professional Fee Claims and except as otherwise agreed to by the Debtor and the holder of an Allowed Administrative Expense Claim, each such holder shall be paid in full in Cash on the later of: (i) the date such Allowed Administrative Expense Claim becomes due in accordance with its terms; and (ii) the Effective Date.

(b) U.S. Trustee's Fees. The outstanding fees due to the United States Trustee pursuant to 11 U.S.C. § 1930 shall be paid in full on or before the Effective Date.

(c) Professional Compensation and Expense Reimbursement Claims.

- (i) Within thirty (30) days after the Effective Date, each Professional shall file a final application for the allowance of compensation for services rendered or reimbursement of expenses incurred through and including the Effective Date. Any such application granted by the Bankruptcy Court shall be paid: (1) within fifteen days of the entry of the order of the Bankruptcy Court approving such application, unless a stay of the order approving the application is obtained; or (2) upon such other terms as may be mutually agreed upon between the Professional and the Debtor or Reorganized Debtor.
- (ii) All fees and expenses of Professionals for services rendered after the Effective Date shall be paid by the Reorganized Debtor upon receipt of reasonably detailed invoices in such amounts and on such terms as such Professional and the Reorganized Debtor may agree. No further order or authorization from the Bankruptcy Court shall be necessary to permit the Reorganized Debtor to pay the fees and expenses of Professionals for services rendered after the Effective Date.

(d) DIP Obligation. The DIP Obligation shall, in accordance with Section 1145(a)(1) of the Bankruptcy Code, and pursuant to Section 5.2 of the Plan, be exchanged on or promptly after the Effective Date or a Secured Convertible Plan Note in an amount equal to one hundred percent (110%) of the DIP Obligation.

2.3 Priority Tax Claims.

Each holder of an Allowed Priority Tax Claim against the Debtor, if any, shall be paid, at the sole election of the Debtor, either: (a) upon such terms as may be agreed to between the Debtor and the holder of an Allowed Priority Tax Claim; (b) in full in Cash on the Effective Date; or (c) in installment payments of Cash commencing on the Effective Date and (i) of a total value as of the Effective Date equal to the Allowed amount of such Claim, (ii) over a period ending not later than five (5) years from the Petition Date, and (iii) in a manner not less favorable than the most favored General Unsecured Claim under the Plan.

ARTICLE III

CLASSIFICATION OF CLAIMS AND EQUITY INTERESTS

The Claims against and Equity Interests in the Debtor are categorized below pursuant to Sections 1122 and 1123(a)(1) of the Bankruptcy Code. A Claim or Equity Interest is classified in a particular Class only to the extent that the Claim or Equity Interest qualifies within the description of that Class, and is classified in other Classes to the extent that any portion of the Claim or Equity Interest falls within the description of such other Classes. A Claim is placed in a particular Class for the purpose of voting on the Plan, and only to the extent that such Claim is Allowed for voting purposes in that Class and such Claim has not been paid, released or otherwise settled prior to the Effective Date.

3.1 Claim and Equity Interest Categories.

Claims against and Equity Interests in the Debtor have been classified as follows:

Class	Designation	Impairment	Entitled to Vote
1	Secured Claims of John Desmarais, Tuxis Trust and/or Phoenix Cell Group Holdings, LLC	Impaired	Yes
2	Priority Claims	Unimpaired	No
3	General Unsecured Claims	Impaired	Yes
4	Convenience Class Claims	Impaired	Yes
5	Equity Interests	Impaired	Yes

3.2 Elimination of Vacant Classes.

Any Class of Claims or Equity Interests that does not contain, as of the Confirmation Date, a holder of an Allowed Claim or Equity Interest, or a holder of a Claim temporarily allowed under Bankruptcy Rule 3018, shall be deemed deleted from the Plan for all purposes, including for purposes of determining acceptance of the Plan by such Class under Section 1129(a)(8) of the Bankruptcy Code.

ARTICLE IV

TREATMENT OF CLAIMS AND EQUITY INTERESTS

4.1 Class 1 - Secured Claims of John Desmarais, Tuxis Trust and/or Phoenix Cell Group Holdings, LLC

- (a) Classification. Class 1 shall consist of the Secured Claims against the Debtor held by John Desmarais, the Tuxis Trust and/or Phoenix Cell Group Holdings, LLC.
- (b) Impairment and Voting. Class 1 is impaired under the Plan and the holders of the Class 1 Secured Claims shall be entitled to vote to accept or reject the Plan.
- (c) Claim Treatment. In full and final satisfaction, settlement, discharge and release of the Allowed Class 1 Secured Claims, the holders of such Claims shall receive the following:
 - (i) February 2020 Bridge Notes Allowed Secured Claims. The holder of the Allowed Secured Claims arising from the February 2020 Bridge Notes shall receive, at the sole option of Auctus, one of the following:
 - (1) Payment in full of such Claim by monthly payments of principal and interest, based on an interest rate of four and one quarter percent (4.25 %) per annum and a twenty (20) year amortization schedule, with all unpaid principal and interest due at the end of the sixtieth (60th) month following the Effective Date, provided that, the outstanding amount due may be pre-paid at any time without penalty, with such payments to commence on the first day of the first full month following the Effective Date;
 - (2) Cash on the Effective Date equal to the amount of the Allowed Secured Claims arising from the February 2020 Bridge Notes;
 - (3) A Secured Convertible Plan Note in the amount of the Allowed Secured Claims arising from the February 2020 Bridge Notes;
 - (4) Such treatment as is agreed upon in writing between the Proponents and the holder of the Allowed Secured Claims arising from the February 2020 Bridge Notes; or
 - (5) The treatment, as determined by the Bankruptcy Court, necessary to provide the holder of the Allowed Secured Claims arising from the February 2020 Bridge Notes with the indubitable equivalent of such Claims.
 - (ii) Claims Secured by Avoidable Liens. The Claims arising from the Desmarais Note and the Tuxis Note that are secured by Liens that were granted by the Debtor and/or perfected within one (1) year of the Petition Date: (1) shall be treated as Class 3 General Unsecured Claims, (2) shall not constitute Class 1 Allowed Secured Claims, and (3) the Liens securing such Claims shall be canceled, discharged and released pursuant to Article IX of the Plan.
- (d) Acceptance of Plan. Notwithstanding Section 4.1(c)(i) of the Plan, if the holder of the Allowed Secured Claims arising from the February 2020 Bridge Notes irrevocably votes to accept the Plan, the holder of such Allowed Claim may elect to receive either the treatment set forth in Section 4.1(c)(i)(2) of the Plan, or the treatment set forth in Section 4.1(c)(i)(3) of the Plan.
- (e) Covenants and Loan Documents. The Covenants shall apply to the Class 1 Allowed Secured Claim. As of the Effective Date, the Loan Documents shall be deemed amended and restated, without further action, as necessary to reflect and incorporate the terms of the Plan. The occurrence of the Effective Date shall render inoperative any terms, covenants, representations and warranties, and/or remedies contained in the Loan Documents that impose obligations upon the Debtor that are inconsistent with or more expansive than the terms of the Plan, and to the extent that there is any inconsistency between the Plan and any of the Loan Documents, the terms of the Plan shall control.
- (f) Retention of Liens. To secure the payment of Class 1 Allowed Secured Claims and except as modified by the Plan, the holders of such Claims shall retain their Liens to the extent, validity and priority of such Liens as of the Petition Date.
- (g) Discharge of Liens. Upon payment or satisfaction in full of an Allowed Class 1 Secured Claim: (i) all Liens securing such Allowed Secured Claim shall be deemed canceled, discharged and released, and (ii) the holder of such Allowed Secured Claim shall deliver to the Reorganized Debtor, within three (3) Business Days (or within such period agreed to by the

Reorganized Debtor) of the payment in full of such Allowed Secured Claim, all UCC terminations, mortgage discharges and any other documents necessary to effect the discharge and release of the Liens that secured such Allowed Secured Claim.

- (h) **Reporting.** Until the Allowed Class 1 Secured Claims are satisfied or paid in full, the Reorganized Debtor shall provide the holders of such Claims with the following reporting:
 - (i) **Quarterly Report.** Commencing on the sixtieth (60th) day after the end of the first full calendar quarter following the occurrence of the Effective Date occurs, and continuing on such date for each following calendar quarter, the Reorganized Debtor shall provide each holder of an Allowed Class 1 Secured Claim with the Reorganized Debtor's Financial Statements for the preceding calendar quarter.
 - (ii) **Yearly Reports.** On or before April 30 of each calendar year following the Effective Date, the Reorganized Debtor shall provide each holder of an Allowed Class 1 Secured Claim with Financial Statements for the preceding calendar year.
 - (iii) **Confidentiality.** Notwithstanding any freedom of information act or similar statute, the holders of the Class 1 Allowed Secured Claims and their representatives, agents and professionals shall keep all reports provided by the Reorganized Debtor strictly confidential and shall be permitted to disclose such reports only to those of their representatives, agents and professionals specifically involved in evaluating the Allowed Class 1 Secured Claim who require such reports. If the holder of an Allowed Class 1 Secured Claim or any of its representatives, agents or professionals become legally compelled to disclose any of the reports, such Claim holder shall consult with the Reorganized Debtor, provide the Reorganized Debtor with prompt written notice before any report is disclosed, and shall disclose only that portion of the report that is legally required to be disclosed. The Reorganized Debtor may seek a protective order or other appropriate remedy to protect the confidentiality of the reports (including without limitation a narrowing of the scope of disclosure). If the Reorganized Debtor does not obtain a protective order or other appropriate remedy, or if the Reorganized Debtor agrees to permit disclosure of a report, such Claim holder shall exercise good faith in cooperating with any efforts of the Reorganized Debtor to obtain appropriate assurances in writing that confidential treatment will be accorded the report.
- (i) **Remedies.** Upon the occurrence of a Default as to an Allowed Class 1 Secured Claim, the holder of such Claim shall be entitled to enforce its rights under applicable law in a court of competent jurisdiction in the state of New York.

4.2 Class 2 – Priority Claims.

- (a) **Classification.** Class 2 consists of the Priority Claims against the Debtor.
- (b) **Impairment and Voting.** Class 2 is unimpaired under the Plan and the holders of Priority Claims are not entitled to vote to accept or reject the Plan.
- (c) **Claim Treatment.** In full and final satisfaction, settlement, discharge and release of the Allowed Priority Claims, the holders of the Allowed Priority Claims shall be paid in full in Cash either: (i) in accordance with any pre-petition agreements between the holder of the Allowed Priority Claim and the Debtor, (ii) on the later to occur of the Effective Date or the date the Claim becomes an Allowed claim, or (iii) in accordance with any post-Petition Date agreement between the claimant and the Debtor.

4.3 Class 3 – General Unsecured Claims.

- (a) **Classification.** Class 3 consists of the General Unsecured Claims against the Debtor.
- (b) **Impairment and Voting.** Class 3 is impaired under the Plan and each holder of a General Unsecured Claim shall be entitled to vote to accept or reject the Plan.
- (c) **Claim Treatment.** In full and final satisfaction, settlement, discharge and release of the Allowed General Unsecured Claims, each holder of an Allowed General Unsecured Claim shall receive, at the election of the holder of such Allowed Claim, on or promptly after the Effective Date, or such other date after the Effective Date as provided for herein, one of the following:
 - (i) In accordance with Section 1145(a)(1) of the Bankruptcy Code and subject to the Leak Out Restriction, shares of Common Stock in the Reorganized Debtor in an amount equal to the Allowed amount of the General Unsecured Claim multiplied by one-hundred (100); or
 - (ii) Provided that the holder of the Allowed General Unsecured Claim provides Cash to the Reorganized Debtor after the Effective Date equal to not less than the Financing Amount:

(1) in accordance with Section 1145(a)(1) of the Bankruptcy Code, in exchange for its Allowed General Unsecured Claim, and subject to the Leak Out Restriction, a Convertible Plan Note equal to the amount of the Allowed General Unsecured Claim; and

(2) pursuant to and in reliance on Section 4(a)(2) of the Securities Act of 1933, as amended, and Rule 506(d) promulgated thereunder, (a) a Secured Convertible Plan Note equal to the Financing Amount; and (b) one Plan Warrant for each dollar of Financing Amount.

- (d) Election. In the event that the holder of an Allowed General Unsecured Claim does not, when voting on the Plan, elect which treatment it will receive under Section 4.3(c) of the Plan, such holder shall make the election prior to the Effective Date or such later date as may be agreed upon by Auctus, barring which such holder shall receive the treatment set forth in Section 4.3(c)(i) of the Plan.
- (e) Execution of Documents. Any holder of a General Unsecured Claim who elects the treatment provided for in Section 4(c)(ii) of the Plan shall, prior to the hearing on confirmation of the Plan or such later date as may be approved by Auctus, execute (i) an investor questionnaire, (ii) a commitment, in the form of a subscription agreement or other agreement acceptable to Auctus, (iii) an escrow agreement and (iii) such other documents customarily required for such a financing and as may be reasonably requested by Auctus. Such holder may be required to place the Financing Amount in escrow prior to the hearing on confirmation of the Plan; provided, however, that both (i) the release of the Financing Amount from escrow and (ii) the purchase, sale and issuance of the Convertible Plan Note, the Secured Convertible Plan Note and the Plan Warrants shall not occur until after the occurrence of the Effective Date.

4.4 Class 4 – Convenience Class Claims.

- (a) Classification. Class 4 consists of the Allowed Convenience Class Claims.
- (b) Impairment and Voting. Class 4 is impaired under the Plan and each holder of a Convenience Class Claim shall be entitled to vote to accept or reject the Plan.
- (c) Claim Treatment. In full and complete satisfaction, settlement, release and discharge, each holder of an Allowed Convenience Class Claim shall receive, in Cash, upon the later to occur of the Effective Date or the date such Claim becomes an Allowed Claim, the lesser of:
 - (i) Twenty percent (20%) of the holder's Allowed Claim; or
 - (ii) \$6,000.00.
- (d) Election. Any creditor with an Allowed Claim may elect to become an Allowed Convenience Class Claim by doing so on the ballot approved by the Bankruptcy Court not later than the deadline for voting on the Plan.

4.5 Class 5 – Equity Interests.

- (a) Classification. Class 5 consists of the Equity Interests in the Debtor.
- (b) Impairment and Voting. Class 5 is impaired under the Plan and the holders of Equity Interests shall be entitled to vote to accept or reject the Plan.
- (c) Treatment. The holders of Allowed Equity Interests in the Debtor shall retain such interests, provided that: (i) all holders of Equity Interests shall have any and all of their Anti-dilution Rights extinguished and cancelled; (ii) all holders of Equity Interests shall have any and all of their rights to sell or put shares to the Debtor extinguished and cancelled; and (iii) if Class 3 and/or Class 4 vote to reject the Plan, the Equity Interests in the Debtor shall be cancelled.

4.6 Reservation of Rights.

The Proponents reserve the right to, among other things, (a) contest the right of the holder of any Claim to vote on the Plan, or designate the vote of the holder of any Claim, (b) contest the right of the holder of any Claim to receive distributions under the Plan, (c) seek to subordinate any Claim for inequitable conduct or otherwise, and (d) seek to estimate any claim for any purposes under the Plan.

ARTICLE V

MEANS FOR IMPLEMENTATION OF THE PLAN

5.1 Plan Implementation.

The Plan and the Reorganized Debtor's post-Effective Date operations will be funded from the cash received in exchange for Secured Convertible Plan Notes, including the Minimum Contribution, and from any other financing as may be authorized pursuant to the Reorganized Debtor's Organization Documents or applicable law. Upon the Effective Date, the Debtor is authorized to take all action permitted by its Organization Documents (as amended) and by the law, including, without limitation, to use its Cash and other Assets for all purposes provided for in the Plan and in its operations, to the borrow funds, to refinance their Secured obligations, to grant liens on their unencumbered Assets, and to sell its existing Assets. Any Assets sold by the Reorganized Debtor to fund the Plan shall be transferred, assigned or otherwise conveyed to the buyer free and clear of all liens, claims, encumbrances and interests, with such liens, claims, encumbrances and interests to attach to the Net Proceeds of the sale to the same extent, priority and validity as is set forth in the Plan.

5.2 Secured Convertible Plan Notes.

Any entity that is an Accredited Investor, as that term is defined in 17 CFR § 230.501, that has provided all documents customarily required to demonstrate such status and that has executed a commitment, by way of a subscription agreement or other agreement acceptable to Auctus, may, pursuant to and in reliance on Section 4(a)(2) of the Securities Act of 1933, as amended, and Rule 506(d) promulgated thereunder, and subject to the approval of Auctus, provide financing to the Reorganized Debtor after the Effective Date, in increments of \$1,000.00, in exchange for which the entity providing the financing shall receive a Secured Convertible Plan Note in the amount of such financing and one Plan Warrant for each dollar of such financing; provided that, in no event shall such financing exceed the Financing Cap absent the express consent of Auctus. If the financing provided under Section 4.3(c)(ii) and this Section 5.2 of the Plan exceeds the Financing Cap, then Auctus shall have the right to limit the financing provided by any single holder of an Allowed General Unsecured Claim to an amount equal to seventy-five percent (75%) of such Allowed General Unsecured Claim. Auctus shall have the right to choose which entities may provide financing under this Section 5.2 of the Plan. In consideration of the Minimum Contribution, Auctus shall receive two or more Secured Convertible Plan Notes in an amount equal to one-hundred ten percent (110%) of the aggregate of the Minimum Contribution, the DIP Obligation and the Plan Costs. The Secured Convertible Plan Note received by Auctus in exchange for the DIP Obligation in an amount equal to one hundred ten percent (110%) of the DIP Obligation shall be issued in accordance with Section 1145(a)(1) of the Bankruptcy Code. Auctus shall also receive a Secured Convertible Plan Note for any amount of financing it provides to the Debtor in excess of the Minimum Contribution.

5.3 Execution of Necessary Documents; Amendment of Documents.

(a) Confirmation of the Plan shall constitute authorization by the Bankruptcy Court for the Debtor and/or the Reorganized Debtor to enter into all documents, instruments and agreements necessary to effectuate the terms of the Plan. The form and/or content of the documents, instruments and agreements necessary to effectuate the terms of the Plan shall be subject to the approval of the Proponents, in their sole discretion.

(b) As of the Effective Date, all pre-Confirmation Date documents and agreements (whether written or oral) between the Debtor and any party shall be deemed to be amended as necessary to effectuate and conform to the terms of this Plan. To the extent that there is any inconsistency between the Plan and any such documents and agreements, the terms of the Plan shall control.

(c) All matters provided for in the Plan involving any corporate action required by the Debtor or Reorganized Debtor in connection with the Plan shall be deemed to have occurred, and shall be in effect, without any requirement of further action by the Reorganized Debtor, its agents, representatives, members, managers, officers, directors or Affiliates.

5.4 Organization Documents and Good Standing.

As of the Effective Date, the Debtor's Organization Documents shall be amended as necessary to effectuate the terms of the Plan and shall become the Organization Documents of the Reorganized Debtor, including, without limitation, to effectuate the issuance and authorization of Common Stock as needed to effectuate the Plan, permit post-Effective Date operations, permit the creation of incentive stock plans, and the raising of additional financing and capital. To the extent that there is any inconsistency between the Plan and any of the Organization Documents, the terms of the Plan shall control. To the extent the Debtor is not in compliance as of the Effective Date with any state or local law requirements necessary to remain as an organized legal entity in good standing and/or remain authorized as an organized legal entity to conduct business in any jurisdiction, the Debtor and/or the Reorganized Debtor, as the case may be, shall be deemed to be in compliance with any such laws if they comply with such laws within six months after the Effective Date. To the extent necessary, the Debtor's Organization Documents shall be deemed amended to prohibit the issuance of nonvoting equity securities, and to provide, as to any classes of securities possessing voting power, an appropriate distribution of such power among such classes, including, in the case of any class of equity securities having a preference over another class of equity securities with respect to dividends, adequate provisions for the election of directors representing such preferred class in the event of default in the payment of such dividends. As soon as practicable following the Effective Date, the Reorganized Debtor shall take such action as is necessary to bring it into compliance with all applicable Securities and Exchange Commission rules and regulations.

5.5 Revesting of Property.

Except as otherwise provided in the Plan, the Reorganized Debtor shall, as of the Effective Date, be vested with all of the Assets of the Debtor.

5.6 Preservation and Resolution of Causes of Action.

Except as provided in, and unless expressly waived, relinquished, exculpated, released, compromised or settled in the Plan, the Confirmation Order, any Final Order, or in any contract, instrument, release or other agreement entered into or delivered in connection with the Plan, the Reorganized Debtor will exclusively retain and may enforce, and the Debtor and the Reorganized Debtor expressly reserve and preserve for these purposes, in accordance with Sections 1123(a)(5)(A) of the Bankruptcy Code, any Claims, demands, rights and Causes of Action that the Debtor or the Estate may hold against any person or entity. No preclusion doctrine, including, without limitation, the doctrines of res judicata, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable or otherwise) or laches shall apply to them by virtue of or in

connection with the confirmation or consummation of the Plan. After the Effective Date and except as otherwise provided in the Plan, the Reorganized Debtor is authorized, without further Bankruptcy Court order, to compromise, settle and/or otherwise dispose of any Causes of Action.

5.7 Trustee Powers.

Upon the Effective Date, the Reorganized Debtor shall be vested with the standing of and with all rights, powers and benefits afforded to a “trustee” under the Bankruptcy Code.

5.8 Default.

No event of default under the Plan or any Plan Documents shall occur unless, in the event of a breach of the Debtor’s or the Reorganized Debtor’s obligations under the Plan, the holder of the Allowed Claim asserting the default shall provide written notice of such breach to the Reorganized Debtor and such breach is not cured: (a) in the event of a breach that can be cured by the payment of a sum of money, within ten (10) Business Days of the Reorganized Debtor’s receipt of such notice; and (b) for any other breach, within thirty (30) days of the Reorganized Debtor’s receipt of such notice, provided that, if such non-monetary breach cannot reasonably be cured within such 30-day period and the Reorganized Debtor has commenced curing such breach and continue to cure such breach, the thirty (30) day period shall be extended for such time as is reasonably necessary to cure such breach.

ARTICLE VI

DISTRIBUTIONS ON CLAIMS AND RESOLUTION OF DISPUTED CLAIMS

6.1 Method of Distributions Under the Plan.

(a) In General. Subject to Bankruptcy Rule 9010, and except as otherwise provided in the Plan, all distributions under the Plan to be made by, or on behalf of, the Reorganized Debtor to the holder of each Allowed Claim shall be mailed by first class mail, postage prepaid, to the address of such holder as listed on the Schedules unless the Reorganized Debtor has been notified in writing of a change of address as of the Distribution Record Date, including, without limitation, by the filing of a proof of claim or notice of transfer of claim filed by such holder that provides an address for such holder different from the address reflected on the Schedules. The Reorganized Debtor shall have no obligation to locate such holders whose distributions or notices are properly mailed but nevertheless returned.

(b) Form of Distributions. Except as otherwise provided in the Plan, any payment of Cash made by, or on behalf of, the Reorganized Debtor pursuant to the Plan shall be made by check or, upon agreement of the parties, by wire transfer.

(c) Distributions to be on Business Days. Any payment or distribution required to be made under the Plan on a day other than a Business Day shall be made on the next succeeding Business Day.

(d) Fractional Dollars. Whenever any payment of a fraction of a dollar would otherwise be called for, the actual payment shall reflect a rounding of such fraction to the nearest whole dollar (rounding down in the case of \$0.50 or less, and rounding up in the case of more than \$0.50).

(e) Distributions to Holders as of the Distribution Record Date. As of the close of business on the Distribution Record Date, the claims register shall be closed. The Reorganized Debtor shall have no obligation to recognize any transfer of any Claims occurring after the close of business on the Distribution Record Date, and shall instead be entitled to recognize and deal for all purposes under the Plan with only those holders of record as of the close of business on the Distribution Record Date. This Section 6.1(e) of the Plan shall not be deemed to bar or restrict the assignment of any Claim.

6.2 Allowance of and Objections to Claims.

(a) Any holder of multiple Allowed Claims against the Debtor shall be treated under the Plan as though such holder had one Allowed Claim in the aggregate amount of such multiple Allowed Claims.

(b) Except as otherwise specifically provided in the Plan or in an order of the Bankruptcy Court pursuant to Section 506(b) of the Bankruptcy Code, no interest shall accrue on or be paid on account of an Allowed Claim.

(c) Prior to the Effective Date, any objections to Claims against the Debtor shall be prosecuted by the Debtor. On and after the Effective Date and unless otherwise ordered by the Bankruptcy Court after notice and a hearing, the Reorganized Debtor and Auctus shall have the right to the exclusion of all others (except as to the Professionals’ applications for allowances of compensation and reimbursement of expenses under Section 327 of the Bankruptcy Code and Rule 2014(a) of the Bankruptcy Rules) to make, file, prosecute, settle, compromise, withdraw or resolve in any manner approved by the Bankruptcy Court, objections to Claims. Notwithstanding any other provision of the Plan, the Reorganized Debtor shall not make any distribution on account of any Disputed Claim unless and until such Claim becomes Allowed.

(d) After the Effective Date and except as otherwise provided in the Plan, the Reorganized Debtor is authorized, without further Bankruptcy Court order, to compromise, settle and/or otherwise dispose of any dispute regarding a Claim.

6.3 Deadline for Objecting to Claims.

Except as otherwise provided by order of the Bankruptcy Court, the Debtor, the Reorganized Debtor or Auctus, as the case may be, may file an objection to a Claim against the Debtor until the later of: (a) the date that such Claim becomes due and payable in accordance with its terms, or (b) ninety (90) days after the Effective Date.

6.4 Estimation of Claims.

The Debtor, the Reorganized Debtor or Auctus may, at any time, request that the Bankruptcy Court estimate any Disputed Claim pursuant to Section 502(c) of the Bankruptcy Code regardless of whether the Debtor or the Reorganized Debtor have previously objected to such Claim or whether the Bankruptcy Court has ruled on any such objection. The Bankruptcy Court shall have jurisdiction to estimate a Disputed Claim at any time and for any purpose, including, without limitation, for plan voting, feasibility, allowance and distribution purposes. If the Bankruptcy Court estimates a Disputed Claim, such estimation shall not preclude the Debtor, the Reorganized Debtor or Auctus from pursuing any supplemental proceedings to object to any payment of such Claim. All of the aforementioned Claims objections, estimation and resolution procedures are cumulative and not exclusive remedies. Claims may be estimated and subsequently compromised, settled, withdrawn or resolved by any mechanism approved by the Bankruptcy Court or by agreement between the Debtor, the Reorganized Debtor and Auctus, and the holder of such Disputed Claim.

6.5 Reversion of Unclaimed Checks.

The amounts of any checks issued for distributions under the Plan that remain uncashed for a period of 180 days after the date of such distribution shall revert and be vested in the Reorganized Debtor free and clear of any claim or interest of any holder of a Claim under the Plan.

6.6 Obligation to Provide Tax Documents.

No Person entitled to a payment or distribution under the Plan shall receive such distribution or payment until the Person provides the Reorganized Debtor with: (a) a W-9 or similar federal or state tax form, and (b) such other tax forms as are reasonably requested by the Reorganized Debtor (collectively the "Tax Forms"). If any Person holding an Allowed Claim fails to provide a Tax Form to the Reorganized Debtor after two written requests for a Tax Form, such Person's Allowed Claim shall be disallowed and expunged without further order of the Bankruptcy Court.

6.7 Deadline on Actions Required to Receive Distribution Under Plan.

Except as otherwise provided for in this Plan, any condition to receiving a distribution under this Plan shall be satisfied no later than five (5) years after the entry of the Confirmation Order consistent with 11 U.S.C. § 1143. Failure to take appropriate action to satisfy such condition may result in that entity not receiving a distribution under this Plan.

ARTICLE VII

VOTING ON THE PLAN AND CRAMDOWN

7.1 Voting of Claims.

Each holder of an Allowed Claim in an impaired Class that retains or receives property under the Plan shall be entitled to vote separately to accept or reject the Plan. Each holder of the foregoing Allowed Claims electing to vote shall do so on a duly executed and delivered ballot and in accordance with procedures set forth in the applicable order of the Bankruptcy Court establishing Plan voting procedures.

7.2 Acceptance by Impaired Classes.

An impaired class of Claims or Equity Interests shall have accepted the Plan if (a) the holders (other than any holder designated under Section 1126(e) of the Bankruptcy Code) of at least two-thirds in amount of the Allowed Claims or Allowed Equity Interests actually voting in such Class have voted to accept the Plan and (b) the holders (other than any holder designated under Section 1126(e) of the Bankruptcy Code) of more than one-half in number of the Allowed Claims or Allowed Equity Interests actually voting in such Class have voted to accept the Plan. If a Class contains Claims or Interests eligible to vote and no holders of Claims or Interests eligible to vote in such Class vote to accept or reject the Plan, the holders of such Claims or Interests in such Class shall be deemed to have accepted the Plan.

7.3 Nonconsensual Confirmation.

If any impaired Class entitled to vote does not accept the Plan by the requisite majorities provided in Sections 1126(c) or 1126(d) of the Bankruptcy Code, as applicable, or if any impaired class is deemed to have rejected the Plan, the Debtor reserves the right (a) to seek confirmation of the Plan under Section 1129(b) of the Bankruptcy Code; and/or (b) to amend the Plan in accordance with Section 12.3 of the Plan.

ARTICLE VIII

EXECUTORY CONTRACTS, UNEXPIRED LEASES, POST-PETITION CONTRACTS AND RETIREE AND COMPENSATION BENEFITS

8.1 Assumption of Executory Contracts and Unexpired Leases.

Pursuant to Sections 1123(b)(2) and 365(a) of the Bankruptcy Code, any executory contract or unexpired lease (excluding insurance policies) that (i) has not expired by its own terms on or prior to the Confirmation Date, (ii) has not been assumed, assumed and assigned or rejected with the approval of the Bankruptcy Court on or prior to the Confirmation Date, (iii) is not the subject of a motion to assume or reject which is pending at the time of the Confirmation Date, or (iv) is not designated by Auctus as being an executory contract or unexpired lease to be rejected at the time of confirmation of this Plan, shall be deemed assumed on the Effective Date. The entry of the Confirmation Order by the Bankruptcy Court shall constitute approval of such assumption pursuant to Sections 365(a) and 1123(b)(2) of the Bankruptcy Code.

8.2 Payments Related to The Assumption of Executory Contracts And Unexpired Leases.

(a) Payment of Claims Arising From Assumed Contracts And Leases. Any Allowed Claims arising from the assumption of an executory contract or unexpired lease will receive, in full and complete satisfaction, settlement, release and discharge of such Claims, payment in the ordinary course of business as and when such Allowed Claims become due pursuant to such executory contract or unexpired lease.

(b) Disputed Claims and Bar Date. If there is a dispute regarding (i) the amount of any claim arising from the assumption or rejection of an executory contract or unexpired lease, (ii) the ability of the Debtor or any assignee to provide “adequate assurance of future performance,” within the meaning of Section 365 of the Bankruptcy Code, under a contract or lease to be assumed, or (iii) any other matter pertaining to the assumption or assumption and assignment of any contract or lease, the payment of any Claim related to the foregoing will be made following entry of a Final Order resolving the dispute and approving the assumption.

8.3 Rejection Damage Claims.

If the rejection of an executory contract or unexpired lease by the Debtor results in a Claim by the other party or parties to such contract or lease, any claim for damages, if not previously evidenced by a filed proof of claim, shall be forever barred and shall not be enforceable against the Estate, the Reorganized Debtor and their respective properties, agents, successors, or assigns, unless a proof of claim is filed with the Bankruptcy Court and served upon counsel for the Proponents on or before thirty (30) days following the later to occur of: (a) the rejection of such executory contract or unexpired lease, and (b) the Confirmation Date. Unless otherwise ordered by the Bankruptcy Court or provided in the Plan, all such Claims for which proofs of claim are timely filed will be treated as General Unsecured Claims subject to the provisions of the Plan. The Debtor, the Reorganized Debtor or Auctus shall have the right to object to any such Claim for rejection damages in accordance with the Plan.

ARTICLE IX

RELEASE AND DISCHARGE OF CLAIMS

9.1 Discharge.

Except as otherwise expressly provided in Section 1141 of the Bankruptcy Code or the Plan, the distributions made pursuant to and in accordance with the applicable terms and conditions of the Plan are in full and final discharge as against the Debtor and the Reorganized Debtor of any debt or obligation of the Debtor that arose before the Effective Date, and any debt of the Debtor of a kind specified in Section 502(g), 502(h), or 502(i) of the Bankruptcy Code, and all Claims against the Debtor or the Estate of any nature, including, without limitation, any setoff claims and/or any interest accrued on any Claim from and after the Petition Date, whether or not: (a) a proof of claim based on such debt, obligation or Equity Interest is filed or deemed filed under Section 501 of the Bankruptcy Code, (b) such Claim is Allowed under Section 502 of the Bankruptcy Code, or (c) the holder of such Claim has accepted the Plan.

9.2 Injunction Relating to the Plan.

As of the Effective Date, all Persons are hereby permanently enjoined from commencing, continuing or enforcing in any manner or in any place, any action or other proceeding, whether directly, indirectly, derivatively or otherwise against the Debtor, the Estate or the Reorganized Debtor, on account of, or respecting any Claims, debts, rights, obligations, Causes of Action or liabilities discharged pursuant to the Plan, except to the extent expressly permitted under the Plan.

9.3 Releases.

(A) **DEBTOR RELEASES.** NOTWITHSTANDING ANYTHING CONTAINED IN THE PLAN TO THE CONTRARY, AS OF THE EFFECTIVE DATE, FOR THE GOOD AND VALUABLE CONSIDERATION PROVIDED BY THE DEBTOR, THE DEBTOR AND ITS CURRENT AND FORMER AFFILIATES AND REPRESENTATIVES AND THE ESTATE SHALL BE DEEMED TO HAVE PROVIDED A FULL, COMPLETE, UNCONDITIONAL AND IRREVOCABLE RELEASE TO (i) THE DEBTOR'S CURRENT OFFICERS, DIRECTORS, AGENTS AND PROFESSIONALS AND (ii) AUCTUS FUNDS, LLC, AND ITS CURRENT OFFICERS, DIRECTORS, AGENTS AND PROFESSIONALS (EACH, A “RELEASED PARTY,” AND COLLECTIVELY, THE “RELEASED PARTIES”) AND EACH SUCH RELEASED PARTY SO RELEASED SHALL BE DEEMED RELEASED BY THE DEBTOR AND ITS AFFILIATE AND REPRESENTATIVES AND THE ESTATE FROM ANY AND ALL CLAIMS, CAUSES OF ACTION AND ANY OTHER DEBTS, OBLIGATIONS, RIGHTS, SUITS, DAMAGES, ACTIONS, REMEDIES AND LIABILITIES WHATSOEVER, WHETHER ACCRUED OR UNACCRUED, WHETHER KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, EXISTING BEFORE THE EFFECTIVE DATE, AS OF THE EFFECTIVE DATE OR ARISING THEREAFTER, IN LAW, AT EQUITY, WHETHER FOR TORT, CONTRACT, VIOLATIONS OF STATUTES (INCLUDING BUT NOT LIMITED TO THE FEDERAL OR STATE SECURITIES LAWS), OR OTHERWISE, BASED IN WHOLE OR IN PART UPON ANY ACT OR OMISSION, TRANSACTION, OR OTHER OCCURRENCE OR CIRCUMSTANCES EXISTING OR TAKING PLACE PRIOR TO OR ON THE EFFECTIVE DATE ARISING FROM OR RELATED IN ANY WAY TO THE DEBTOR, INCLUDING, WITHOUT LIMITATION, THOSE THAT THE DEBTOR WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT OR THAT ANY HOLDER OF A CLAIM OR EQUITY INTEREST OR OTHER ENTITY WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT FOR OR ON BEHALF OF THE DEBTOR OR THE ESTATE, INCLUDING WITHOUT LIMITATION THOSE IN ANY WAY RELATED TO THE CHAPTER 11 CASE OR THE PLAN; PROVIDED, HOWEVER, THAT THE FOREGOING RELEASE SHALL NOT PROHIBIT THE DEBTOR OR THE ESTATE FROM ASSERTING ANY AND ALL DEFENSES AND COUNTERCLAIMS IN RESPECT OF ANY DISPUTED CLAIM ASSERTED BY ANY RELEASED PARTIES; PROVIDED FURTHER, THAT THE FOREGOING PROVISIONS OF THIS SECTION 6.19(a) SHALL HAVE NO EFFECT ON THE LIABILITY OF THE DEBTOR'S CURRENT DIRECTORS AND OFFICERS, THE DEBTOR'S DIRECTORS AND OFFICERS THAT SERVED IN SUCH CAPACITY AS OF THE PETITION DATE, THE DEBTOR'S PROFESSIONALS, AND THE REPRESENTATIVES OF EACH OF THE FOREGOING THAT RESULTS FROM ANY ACT OR OMISSION THAT IS DETERMINED IN A FINAL ORDER TO HAVE CONSTITUTED GROSS NEGLIGENCE OR WILLFUL MISCONDUCT. NOTWITHSTANDING THE FOREGOING, THE DEBTOR DOES NOT RELEASE ANY AVOIDANCE ACTIONS TO AVOID ANY PERFECTION OF ANY SECURITY INTERESTS IN AND/OR LIENS AGAINST ANY OF THE DEBTOR'S

TANGIBLE AND/OR INTANGIBLE PROPERTY GRANTED BY THE DEBTOR WHICH PERFECTION ALLEGEDLY OCCURRED WITHIN ONE YEAR OF THE PETITION DATE.

(B) CREDITOR RELEASES. EXCEPT AS OTHERWISE SET FORTH IN THE PLAN, AS OF THE EFFECTIVE DATE, IN CONSIDERATION FOR, AMONG OTHER THINGS, THE OBLIGATIONS OF THE DEBTOR UNDER THE PLAN AND OTHER CONTRACTS, INSTRUMENTS, RELEASES, AGREEMENTS OR DOCUMENTS TO BE ENTERED INTO OR DELIVERED IN CONNECTION WITH THE PLAN, (A) EACH HOLDER OF A CLAIM OR INTEREST THAT VOTES IN FAVOR OF THE PLAN AND (B) TO THE FULLEST EXTENT PERMISSIBLE UNDER APPLICABLE LAW, AS SUCH LAW MAY BE EXTENDED OR INTERPRETED SUBSEQUENT TO THE EFFECTIVE DATE, EACH PERSON THAT HAS HELD, HOLDS OR MAY HOLD A CLAIM OR EQUITY INTEREST OR AT ANY TIME WAS A CREDITOR OR EQUITY HOLDER OF THE DEBTOR AND THAT DOES NOT VOTE ON THE PLAN OR VOTES AGAINST THE PLAN, IN EACH CASE WILL BE DEEMED TO FOREVER RELEASE, WAIVE AND DISCHARGE ALL CLAIMS, OBLIGATIONS, SUITS, JUDGMENTS, DAMAGES, DEMANDS, RIGHTS, CAUSES OF ACTION AND LIABILITIES (OTHER THAN THE RIGHT TO ENFORCE THE REORGANIZED DEBTOR'S OBLIGATIONS UNDER THE PLAN AND THE CONTRACTS, INSTRUMENTS, RELEASES, AGREEMENTS AND DOCUMENTS DELIVERED, OR THAT REMAIN IN EFFECT, UNDER THE PLAN), WHETHER LIQUIDATED OR UNLIQUIDATED, FIXED OR CONTINGENT, MATURED OR UNMATURED, KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, THEN EXISTING OR THEREAFTER ARISING IN LAW, EQUITY OR OTHERWISE, THAT ARE BASED IN WHOLE OR IN PART ON ANY ACT, OMISSION, TRANSACTION OR OTHER OCCURRENCE TAKING PLACE ON OR PRIOR TO THE EFFECTIVE DATE IN ANY WAY RELATING TO THE DEBTOR, THE BANKRUPTCY CASE OR THE PLAN THAT SUCH ENTITY HAS, HAD OR MAY HAVE AGAINST THE DEBTOR, THE ESTATE, THE ESTATE'S ASSETS, THE REORGANIZED DEBTOR AND/OR THE REORGANIZED DEBTOR'S ASSETS.

9.4 Cancellation of Existing Indebtedness and Liens.

Except as is otherwise provided in the Plan, on the Effective Date: (a) all credit agreements, promissory notes, mortgages, security agreements, invoices, contracts, agreements and any other documents or instruments evidencing Claims against the Debtor, together with any and all Liens securing same, including without limitation any rights of setoff, shall be canceled, discharged and released without further act or action by any Person under any applicable agreement, law, regulation, order or rule, (b) the obligations of the Debtor thereunder shall be deemed cancelled, discharged and released, and (c) all of the right, title and interest of any holder of such mortgages, deeds of trust, liens or other security interests, including any rights to any collateral thereunder, will revert to the Reorganized Debtor. To the extent deemed necessary or advisable by the Proponents, any holder of a Claim shall promptly provide the Reorganized Debtor with an appropriate instrument of cancellation, discharge or release, as the case may be, in suitable form for recording wherever necessary to evidence such cancellation, discharge or release, including the cancellation, discharge or release of any Lien securing such Claim.

9.5 Exculpation.

As of the Effective Date, the Debtor, its directors, officers, employees, agents and professionals (including professional firms and individuals within such firms) and Auctus, its directors, officers, employees, agents and professionals (including professional firms and individuals within such firms) shall be deemed to have solicited acceptances of this Plan in good faith and in compliance with the applicable provisions of the Bankruptcy Code. To the fullest extent permitted by Section 1125(e) of the Bankruptcy Code, the Debtor, its directors, trustees, officers, employees, and professionals (including professional firms and individuals within such firms), and Auctus, its directors, officers, employees, agents and professionals (including professional firms and individuals within such firms) shall not have or incur any liability to any holder of any Claim against or Interest in or any other Person for any act or omission taken or not taken in good faith in connection with, or arising out of, the Chapter 11 Case, the Disclosure Statement, the Plan, or any contract, instrument, release or other agreement or document created or entered into in connection with the Plan, or any act taken or omitted to be taken during the Chapter 11 Case, including, without limiting the generality of the foregoing, all retentions, motions and applications, the Disclosure Statement, the pursuit of approval of the Disclosure Statement, the pursuit of confirmation of the Plan, the consummation of the Plan or the administration of the Plan or the property to be distributed under the Plan, the solicitation of votes for and the pursuit of confirmation of the Plan, and, without limitation, the steps taken to effectuate the transactions described in Article 6.8 of the Plan, except for acts or omissions constituting fraud, willful misconduct or gross negligence as determined by a Final Order; and in all respects such parties shall be entitled to rely upon the advice of counsel with respect to their duties and responsibilities under the Plan.

9.6 Setoffs.

Except as otherwise provided in the Plan, nothing contained in the Plan shall constitute a waiver or release by the Debtor, the Estate and/or the Reorganized Debtor of any rights of setoff each may have against any Person.

ARTICLE X

CONDITIONS PRECEDENT TO THE EFFECTIVE DATE OF THE PLAN

10.1 Conditions Precedent to Effectiveness.

Subject to Section 10.2 of the Plan, the following are conditions precedent to the occurrence of the Effective Date:

(a) The Confirmation Order, in form and substance reasonably acceptable to Auctus shall have been entered by the Bankruptcy Court and shall not be subject to any stay;

(b) The Debtor shall have received commitments for new financing, not including the Minimum Contribution, pursuant to Sections 4.3(c)(ii) and/or 5.2 of the Plan in an amount of not less than \$2,000,000.00, to be funded as soon as practicable following the Effective Date;

(c) The assumption of the Debtor's executory contracts and unexpired leases, on terms and conditions (including the modification of such agreements) acceptable to Auctus in its sole discretion, shall have been approved by an order of the Bankruptcy Court; and

(d) The Confirmation Order shall have become a Final Order.

10.2 Waiver of Conditions.

Except for the condition set forth in Section 10.1(a) of the Plan, Auctus may, in its sole discretion, waive the conditions precedent to the effectiveness of the Plan set forth in Section 10.1 by filing a notice of waiver with the Bankruptcy Court. The failure to satisfy or waive any condition precedent to the occurrence of the Effective Date may be asserted by Auctus regardless of the circumstances giving rise to the failure of such condition to be satisfied.

10.3 Effect of Non-occurrence of Conditions to the Effective Date.

If the Effective Date has not occurred within six (6) months after the Confirmation Date, then the Plan shall be null and void in all respects and nothing contained in the Plan or Disclosure Statement shall: (a) constitute a waiver or release of any Claims by or against, or any Equity Interests in, the Debtor, or (b) prejudice in any manner the rights of the Debtor or any other Person or constitute an admission, acknowledgement, offer or undertaking by the Debtor or any other Person.

10.4 Notice of Occurrence of Effective Date.

As soon as practicable following the Effective Date, the Debtor shall file with the Bankruptcy Court a notice of the occurrence of the Effective Date, that specifies, among other things, the date on which the Effective Date occurred.

ARTICLE XI

RETENTION OF JURISDICTION

11.1 From and after the occurrence of the Effective Date, the Bankruptcy Court shall have jurisdiction over the matters arising out of, and related to, the Bankruptcy Case and the Plan, as legally permissible, pursuant to, and for the purposes of, Sections 105(a) and 1142 of the Bankruptcy Code including, without limitation:

(a) To hear and determine any and all objections to the allowance, disallowance, determination, liquidation, classification or estimation of any Claims or Equity Interests or any controversies as to the priority and classification of any Claims (or any security with respect thereto) or Equity Interests or to estimate any Disputed Claim;

(b) To hear and determine any and all applications by Professionals for compensation and reimbursement of expenses, authorized pursuant to the Plan or the Bankruptcy Code;

(c) To hear and determine any and all applications (whether or not pending at or on the Confirmation Date) related to the rejection, assumption or assignment of executory contracts and unexpired leases to which the Debtor is a party, and to hear, determine and allow any Claims resulting therefrom;

(d) To enforce and adjudicate the provisions of the Plan subject to the terms of the Plan;

(e) To correct any defect, cure any omission, or reconcile any inconsistency in the Plan or in the Confirmation Order as may be necessary to carry out the purpose and the intent of the Plan;

(f) To determine any Claim or liability to a governmental unit which may be asserted as a result of the transactions contemplated in the Plan;

(g) To hear and determine matters concerning state, local, and federal taxes in accordance with Sections 346, 505 and 1146 of the Bankruptcy Code;

(h) To determine such other matters as may be necessary if the Confirmation Order is for any reason modified, stayed, reversed, revoked or vacated;

(i) To resolve any cases, controversies, suits or disputes that may arise in connection with the consummation, interpretation, enforcement or vacatur of the Plan or any Person's obligations incurred in connection with the Plan;

(j) To issue injunctions, enter and implement other orders or take such other actions as may be necessary or appropriate to restrain interference by any Person with consummation or enforcement of the Plan, except as otherwise provided herein;

(k) To determine any other matters that may arise in connection with the Plan, the Disclosure Statement, the Confirmation Order or any other contract, instrument, release, indenture or other agreement or document created in connection with the foregoing;

(l) To resolve any cases, controversies, suits or disputes with respect to releases, injunctions and other provisions contained in Article IX hereof and enter such orders as may be necessary or appropriate to implement such releases, injunctions or other provisions;

(m) To hear and determine any Claims, rights, demands and Causes of Action arising prior to the Effective Date preserved pursuant to the Plan, including, but not limited to, any Causes of Action against John M. Desmarais and/or Tuxis Trust to avoid the Debtor's granting to John M. Desmarais and/or Tuxis Trust of any security interest in and/or lien against any of the Debtor's tangible and/or intangible personal property allegedly securing the Tuxis Note and/or the Desmarais Note; and

(n) To enter an order and/or final decree concluding the Bankruptcy Case.

ARTICLE XII

MISCELLANEOUS

12.1 Continuation of Injunctions or Stays Until Effective Date.

All injunctions or stays provided for in the Bankruptcy Case under Sections 105 or 362 of the Bankruptcy Code, or otherwise, and in existence on the Confirmation Date, shall remain in full force and effect until the Effective Date, except as otherwise ordered by the Bankruptcy Court upon appropriate motion and with appropriate notice.

12.2 Exemption from Transfer Taxes.

In accordance with Section 1146(c) of the Bankruptcy Code: (a) the issuance, transfer or exchange of any security under the Plan or the making or delivery of any instrument of transfer pursuant to, in implementation of, or as contemplated by the Plan, including any merger agreements or agreements of consolidation, deeds, bills of sale or assignments executed in connection with any of the transactions contemplated under the Plan, or the re-vesting, transfer or sale of any real or personal property of the Debtor pursuant to, in implementation of, or as contemplated by the Plan, (b) the making, delivery, creation, assignment, amendment or recording of any note or other obligation for the payment of money or any mortgage, deed of trust or other security interest under, in furtherance of, or in connection with the Plan, and the issuance, renewal, modification or securing of indebtedness by such means, and (c) the making, delivery or recording of any deed or other instrument of transfer under, in furtherance of, or in connection with, the Plan, shall not be subject to any document recording tax, stamp tax, conveyance fee or other similar tax, mortgage tax, real estate transfer tax, mortgage recording tax or other similar tax or governmental assessment. Each recorder of deeds or similar official for any county, city or governmental unit in which any instrument under the Plan is to be recorded shall, pursuant to the Confirmation Order, be ordered and directed to accept such instrument, without requiring the payment of any documentary stamp tax, deed stamps, transfer tax, intangible tax or similar tax.

12.3 Amendment or Modification of the Plan.

Alterations, amendments or modifications of the Plan may be proposed in writing by Auctus at any time prior to the Confirmation Date, provided that the Plan, as altered, amended or modified, satisfies the conditions of Sections 1122 and 1123 of the Bankruptcy Code, and the Proponents shall have complied with Section 1125 of the Bankruptcy Code. The Plan may be altered, amended or modified at any time before or after the Confirmation Date and before substantial consummation, provided that the Plan, as altered, amended or modified, satisfies the requirements of Sections 1122 and 1123 of the Bankruptcy Code and the Bankruptcy Court, after notice and a hearing, confirms the Plan, as altered, amended or modified, under Section 1129 of the Bankruptcy Code. A holder of a Claim that has accepted the Plan shall be deemed to have accepted the Plan, as altered, amended or modified, if the proposed alteration, amendment or modification does not materially and adversely change the treatment of the Claim of such holder. The Debtor or the Reorganized Debtor may, without notice to holders of Claims (other than the Lenders) insofar as it does not materially and adversely affect the interests of any such holders, correct any defect or omission in the Plan and any exhibit to the Plan or in any Plan Document.

12.4 Severability.

If, prior to the Confirmation Date, any term or provision of the Plan is determined by the Bankruptcy Court to be invalid, void or unenforceable, the Bankruptcy Court may, upon the request of the Proponents (and subject to reasonable notice to the Lenders and an opportunity to object to the extent that the applicable term or provision of the Plan affects the Lenders), alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration or interpretation, the remainder of the terms and provisions of the Plan shall remain in full force and effect and shall in no way be affected, impaired or invalidated by such holding, alteration or interpretation. The Confirmation Order shall constitute a judicial determination that each term and provision of the Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable according to its terms.

12.5 Revocation or Withdrawal of the Plan.

Auctus reserves the right to revoke or withdraw the Plan prior to the Confirmation Date. If the Proponents revoke or withdraw the Plan prior to the Confirmation Date, then the Plan shall be deemed null and void.

12.6 Binding Effect.

The rights, duties and obligations of any Person named or referred to in the Plan shall be binding upon, and shall inure to the benefit of, the successors and assigns of such Person.

12.7 Notices.

All notices, requests and demands to or upon the Debtor, the Reorganized Debtor or Auctus shall only be effective if in writing and, unless otherwise expressly provided in the Plan, shall be deemed to have been duly given or made when actually delivered or, in the case of notice by

facsimile transmission, when received and confirmed, addressed as follows:

If to the Debtor or the Reorganized Debtor:

40 Marcus Drive, Suite One
Melville, NY 11747
Phone: (631) 760-8400

Attention: Mark Weinreb

With copies to:

Certilman Balin Adler & Hyman, LLP
Richard McCord, Esq.
Robert D. Nosek, Esq.
90 Merrick Avenue, 9th Floor
East Meadow, NY 11554
Telephone: (516) 296-7000
Email: mosek@certilmanbalin.com

If to Auctus:

Auctus Fund LLC
545 Boylston St.
Boston, MA 02116
Phone: (617) 209-6232

Attention: Mr. Al Sollami

With copies to:

Murphy & King, Professional Corporation
One Beacon Street
Boston, MA 02108
Harold B. Murphy, Esq.
William R. Moorman, Jr., Esq.
Telephone: (617) 423-0400
E-mail: hmurphy@murphyking.com
E-mail: wmoorman@murphyking.com

12.8 Governing Law.

Except to the extent the Bankruptcy Code, Bankruptcy Rules or other federal law is applicable, or to the extent the Plan provides otherwise, the rights and obligations arising under the Plan shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, without giving effect to the principles of conflicts of law of such jurisdiction.

12.9 Withholding and Reporting Requirements.

In connection with the consummation of the Plan, the Reorganized Debtor shall comply with all withholding and reporting requirements imposed by any federal, state, local or foreign taxing authority and all distributions hereunder shall be subject to any such withholding and reporting requirements.

12.10 Post-Confirmation Fees, Final Decree.

The Reorganized Debtor will be responsible for timely payment of fees incurred pursuant to 28 U.S.C. § 1930(a)(6). After confirmation, the Reorganized Debtor will serve the United States Trustee with a monthly financial report for each month (or portion thereof) these bankruptcy cases remain open. The Reorganized Debtor may request that these bankruptcy cases be closed notwithstanding that there may be proceedings relating to Disputed Claims still pending. The monthly financial report shall include the following:

- (a) A statement of all disbursements made during the course of the quarter, whether or not pursuant to the Plan;
- (b) A summary, by class, of amounts distributed or property transferred to each recipient under the plan, and an explanation of the failure to make any distributions or transfers of property under the Plan;
- (c) The Reorganized Debtor's projections as to their continuing ability to comply with the terms of the Plan;
- (d) A description of any other factors which may materially affect the Reorganized Debtor's ability to consummate the Plan; and
- (e) An estimated date when an application for final decree will be filed with the court (in the case of the final monthly report, the date the decree was filed).

12.11 Headings.

Headings are used in the Plan for convenience and reference only, and shall not constitute a part of the Plan for any other purpose.

12.12 Inconsistency.

In the event of any inconsistency between the Plan and the Disclosure Statement or any other instrument or document created or executed pursuant to the Plan, the terms of the Plan shall govern.

BioRestorative Therapies, Inc.,

Auctus Fund, LLC,

/s/Mark Weinreb

By: Mark Weinreb

Its: President

/s/Al Sollami

By: Al Sollami

Its: Managing Member

Counsel for BioRestorative Therapies, Inc.,

Counsel for Auctus Fund, LLC,

/s/Robert D. Nosek

Richard McCord, Esq.

Robert D. Nosek, Esq.

CERTILMAN BALIN ADLER & HYMAN, LLP

90 Merrick Avenue, 9th Floor

East Meadow, NY 11554

Telephone: (516) 296-7000

Facsimile: (516) 296-7111

Email: rnosek@certilmanbalin.com

Dated: August 7, 2020

/s/William R. Moorman, Jr.

Harold B. Murphy, Esq.

William R. Moorman, Jr., Esq.

MURPHY & KING, P.C.

One Beacon Street

Boston, MA 02108

Telephone: (617) 423-0400

Facsimile: (617) 423-0498

Email: wmoorman@murphyking.com

EXHIBIT B

BioRestorative Therapies, Inc.
 Year 1 Monthly Operating Plan

	Beginning Cash												Year
	1	2	3	4	5	6	7	8	9	10	11	12	
New Receivables (Net Receipts)													
Total Cash Before Disbursements													
Disbursements													
(W-2) Gross Payroll Executive	\$ 12,438	\$ 12,438	\$ 12,438	\$ 12,438	\$ 12,438	\$ 12,438	\$ 12,438	\$ 12,438	\$ 12,438	\$ 12,438	\$ 12,438	\$ 12,438	\$ 149,660
Chief Science Officer	18,750	18,750	18,750	18,750	18,750	18,750	18,750	18,750	18,750	18,750	18,750	18,750	225,000
Head of Quality - VP	10,417	10,417	10,417	10,417	10,417	10,417	10,417	10,417	10,417	10,417	10,417	10,417	125,000
Administrative Officer	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	6,250	75,000
(W-2) Gross Payroll Non Executive	18,750	18,750	18,750	18,750	18,750	18,750	18,750	18,750	18,750	18,750	18,750	18,750	225,000
LI	7,083	7,083	7,083	7,083	7,083	7,083	7,083	7,083	7,083	7,083	7,083	7,083	85,000
LI	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	100,000
Shurua	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	100,000
Employee Payroll Contributions	7,296	7,296	7,296	7,296	7,296	7,296	7,296	7,296	7,296	7,296	7,296	7,296	87,552
Lab Gas Tank Supply	376	376	376	376	376	376	376	376	376	376	376	376	4,512
Facilities Cleaning Service	600	600	600	600	600	600	600	600	600	600	600	600	7,200
IT Service	800	800	800	800	800	800	800	800	800	800	800	800	9,600
Kitchen/Breakroom Supplies	328	328	328	328	328	328	328	328	328	328	328	328	3,936
Lab Coat Laundry	250	250	250	250	250	250	250	250	250	250	250	250	3,000
Health Insurance (Extension, 6 Year Tail Policy)	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
D&O Insurance (Extension, 6 Year Tail Policy)	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
Auxiliary Health, Life, LTD, STD Insurance	1,877	1,877	1,877	1,877	1,877	1,877	1,877	1,877	1,877	1,877	1,877	1,877	22,523
Commercial Liability Insurance	497	497	497	497	497	497	497	497	497	497	497	497	5,964
Professional Indemnity Insurance	876	876	876	876	876	876	876	876	876	876	876	876	10,514
Office Phone	100	100	100	100	100	100	100	100	100	100	100	100	1,200
General Office Supplies	2,277	2,277	2,277	2,277	2,277	2,277	2,277	2,277	2,277	2,277	2,277	2,277	27,321
Utilities	-	-	-	-	-	-	-	-	-	-	-	-	-
Dues & Subscriptions	-	-	-	-	-	-	-	-	-	-	-	-	-
Unl. F&B Expenses	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	180,000
VP Professional Services	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	240,000
Corporate Legal Services	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	300,000
Accounting Services	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
Lab Supplies	2,550	2,550	2,550	2,550	2,550	2,550	2,550	2,550	2,550	2,550	2,550	2,550	30,600
Transfer Agent	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Operating Cash Flow	\$ 198,870	\$ 198,870	\$ 198,870	\$ 198,870	\$ 198,870	\$ 197,870	\$ 197,870	\$ 197,870	\$ 197,870	\$ 197,870	\$ 197,870	\$ 197,870	\$ 2,994,544
Net Operating Cash Flow	\$ (198,870)	\$ (198,870)	\$ (198,870)	\$ (197,870)	\$ (200,870)	\$ (197,870)	\$ (212,870)	\$ (197,870)	\$ (197,870)	\$ (197,870)	\$ (197,870)	\$ (197,870)	\$ (2,995,544)
Total Monthly Funding Need	\$	\$ 198,870	\$ 198,870	\$ 198,870	\$ 198,870	\$ 197,870	\$ 212,870	\$ 197,870	\$ 197,870	\$ 197,870	\$ 197,870	\$ 197,870	\$ 2,994,544
Total Cumulative Funding Need	\$	\$ 198,870	\$ 397,739	\$ 596,609	\$ 795,478	\$ 994,348	\$ 1,192,217	\$ 1,405,087	\$ 1,602,956	\$ 1,800,826	\$ 1,998,695	\$ 2,195,565	\$ 2,994,544

EXHIBIT C

BioRestorative Therapies, Inc. - Projected Clinical Costs ThermoStem Program

Yearly Expenses

	Yearly Total	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Operating Expense													
Position	Salary/Year												
Research Technicians	\$ 45,000.00	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Research Technicians	\$ 45,000.00	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Research Technicians	\$ -												
Research Technicians	\$ -												
Research Technicians	\$ -												
Research Technicians	\$ -												
Research Technicians	\$ -												
Molecular Biologist	\$ -												
Director of Cell Biology	\$ 112,500.00	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500
Research Scientist (Bioengineer) (JL)		10,416	10,416	10,416	10,416	10,416	10,416	10,416	10,416	10,416	10,416	10,416	10,416
Research Scientist (RS)	\$ 82,494.00	9,166	9,166	9,166	9,166	9,166	9,166	9,166	9,166	9,166	9,166	9,166	9,166
Research Scientist (ZL)	\$ -												
VP of Research and Development (FS)	\$ -												
ThermoStem Medical Director	\$ -												
Pre-IND Development	\$ -												
Scientific Advisory Board (WM)	\$ -												
Misc. Consulting	\$ -												
Operating Expense Year Total	\$ 378,738.00	42,082	42,082	42,082	42,082	42,082	42,082	42,082	42,082	42,082			
Research Development Costs													
Manufacturing Supplies	\$ 45,000.00	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Consumables	\$ 59,994.00	6,666	6,666	6,666	6,666	6,666	6,666	6,666	6,666	6,666	6,666	6,666	6,666
Genomic/Proteomic Supplies	\$ 9,000.00	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Cell Culture Supplies	\$ 45,000.00	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Intellectual Property (K&L Gates)	\$ 18,000.00	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Molecular Biology	\$ 45,000.00	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Third Party Development	\$ 45,000.00	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Research Dev. Costs Year Total	\$ 355,992.00	29,666	29,666	29,666	29,666	29,666	29,666	29,666	29,666	29,666	29,666	29,666	29,666
Pre-Clinical/Year - Animal Studies													
Device/Implantation Exp.	\$ 225,000.00	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Indication Development Exp.	\$ 18,000.00	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Pre-Clin. Animal Studies Year Total	\$ 324,000.00	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000	27,000
Yearly Total	\$ 1,058,730.00	\$ 98,748.00	\$ 98,748.00	\$ 98,748.00	\$ 98,748.00	\$ 98,748.00	\$ 98,748.00	\$ 98,748.00	\$ 98,748.00	\$ 98,748.00	\$ 56,666.00	\$ 56,666.00	\$ 56,666.00

BioRestorative Therapies, Inc. - Projected Clinical Costs BRTX-100

	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Laboratory Operations (Disc)	\$ 500,000.00	\$ 137,500.00	\$ 137,500.00	\$ 137,500.00	\$ 137,500.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 150,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00
Clinical Trial Operations (CRO)						\$2,864,583.33	\$ 114,583.33	\$ 114,583.33	\$ 114,583.33	\$ 114,583.33	\$ 114,583.33	\$ 114,583.33
Total	\$ 500,000.00	\$ 137,500.00	\$ 137,500.00	\$ 137,500.00	\$ 137,500.00	\$3,014,583.33	\$ 264,583.33	\$ 264,583.33	\$ 264,583.33	\$ 189,583.33	\$ 189,583.33	\$ 189,583.33

BioRestorative Therapies, Inc. - Projected Clinical

[illegible]

BioRestorative Therapies, Inc. - Projected Clinical

	Month 25	Month 26	Month 27	Month 28	Month 29	Totals
Laboratory Operations (Disc)						\$ 2,250,000.00
Clinical Trial Operations (CRO)	\$ 114,583.33	\$ 114,583.33	\$ 114,583.33	\$ 114,583.33	\$ 114,583.33	\$ 5,499,999.99
Total	\$ 114,583.33	\$ 114,583.33	\$ 114,583.33	\$ 114,583.33	\$ 114,583.33	\$ 7,749,999.99

EXHIBIT D

BioRestorative Therapies, Inc.
Liquidation Analysis

Asset Liquidation	Value at		Est. Recovery
	Conversion	Recov %	
Cash at Conversion	-	100%	-
Deposits	-	100%	-
Furniture, Fixtures & Equipment	29,475	50%	14,738
Lab Equipment	18,000	50%	9,000
Patents/License (book value)	854,000	60%	512,400
Total Proceeds			536,138
Secured Claims			
Auctus Fund, LLC (DIP)			(1,300,000)
John Desmarias			(357,000)
Costs Associated with Chapter 11 and Chapter 7			
Chapter 11 Administrative Expenses			
Chapter 11 Professional Fees			(82,500)
Priority Claims			(110,000)
Chapter 7 Administrative Expenses			
Chapter 7 Trustee Commission			(15,000)
Chapter 7 Counsel			(25,000)
Chapter 7 Auctioneer			(5,000)
Chapter 7 Accountant			(10,000)
Total Wind-Down Expenses			
Cash Available for Distribution			-
Total Unsecured Claims			14,796,000
Distribution to Unsecureds			-
Recovery %			0%

Notes:

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

-----X

In re:
BIORESTORATIVE THERAPIES, INC.,

Debtor.

-----X

Chapter 11

Case No. 20-71757-reg

**PLAN SUPPLEMENT TO
AMENDED JOINT PLAN OF REORGANIZATION OF
BIORESTORATIVE THERAPIES, INC. AND AUCTUS FUND, LLC**

Reference is made to the Amended Joint Plan of Reorganization of BioRestorative Therapies, Inc. and Auctus Fund, LLC, dated August 7, 2020 [ECF Doc. No. 104] (the “Plan”). Capitalized terms used herein shall have the meanings ascribed to them in the Plan or in the relevant Plan Document.

Pursuant to the Plan, BioRestorative Therapies, Inc. and Auctus Fund, LLC hereby submit the Plan Supplement, consisting of the following Plan Documents:

Exhibit A – Secured Convertible Plan Note

Exhibit B – Convertible Plan Note

Exhibit C – Plan Warrant (\$0.0005)

Exhibit D – Plan Warrant (\$0.001)

Exhibit E – Intercreditor Agreement

Exhibit F – Security Agreement

Counsel for BioRestorative Therapies, Inc.,

/s/ Robert D. Nosek
Richard McCord, Esq.
Robert D. Nosek, Esq.
CERTILMAN BALIN ADLER & HYMAN, LLP
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Telephone: (516) 296-7000
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Counsel for Auctus Fund, LLC,

/s/ William R. Moorman, Jr.
Harold B. Murphy, Esq.
William R. Moorman, Jr., Esq.
MURPHY & KING, P.C.
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Boston, MA 02108
Telephone: (617) 423-0400
Facsimile: (617) 423-0498
Email: wmoorman@murphyking.com

EXHIBIT A - SECURED CONVERTIBLE PLAN NOTE

NEITHER THE ISSUANCE AND SALE OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE NOR THE SECURITIES INTO WHICH THESE SECURITIES ARE CONVERTIBLE HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) AN OPINION OF COUNSEL (WHICH COUNSEL SHALL BE SELECTED BY THE HOLDER), IN A GENERALLY ACCEPTABLE FORM, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR (II) UNLESS SOLD PURSUANT TO RULE 144 OR RULE 144A UNDER SAID ACT OR OTHER APPLICABLE EXEMPTION. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES.

Principal Amount: US\$ _____

Issue Date: _____, 2020

Purchase Price: US\$ _____

SECURED CONVERTIBLE PROMISSORY NOTE

FOR VALUE RECEIVED, BIORESTORATIVE THERAPIES, INC., a Delaware corporation (hereinafter called the “Borrower”) (Trading Symbol: BRTX), hereby promises to pay to the order of _____, a _____, or registered assigns (the “Holder”) the sum of US\$ _____ together with any interest as set forth herein, on _____, 2023 (the “Maturity Date”), and to pay interest on the unpaid principal balance hereof at the rate of seven percent (7%) (the “Interest Rate”) per annum from the date hereof (the “Issue Date”) until the same becomes due and payable, whether at maturity or upon acceleration or by prepayment or otherwise. This Note may not be prepaid in whole or in part except as otherwise explicitly set forth herein. Any amount of principal or interest on this Note which is not paid when due shall bear interest at the rate of the lesser of (i) fifteen percent (15%) per annum and (ii) the maximum amount permitted under law from the due date thereof until the same is paid (the “Default Interest”). Interest shall commence accruing on the Issue Date and shall be computed on the basis of a 360-day year and the actual number of days elapsed. All payments due hereunder (to the extent not converted into common stock, \$0.001 par value per share (the “Common Stock”) in accordance with the terms hereof) shall be made in lawful money of the United States of America. All payments shall be made at such address as the Holder shall hereafter give to the Borrower by written notice made in accordance with the provisions of this Note. Whenever any amount expressed to be due by the terms of this Note is due on any day which is not a business day, the same shall instead be due on the next succeeding day which is a business day and, in the case of any interest payment date which is not the date on which this Note is paid in full, the extension of the due date thereof shall not be taken into account for purposes of determining the amount of interest due on such date. As used in this Note, the term “business day” shall mean any day other than a Saturday, Sunday or a day on which commercial banks in the city of New York, New York are authorized or required by law or executive order to remain closed. Each capitalized term used herein, and not otherwise defined, shall have the meaning ascribed thereto in that certain Securities Purchase Agreement dated the date hereof, pursuant to which this Note was originally issued (the “Purchase Agreement”).

This Note is free from all taxes, liens, claims and encumbrances with respect to the issue thereof and shall not be subject to preemptive rights or other similar rights of shareholders of the Borrower and will not impose personal liability upon the holder thereof.

The obligations of the Borrower under this Note are secured pursuant to the terms of the security agreement of even date.

The following terms shall also apply to this Note:

ARTICLE I. CONVERSION RIGHTS

1.1 Conversion Right. The Holder shall have the right from time to time, at any time following the Issue Date, and ending on the later of (i) the Maturity Date and (ii) the date of payment of the Default Amount (as defined in Article III) pursuant to Section 1.6(a) or Article III, each in respect of the remaining outstanding principal amount of this Note to convert all or any part of the outstanding and unpaid principal, interest, penalties, and all other amounts under this Note into fully paid and non-assessable shares of Common Stock, as such Common Stock exists on the Issue Date, or any shares of capital stock or other securities of the Borrower into which such Common Stock shall hereafter be changed or reclassified at the Conversion Price (as defined below) determined as provided herein (a “Conversion”); provided, however, that in no event shall the Holder be entitled to convert any portion of this Note in excess of that portion of this Note upon conversion of which the sum of (1) the number of shares of Common Stock beneficially owned by the Holder and its affiliates (other than shares of Common Stock which may be deemed beneficially owned through the ownership of the unconverted portion of the Notes or the unexercised or unconverted portion of any other security of the Borrower subject to a limitation on conversion or exercise analogous to the limitations contained herein) and (2) the number of shares of Common Stock issuable upon the conversion of the portion of this Note with respect to which the determination of this proviso is being made, would result in beneficial ownership by the Holder and its affiliates of more than 4.99% of the outstanding shares of Common Stock. For purposes of the proviso to the immediately preceding sentence, beneficial ownership shall be determined in accordance with Section 13(d) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and Regulations 13D-G thereunder, except as otherwise provided in clause (1) of such proviso. The number of shares of Common Stock to be issued upon each conversion of this Note shall be determined by dividing the Conversion Amount (as defined below) by the applicable Conversion Price then in effect on the date specified in the notice of conversion, in the form attached hereto as Exhibit A (the “Notice of Conversion”), delivered to the Borrower or Borrower’s transfer agent by the Holder in accordance with Section 1.4 below; provided that the Notice of Conversion is submitted by facsimile or e-mail (or by other means resulting in, or reasonably expected to result in, notice) to the Borrower or Borrower’s transfer agent before 11:59 p.m., New York, New York time on such conversion date (the “Conversion Date”). The term “Conversion Amount” means, with respect to any conversion of this Note, the sum of (1) the principal amount of this Note to be converted in such conversion plus (2) at the Holder’s option, accrued and unpaid interest, if any, on such principal amount at the interest rates provided in this Note to the Conversion Date, provided however, that the Borrower shall have the right to pay any or all interest in cash plus (3) at the Holder’s option, Default Interest, if any, on the amounts referred to in the immediately preceding clauses (1) and/or (2) plus (4) at the Holder’s option, any amounts owed to the Holder pursuant to Sections 1.3 and 1.4(g) hereof.

Calculation of Conversion Price. Subject to the adjustments described herein, the conversion price (the “Conversion Price”) shall equal the Variable Conversion Price (as defined herein), subject in each case to equitable adjustments for stock splits, stock dividends or rights offerings by the Borrower relating to the Borrower’s securities or the securities of any subsidiary of the Borrower, combinations, recapitalization, reclassifications, extraordinary distributions and similar events. The “Variable Conversion Price” shall mean the Market Price (as defined herein). “Market Price” means the average of the five (5) daily volume weighted average prices, as determined at the end of each Trading Day, for the Common Stock during the five (5) Trading Day period ending on the latest complete Trading Day prior to the Conversion Date. *To the extent the Conversion Price of the Borrower’s Common Stock closes below the par value per share, the Borrower will take all steps necessary to solicit the consent of the stockholders to reduce the par value to the lowest value possible under law. The Borrower agrees to honor all conversions submitted pending this adjustment.* If the shares of the Borrower’s Common Stock have not been delivered within three (3) business days to the Borrower or Borrower’s transfer agent, the Notice of Conversion may be rescinded. At any time after the Closing Date, if in the case that the Borrower’s Common Stock is not deliverable by DWAC (including if the Borrower’s transfer agent has a policy prohibiting or limiting delivery of shares of the Borrower’s Common Stock specified in a Notice of Conversion), an additional 10% discount will apply for all future conversions under all Notes. If in the case that the Borrower’s Common Stock is “chilled” for deposit into the DTC system and only eligible for clearing deposit, an additional 15% discount shall apply for all future conversions under all Notes while the “chill” is in effect. If in the case of both of the above, an additional cumulative 25% discount shall apply. Additionally, if the Borrower ceases to be a reporting company pursuant to the 1934 Act or if the Note cannot be converted into free trading shares after one hundred eighty-one (181) days from the Issue Date, an additional 15% discount will be attributed to the Conversion Price. If the volume weighted average price cannot be calculated for such security on such date in the manner provided above, the volume weighted average price shall be the fair market value as mutually determined by the Borrower and the holders of a majority in interest of the Notes being converted for which the calculation of the volume weighted average price is required in order to determine the Conversion Price of such Notes. “Trading Day” shall mean any day on which the Common Stock is tradable for any period on the OTC Pink, OTCQB, OTCQX or on the principal securities exchange or other securities market on which the Common Stock is then being traded. The Borrower shall be responsible for the fees of its transfer agent and all DTC fees associated with any such issuance. Holder shall be entitled to deduct \$500.00 from the conversion amount in each Notice of Conversion to cover Holder’s deposit fees associated with each Notice of Conversion.

(a) **Mandatory Conversion.** In the event that the Borrower shall have consummated a listing (the “Listing”) of its common stock on the NASDAQ Capital Markets, the New York Stock Exchange, or such other similar senior exchange (a “Senior Exchange”) prior to the Maturity Date, the outstanding balance of this Note shall be automatically converted into fully paid and non-assessable shares of Common Stock of the Borrower, as such Common Stock exists on the Issue Date, and/or any shares of capital stock or other securities into which such Common Stock shall hereafter be changed or reclassified at the Listing Conversion Price (as defined herein) determined as provided herein (an “Listing Conversion”); provided, however, that in no event shall this Note be converted into Common Stock in excess of the beneficial ownership limitations provided in Section 1.1 hereof. The conversion price upon a Listing Conversion shall equal (i) the sale price of the Borrower’s shares of Common Stock, as sold in a financing in connection with the Listing (the “Listing Conversion Price”) or (ii) in the event that no financing is consummated in connection with the Listing, the opening price of the Borrower’s shares of Common Stock, as listed on the Senior Exchange, on the first day on which the Borrower’s shares are traded thereon. In the event that the conversions provided hereby are limited by the beneficial ownership limitations provided in Section 1.1 hereof, the Company shall take any and all actions as are necessary or advisable to convert the remaining outstanding balance of this Note (following any conversions into Common Stock permitted hereby) into preferred shares of the Company and the terms of such preferred shares and the certificate of designation governing same shall be determined by the Borrower at such time in its reasonable discretion. In the event that a financing is consummated concurrently with or in connection with the Listing, in addition to any shares of common stock issuable upon conversion as stated herein, the Holder shall also receive such other consideration, including, but not limited to, common stock purchase warrants, as any investor would otherwise receive upon making an investment in the amount of the converted amount in connection with the financing.

(b) **Conversion Price During Major Announcements.** Notwithstanding anything contained in Section 1.2(a) to the contrary, in the event the Borrower (i) makes a public announcement that it intends to consolidate or merge with any other corporation (other than a merger in which the Borrower is the surviving or continuing corporation and its capital stock is unchanged) or sell or transfer all or substantially all of the assets of the Borrower or (ii) any person, group or entity (including the Borrower) publicly announces a tender offer to purchase 50% or more of the Borrower’s Common Stock (or any other takeover scheme) (the date of the announcement referred to in clause (i) or (ii) is hereinafter referred to as the “Announcement Date”), then the Conversion Price shall, effective upon the Announcement Date and continuing through the Adjusted Conversion Price Termination Date (as defined below), be equal to the lower of (x) the Conversion Price which would have been applicable for a Conversion occurring on the Announcement Date and (y) the Conversion Price that would otherwise be in effect. From and after the Adjusted Conversion Price Termination Date, the Conversion Price shall be determined as set forth in this Section 1.2(a). For purposes hereof, “Adjusted Conversion Price Termination Date” shall mean, with respect to any proposed transaction or tender offer (or takeover scheme) for which a public announcement as contemplated by this Section 1.2(b) has been made, the date upon which the Borrower (in the case of clause (i) above) or the person, group or entity (in the case of clause (ii) above) consummates or publicly announces the termination or abandonment of the proposed transaction or tender offer (or takeover scheme) which caused this Section 1.2(b) to become operative.

(c) **Pro Rata Conversion; Disputes.** In the event of a dispute as to the number of shares of Common Stock issuable to the Holder in connection with a conversion of this Note, the Borrower shall issue to the Holder the number of shares of Common Stock not in dispute and resolve such dispute in accordance with Section 4.13.

(d) If at any time the Conversion Price as determined hereunder for any conversion would be less than the par value of the Common Stock, then the Conversion Price hereunder shall equal such par value for such conversion and the Conversion Amount for such conversion shall be increased to include Additional Principal, where “Additional Principal” means such additional amount to be added to the Conversion Amount to the extent necessary to cause the number of conversion shares issuable upon such conversion to equal the same number of conversion shares as would have been issued had the Conversion Price not been subject to the minimum price set forth in this Section 1.2(c).

1.3 Authorized Shares. The Borrower covenants that during the period the conversion right exists, the Borrower will reserve from its authorized and unissued Common Stock a sufficient number of shares, free from preemptive rights, to provide for the issuance of Common Stock upon the full conversion of this Note issued pursuant to the Purchase Agreement. The Borrower is required at all times to have authorized and reserved ten times the number of shares that is actually issuable upon full conversion of the Note (based on the Conversion Price of the Notes in effect from time to time) (the "Reserved Amount"). The Reserved Amount shall be increased from time to time in accordance with the Borrower's obligations pursuant to Section 3(d) of the Purchase Agreement. The Borrower represents that upon issuance, such shares will be duly and validly issued, fully paid and non-assessable. In addition, if the Borrower shall issue any securities or make any change to its capital structure which would change the number of shares of Common Stock into which the Notes shall be convertible at the then current Conversion Price, the Borrower shall at the same time make proper provision so that thereafter there shall be a sufficient number of shares of Common Stock authorized and reserved, free from preemptive rights, for conversion of the outstanding Notes. The Borrower (i) acknowledges that it has irrevocably instructed its transfer agent to issue certificates for the Common Stock issuable upon conversion of this Note, and (ii) agrees that its issuance of this Note shall constitute full authority to its officers and agents who are charged with the duty of executing stock certificates to execute and issue the necessary certificates for shares of Common Stock in accordance with the terms and conditions of this Note. Notwithstanding the foregoing, in no event shall the Reserved Amount be lower than the initial Reserved Amount, regardless of any prior conversions.

If, at any time the Borrower does not maintain or replenish the Reserved Amount within three (3) business days of the request of the Holder, the principal amount of the Note shall increase by Five Thousand and No/100 United States Dollars (\$5,000) (under Holder's and Borrower's expectation that any principal amount increase will tack back to the Issue Date) per occurrence.

1.4 Method of Conversion.

(a) Mechanics of Conversion. Subject to Section 1.1, this Note may be converted by the Holder in whole or in part from time to time, at any time after the Issue Date, by (A) submitting to the Borrower or Borrower's transfer agent a Notice of Conversion (by facsimile, e-mail or other reasonable means of communication dispatched on the Conversion Date prior to 11:59 p.m., New York, New York time) and (B) subject to Section 1.4(b), surrendering this Note at the principal office of the Borrower.

(b) Surrender of Note Upon Conversion. Notwithstanding anything to the contrary set forth herein, upon conversion of this Note in accordance with the terms hereof, the Holder shall not be required to physically surrender this Note to the Borrower unless the entire unpaid principal amount of this Note is so converted. The Holder and the Borrower shall maintain records showing the principal amount so converted and the dates of such conversions or shall use such other method, reasonably satisfactory to the Holder and the Borrower, so as not to require physical surrender of this Note upon each such conversion. In the event of any dispute or discrepancy, such records of the Borrower shall, *prima facie*, be controlling and determinative in the absence of manifest error. Notwithstanding the foregoing, if any portion of this Note is converted as aforesaid, the Holder may not transfer this Note unless the Holder first physically surrenders this Note to the Borrower, whereupon the Borrower will forthwith issue and deliver upon the order of the Holder a new Note of like tenor, registered as the Holder (upon payment by the Holder of any applicable transfer taxes) may request, representing in the aggregate the remaining unpaid principal amount of this Note. The Holder and any assignee, by acceptance of this Note, acknowledge and agree that, by reason of the provisions of this paragraph, following conversion of a portion of this Note, the unpaid and unconverted principal amount of this Note represented by this Note may be less than the amount stated on the face hereof.

(c) Payment of Taxes. The Borrower shall not be required to pay any tax which may be payable in respect of any transfer involved in the issue and delivery of shares of Common Stock or other securities or property on conversion of this Note in a name other than that of the Holder (or in street name), and the Borrower shall not be required to issue or deliver any such shares or other securities or property unless and until the person or persons (other than the Holder or the custodian in whose street name such shares are to be held for the Holder's account) requesting the issuance thereof shall have paid to the Borrower the amount of any such tax or shall have established to the satisfaction of the Borrower that such tax has been paid.

(d) Delivery of Common Stock Upon Conversion. Upon receipt by the Borrower from the Holder of a facsimile transmission or e-mail (or other reasonable means of communication) of a Notice of Conversion meeting the requirements for conversion as provided in this Section 1.4, the Borrower shall issue and deliver or cause to be issued and delivered to or upon the order of the Holder certificates for the Common Stock issuable upon such conversion within three (3) business days after such receipt (the "Deadline") (and, solely in the case of conversion of the entire unpaid principal amount hereof, surrender of this Note) in accordance with the terms hereof and the Purchase Agreement.

(e) Obligation of Borrower to Deliver Common Stock. Upon receipt by the Borrower of a Notice of Conversion, the Holder shall be deemed to be the holder of record of the Common Stock issuable upon such conversion, the outstanding principal amount and the amount of accrued and unpaid interest on this Note shall be reduced to reflect such conversion, and, unless the Borrower defaults on its obligations under this Article I, all rights with respect to the portion of this Note being so converted shall forthwith terminate except the right to receive the Common Stock or other securities, cash or other assets, as herein provided, on such conversion. If the Holder shall have given a Notice of Conversion as provided herein, the Borrower's obligation to issue and deliver the certificates for Common Stock shall be absolute and unconditional, irrespective of the absence of any action by the Holder to enforce the same, any waiver or consent with respect to any provision thereof, the recovery of any judgment against any person or any action to enforce the same, any failure or delay in the enforcement of any other obligation of the Borrower to the holder of record, or any setoff, counterclaim, recoupment, limitation or termination, or any breach or alleged breach by the Holder of any obligation to the Borrower, and irrespective of any other circumstance which might otherwise limit such obligation of the Borrower to the Holder in connection with such conversion. The Conversion Date specified in the Notice of Conversion shall be the Conversion Date so long as the Notice of Conversion is received by the Borrower before 11:59 p.m., New York, New York time, on such date.

(f) Delivery of Common Stock by Electronic Transfer. In lieu of delivering physical certificates representing the Common Stock issuable upon conversion, provided the Borrower is participating in the Depository Trust Company ("DTC") Fast Automated Securities Transfer ("FAST") program, upon request of the Holder and its compliance with the provisions contained in Section 1.1 and in this Section 1.4, the Borrower shall use its commercially reasonable best efforts to cause its transfer agent to electronically transmit the Common Stock issuable upon conversion to the Holder by crediting the account of Holder's Prime Broker with DTC through its Deposit Withdrawal At Custodian ("DWAC") system.

(g) DTC Eligibility & Market Loss. If the Borrower fails to maintain its status as “DTC Eligible” for any reason, or, if the Conversion Price is less than \$0.001 at any time after the Issue Date, the Variable Conversion Price shall be redefined to mean ninety percent (90%) multiplied by the Market Price, subject to adjustment as provided in this Note.

(h) Failure to Deliver Common Stock Prior to Delivery Deadline. Without in any way limiting the Holder’s right to pursue other remedies, including actual damages and/or equitable relief, the parties agree that if delivery of the Common Stock issuable upon conversion of this Note is not delivered by the Deadline (other than a failure due to the circumstances described in Section 1.3 above, which failure shall be governed by such Section) the Borrower shall pay to the Holder \$2,000 per day in cash, for each day beyond the Deadline that the Borrower fails to deliver such Common Stock until the Borrower issues and delivers a certificate to the Holder or credit the Holder’s balance account with OTC for the number of shares of Common Stock to which the Holder is entitled upon such Holder’s conversion of any Conversion Amount (under Holder’s and Borrower’s expectation that any damages will tack back to the Issue Date).. Such cash amount shall be paid to Holder by the fifth day of the month following the month in which it has accrued or, at the option of the Holder (by written notice to the Borrower by the first day of the month following the month in which it has accrued), shall be added to the principal amount of this Note, in which event interest shall accrue thereon in accordance with the terms of this Note and such additional principal amount shall be convertible into Common Stock in accordance with the terms of this Note. The Borrower agrees that the right to convert is a valuable right to the Holder. The damages resulting from a failure, attempt to frustrate, interference with such conversion right are difficult if not impossible to qualify. Accordingly the parties acknowledge that the liquidated damages provision contained in this Section 1.4(h) are justified.

(i) Rescindment of a Notice of Conversion. If (i) the Borrower fails to respond to Holder within one (1) business day from the Conversion Date confirming the details of Notice of Conversion, (ii) the Borrower fails to provide any of the shares of the Borrower’s Common Stock requested in the Notice of Conversion within three (3) business days from the date of receipt of the Note of Conversion, (iii) the Holder is unable to procure a legal opinion required to have the shares of the Borrower’s Common Stock issued unrestricted and/or deposited to sell for any reason related to the Borrower’s standing, (iv) the Holder is unable to deposit the shares of the Borrower’s Common Stock requested in the Notice of Conversion for any reason related to the Borrower’s standing, (v) at any time after a missed Deadline, at the Holder’s sole discretion, or (vi) if OTC Markets changes the Borrower’s designation to ‘Limited Information’ (Yield), ‘No Information’ (Stop Sign), ‘Caveat Emptor’ (Skull & Crossbones), ‘OTC’, ‘Other OTC’ or ‘Grey Market’ (Exclamation Mark Sign) or other trading restriction on the day of or any day after the Conversion Date, the Holder maintains the option and sole discretion to rescind the Notice of Conversion (“Rescindment”) with a “Notice of Rescindment.”

1.5 Concerning the Shares. The shares of Common Stock issuable upon conversion of this Note may not be sold or transferred unless (i) such shares are sold pursuant to an effective registration statement under the Act or (ii) the Borrower or its transfer agent shall have been furnished with an opinion of counsel (which opinion shall be in form, substance and scope customary for opinions of counsel in comparable transactions) to the effect that the shares to be sold or transferred may be sold or transferred pursuant to an exemption from such registration or (iii) such shares are sold or transferred pursuant to Rule 144 under the Act (or a successor rule) (“Rule 144”) or other applicable exemption or (iv) such shares are transferred to an “affiliate” (as defined in Rule 144) of the Borrower who agrees to sell or otherwise transfer the shares only in accordance with this Section 1.5 and who is an Accredited Investor (as defined in the Purchase Agreement). Except as otherwise provided in the Purchase Agreement (and subject to the removal provisions set forth below), until such time as the shares of Common Stock issuable upon conversion of this Note have been registered under the Act or otherwise may be sold pursuant to Rule 144 or other applicable exemption without any restriction as to the number of securities as of a particular date that can then be immediately sold, each certificate for shares of Common Stock issuable upon conversion of this Note that has not been so included in an effective registration statement or that has not been sold pursuant to an effective registration statement or an exemption that permits removal of the legend, shall bear a legend substantially in the following form, as appropriate:

“NEITHER THE ISSUANCE AND SALE OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE NOR THE SECURITIES INTO WHICH THESE SECURITIES ARE EXERCISABLE HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) AN OPINION OF COUNSEL (WHICH COUNSEL SHALL BE SELECTED BY THE HOLDER), IN A GENERALLY ACCEPTABLE FORM, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR (II) UNLESS SOLD PURSUANT TO RULE 144 OR RULE 144A UNDER SAID ACT OR OTHER APPLICABLE EXEMPTION. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES.”

The legend set forth above shall be removed and the Borrower shall issue to the Holder a new certificate therefore free of any transfer legend if (i) the Borrower or its transfer agent shall have received an opinion of counsel, in form, substance and scope customary for opinions of counsel in comparable transactions, to the effect that a public sale or transfer of such Common Stock may be made without registration under the Act, which opinion shall be reasonably accepted by the Borrower so that the sale or transfer is effected or (ii) in the case of the Common Stock issuable upon conversion of this Note, such security is registered for sale by the Holder under an effective registration statement filed under the Act or otherwise may be sold pursuant to Rule 144 or other applicable exemption without any restriction as to the number of securities as of a particular date that can then be immediately sold. In the event that the Borrower does not accept the opinion of counsel provided by the Buyer with respect to the transfer of Securities pursuant to an exemption from registration, such as Rule 144 or Regulation S, at the Deadline, it will be considered an Event of Default pursuant to Section 3.2 of the Note.

1.6 Effect of Certain Events.

(a) Effect of Merger, Consolidation, Etc. At the option of the Holder, the sale, conveyance or disposition of all or substantially all of the assets of the Borrower, the effectuation by the Borrower of a transaction or series of related transactions in which more than 50% of the voting power of the Borrower is disposed of, or the consolidation, merger or other business combination of the Borrower with or into any other Person (as defined below) or Persons when the Borrower is not the survivor shall either: (i) be deemed to be an Event of Default (as defined in Article III) pursuant to which the Borrower shall be required to pay to the Holder upon the consummation of and as a condition to such transaction an amount equal to the Default Amount (as defined in Article III) or (ii) be treated pursuant to Section 1.6(b) hereof. “Person” shall mean any individual, corporation, limited liability company, partnership, association, trust or other entity or organization.

(b) Adjustment Due to Merger, Consolidation, Etc. If, at any time when this Note is issued and outstanding and prior to conversion of all of the Notes, there shall be any merger, consolidation, exchange of shares, recapitalization, reorganization, or other similar event, as a result of which shares of Common Stock of the Borrower shall be changed into the same or a different number of shares of another class or classes of stock or securities of the Borrower or another entity, or in case of any sale or conveyance of all or substantially all of the assets of the Borrower other than in connection with a plan of complete liquidation of the Borrower, then the Holder of this Note shall thereafter have the right to receive upon conversion of this Note, upon the basis and upon the terms and conditions specified herein and in lieu of the shares of Common Stock immediately theretofore issuable upon conversion, such stock, securities or assets which the Holder would have been entitled to receive in such transaction had this Note been converted in full immediately prior to such transaction (without regard to any limitations on conversion set forth herein), and in any such case appropriate provisions shall be made with respect to the rights and interests of the Holder of this Note to the end that the provisions hereof (including, without limitation, provisions for adjustment of the Conversion Price and of the number of shares issuable upon conversion of the Note) shall thereafter be applicable, as nearly as may be practicable in relation to any securities or assets thereafter deliverable upon the conversion hereof. The Borrower shall not affect any transaction described in this Section 1.6(b) unless (a) it first gives, to the extent practicable, thirty (30) days prior written notice (but in any event at least fifteen (15) days prior written notice) of the record date of the special meeting of shareholders to approve, or if there is no such record date, the consummation of, such merger, consolidation, exchange of shares, recapitalization, reorganization or other similar event or sale of assets (during which time the Holder shall be entitled to convert this Note) and (b) the resulting successor or acquiring entity (if not the Borrower) assumes by written instrument the obligations of this Section 1.6(b). The above provisions shall similarly apply to successive consolidations, mergers, sales, transfers or share exchanges.

(c) Adjustment Due to Distribution. If the Borrower shall declare or make any distribution of its assets (or rights to acquire its assets) to holders of Common Stock as a dividend, stock repurchase, by way of return of capital or otherwise (including any dividend or distribution to the Borrower's shareholders in cash or shares (or rights to acquire shares) of capital stock of a subsidiary (i.e., a spin-off)) (a "Distribution"), then the Holder of this Note shall be entitled, upon any conversion of this Note after the date of record for determining shareholders entitled to such Distribution, to receive the amount of such assets which would have been payable to the Holder with respect to the shares of Common Stock issuable upon such conversion had such Holder been the holder of such shares of Common Stock on the record date for the determination of shareholders entitled to such Distribution.

(d) Purchase Rights. If, at any time when any Notes are issued and outstanding, the Borrower issues any convertible securities or rights to purchase stock, warrants, securities or other property (the "Purchase Rights") pro rata to the record holders of any class of Common Stock, then the Holder of this Note will be entitled to acquire, upon the terms applicable to such Purchase Rights, the aggregate Purchase Rights which such Holder could have acquired if such Holder had held the number of shares of Common Stock acquirable upon complete conversion of this Note (without regard to any limitations on conversion contained herein) immediately before the date on which a record is taken for the grant, issuance or sale of such Purchase Rights or, if no such record is taken, the date as of which the record holders of Common Stock are to be determined for the grant, issue or sale of such Purchase Rights.

(e) Notice of Adjustments. Upon the occurrence of each adjustment or readjustment of the Conversion Price as a result of the events described in this Section 1.6, the Borrower, at its expense, shall promptly compute such adjustment or readjustment and prepare and furnish to the Holder a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. The Borrower shall, upon the written request at any time of the Holder, furnish to such Holder a like certificate setting forth (i) such adjustment or readjustment, (ii) the Conversion Price at the time in effect and (iii) the number of shares of Common Stock and the amount, if any, of other securities or property which at the time would be received upon conversion of the Note.

1.7 [Intentionally Omitted].

1.8 Status as Shareholder. Upon submission of a Notice of Conversion by a Holder, (i) the shares covered thereby (other than the shares, if any, which cannot be issued because their issuance would exceed such Holder's allocated portion of the Reserved Amount or Maximum Share Amount) shall be deemed converted into shares of Common Stock and (ii) the Holder's rights as a Holder of such converted portion of this Note shall cease and terminate, excepting only the right to receive certificates for such shares of Common Stock and to any remedies provided herein or otherwise available at law or in equity to such Holder because of a failure by the Borrower to comply with the terms of this Note. Notwithstanding the foregoing, if a Holder has not received certificates for all shares of Common Stock prior to the tenth (10th) business day after the expiration of the Deadline with respect to a conversion of any portion of this Note for any reason, then (unless the Holder otherwise elects to retain its status as a holder of Common Stock by so notifying the Borrower) the Holder shall regain the rights of a Holder of this Note with respect to such unconverted portions of this Note and the Borrower shall, as soon as practicable, return such unconverted Note to the Holder or, if the Note has not been surrendered, adjust its records to reflect that such portion of this Note has not been converted. In all cases, the Holder shall retain all of its rights and remedies (including, without limitation, (i) the right to receive Conversion Default Payments pursuant to Section 1.3 to the extent required thereby for such Conversion Default and any subsequent Conversion Default and (ii) the right to have the Conversion Price with respect to subsequent conversions determined in accordance with Section 1.3) for the Borrower's failure to convert this Note.

1.9 Prepayment. Provided that an Event of Default has not occurred under this Note, the Borrower may prepay the amounts outstanding hereunder pursuant to the following terms and conditions and subject to the terms of this Note:

(a) At any time during the period beginning on the Issue Date and ending on the date which is one hundred eighty (180) calendar days following the Issue Date, the Borrower shall have the right, exercisable on not less than three (3) Trading Days prior written notice to the Holder of the Note, to prepay the outstanding Note (principal and accrued interest), in full by making a payment to the Holder of an amount in cash equal to 125%, multiplied by the sum of: (w) the then outstanding principal amount of this Note plus (x) accrued and unpaid interest on the unpaid principal amount of this Note plus (y) Default Interest, if any.

1.10 Any notice of prepayment hereunder (an "Optional Prepayment Notice") shall be delivered to the Holder of the Note at its registered addresses by physical mail and shall state: (1) that the Borrower is requesting to prepay the Note, and (2) the date of the requested prepayment which shall be not more than three (3) Trading Days from the date of the Optional Prepayment Notice. On the date fixed for prepayment (the "Optional Prepayment Date"), the Borrower shall make payment of the applicable prepayment amount to or upon the order of the

Holder as specified by the Holder in writing to the Borrower. If the Borrower delivers an Optional Prepayment Notice, and Borrower fails to pay the applicable prepayment amount due to the Holder of the Note within two (2) business days following the Optional Prepayment Date, the Borrower shall forever forfeit its right to request a prepayment pursuant to Section 1.9.

ARTICLE II. CERTAIN COVENANTS

2.1 Distributions on Capital Stock. So long as the Borrower shall have any obligation under this Note, the Borrower shall not without the Holder's written consent (a) pay, declare or set apart for such payment, any dividend or other distribution (whether in cash, property or other securities) on shares of capital stock other than dividends on shares of Common Stock solely in the form of additional shares of Common Stock or (b) directly or indirectly or through any subsidiary make any other payment or distribution in respect of its capital stock except for distributions pursuant to any shareholders' rights plan which is approved by a majority of the Borrower's disinterested directors.

2.2 Restriction on Stock Repurchases. So long as the Borrower shall have any obligation under this Note, the Borrower shall not without the Holder's written consent redeem, repurchase or otherwise acquire (whether for cash or in exchange for property or other securities or otherwise) in any one transaction or series of related transactions any shares of capital stock of the Borrower or any warrants, rights or options to purchase or acquire any such shares.

2.3 [Intentionally Omitted].

2.4 Sale of Assets. So long as the Borrower shall have any obligation under this Note, the Borrower shall not, without the Holder's written consent, sell, lease or otherwise dispose of any significant portion of its assets outside the ordinary course of business. Any consent to the disposition of any assets shall be conditioned on a specified use of the proceeds towards the repayment of this Note.

2.5 Advances and Loans. So long as the Borrower shall have any obligation under this Note, the Borrower shall not, without the Holder's written consent, lend money, give credit or make advances to officers, directors, or employees of the Borrower, except loans, credits or advances (a) in existence or committed on the date hereof and which the Borrower has informed Holder in writing prior to the date hereof, (b) made in the ordinary course of business or (c) not in excess of \$100,000.

2.6 Section 3(a)(9) or 3(a)(10) Transaction. So long as this Note is outstanding, the Borrower shall not enter into any transaction or arrangement structured in accordance with, based upon, or related or pursuant to, in whole or in part, either Section 3(a)(9) of the Securities Act (a "3(a)(9) Transaction") or Section 3(a)(10) of the Securities Act (a "3(a)(10) Transaction"). In the event that the Borrower does enter into, or makes any issuance of Common Stock related to a 3(a)(9) Transaction or a 3(a)(10) Transaction while this note is outstanding, a liquidated damages charge of 25% of the outstanding principal balance of this Note, but not less than Fifteen Thousand Dollars \$15,000, will be assessed and will become immediately due and payable to the Holder at its election in the form of cash payment or addition to the balance of this Note.

2.7 Preservation of Existence, etc. The Borrower shall maintain and preserve, and cause each of its Subsidiaries to maintain and preserve, its existence, rights and privileges, and become or remain, and cause each of its Subsidiaries (other than dormant Subsidiaries that have no or minimum assets) to become or remain, duly qualified and in good standing in each jurisdiction in which the character of the properties owned or leased by it or in which the transaction of its business makes such qualification necessary.

2.8 Non-circumvention. The Borrower hereby covenants and agrees that the Borrower will not, by amendment of its Certificate or Articles of Incorporation or Bylaws, or through any reorganization, transfer of assets, consolidation, merger, scheme of arrangement, dissolution, issue or sale of securities, or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Note, and will at all times in good faith carry out all the provisions of this Note and take all action as may be required to protect the rights of the Holder.

ARTICLE III. EVENTS OF DEFAULT

If any of the following events of default (each, an "Event of Default") shall occur:

3.1 Failure to Pay Principal or Interest. The Borrower fails to pay the principal hereof or interest thereon when due on this Note, whether at maturity, upon acceleration or otherwise.

3.2 Conversion and the Shares. The Borrower (i) fails to issue shares of Common Stock to the Holder (or announces or threatens in writing that it will not honor its obligation to do so) upon exercise by the Holder of the conversion rights of the Holder in accordance with the terms of this Note, (ii) fails to transfer or cause its transfer agent to transfer (issue) (electronically or in certificated form) any certificate for shares of Common Stock issued to the Holder upon conversion of or otherwise pursuant to this Note as and when required by this Note, (iii) directs its transfer agent not to transfer or delays, impairs, and/or hinders its transfer agent in transferring (or issuing) (electronically or in certificated form) any certificate for shares of Common Stock to be issued to the Holder upon conversion of or otherwise pursuant to this Note as and when required by this Note, (iv) fails to remove (or directs its transfer agent not to remove or impairs, delays, and/or hinders its transfer agent from removing) any restrictive legend (or to withdraw any stop transfer instructions in respect thereof) on any certificate for any shares of Common Stock issued to the Holder upon conversion of or otherwise pursuant to this Note as and when required by this Note (or makes any written announcement, statement or threat that it does not intend to honor the obligations described in this paragraph) and any such failure shall continue uncured (or any written announcement, statement or threat not to honor its obligations shall not be rescinded in writing) for three (3) business days after the Holder shall have delivered a Notice of Conversion, (v) fails to remain current in its obligations to its transfer agent, (vi) causes a conversion of this Note is delayed, hindered or frustrated due to a balance owed by the Borrower to its transfer agent, (vii) fails to repay Holder, within forty eight (48) hours of a demand from the Holder, any amount of funds advanced by Holder to Borrower's transfer agent in order to process a conversion, (viii) fails to reserve sufficient amount of shares of common stock to satisfy the Reserved Amount at all times, (ix) fails to provide a Rule 144 opinion letter from the Borrower's legal counsel to the Holder, covering the Holder's resale into the public market of the respective conversion shares under this Note, within two (2) business days of the Holder's submission of a Notice of Conversion to the Borrower (provided that the Holder must request the opinion from the Borrower at the time that Holder submits the respective Notice of Conversion and the

date of the respective Notice of Conversion must be on or after the date which is six (6) months after the date that the Holder funded the Purchase Price under this Note), and/or (x) an exemption under Rule 144 is unavailable for the Holder's deposit into Holder's brokerage account and resale into the public market of any of the conversion shares under this Note at any time after the date which is six (6) months after the date that the Holder funded the Purchase Price under this Note.

3.3 [Intentionally Omitted]

3.4 Breach of Covenants. The Borrower breaches any material covenant or other material term or condition contained in this Note and any collateral documents including but not limited to the Purchase Agreement and such breach continues for a period of ten (10) days after written notice thereof to the Borrower from the Holder.

3.5 Breach of Representations and Warranties. Any representation or warranty of the Borrower made herein or in any agreement, statement or certificate given in writing pursuant hereto or in connection herewith (including, without limitation, the Purchase Agreement), shall be false or misleading in any material respect when made and the breach of which has (or with the passage of time will have) a material adverse effect on the rights of the Holder with respect to this Note or the Purchase Agreement.

3.6 Receiver or Trustee. The Borrower or any subsidiary of the Borrower shall make an assignment for the benefit of creditors or commence proceedings for its dissolution, or apply for or consent to the appointment of a receiver or trustee for it or for a substantial part of its property or business, or such a receiver or trustee shall otherwise be appointed for the Borrower or for a substantial part of its property or business without its consent and shall not be discharged within sixty (60) days after such appointment.

3.7 Judgments. Any money judgment, writ or similar process shall be entered or filed against the Borrower or any subsidiary of the Borrower or any of its property or other assets for more than \$50,000, and shall remain unvacated, unbonded or unstayed for a period of twenty (20) days unless otherwise consented to by the Holder, which consent will not be unreasonably withheld.

3.8 Bankruptcy. Bankruptcy, insolvency, reorganization or liquidation proceedings or other proceedings, voluntary or involuntary, for relief under any bankruptcy law or any law for the relief of debtors shall be instituted by or against the Borrower or any subsidiary of the Borrower, or the Borrower admits in writing its inability to pay its debts generally as they mature, or have filed against it an involuntary petition for bankruptcy relief, all under federal or state laws as applicable or the Borrower admits in writing its inability to pay its debts generally as they mature, or have filed against it an involuntary petition for bankruptcy relief, all under international, federal or state laws as applicable.

3.9 Delisting of Common Stock. The Borrower shall fail to maintain the listing of the Common Stock on at least one of the OTC Pink, OTCQB, Nasdaq National Market, Nasdaq Small Cap Market, New York Stock Exchange, NYSE MKT, or an equivalent replacement exchange

3.10 Failure to Comply with the Exchange Act. On or after 180 days following the Issue Date, the Borrower shall fail to comply with the reporting requirements of the Exchange Act (including but not limited to becoming delinquent in its filings); and/or the Borrower shall cease to be subject to the reporting requirements of the Exchange Act.

3.11 Liquidation. Any dissolution, liquidation, or winding up of Borrower or any substantial portion of its business.

3.12 Cessation of Operations. Any cessation of operations by Borrower or Borrower admits it is otherwise generally unable to pay its debts as such debts become due, provided, however, that any disclosure of the Borrower's ability to continue as a "going concern" shall not be an admission that the Borrower cannot pay its debts as they become due.

3.13 Maintenance of Assets. The failure by Borrower to maintain any material intellectual property rights, personal, real property or other assets which are necessary to conduct its business (whether now or in the future), or any disposition or conveyance of any material asset of the Borrower.

3.14 Financial Statement Restatement. The restatement by the Borrower at any time after the Issue Date of any financial statements filed by the Borrower with the SEC for any date or period from two years prior to the Issue Date of this Note and until this Note is no longer outstanding, if the result of such restatement would, by comparison to the unrestated financial statement, have constituted a material adverse effect on the rights of the Holder with respect to this Note or the Purchase Agreement.

3.15 Reverse Splits. The Borrower effectuates a reverse split of its Common Stock without twenty (20) days prior written notice to the Holder.

3.16 Replacement of Transfer Agent. In the event that the Borrower proposes to replace its transfer agent, the Borrower fails to provide, prior to the effective date of such replacement, a fully executed Irrevocable Transfer Agent Instructions in a form as initially delivered pursuant to the Purchase Agreement (including but not limited to the provision to irrevocably reserve shares of Common Stock in the Reserved Amount) signed by the successor transfer agent to Borrower and the Borrower.

3.17 Cessation of Trading. Any cessation of trading of the Common Stock on at least one of the OTC Pink, OTCQB, Nasdaq National Market, Nasdaq Small Cap Market, New York Stock Exchange, NYSE MKT, or an equivalent replacement exchange, and such cessation of trading shall continue for a period of five consecutive (5) Trading Days.

3.18 Cross-Default. Notwithstanding anything to the contrary contained in this Note or the other related or companion documents, a breach or default by the Borrower of any covenant or other term or condition contained in any of the Other Agreements (as defined herein), after the passage of all applicable notice and cure or grace periods, shall, at the option of the Holder, be considered a default under this Note and the Other Agreements, in which event the Holder shall be entitled (but in no event required) to apply all rights and remedies of the Holder under the terms of this Note and the Other Agreements by reason of a default under said Other Agreement or hereunder. "Other Agreements" means, collectively, all agreements and instruments between, among or by: (1) the Borrower, and, or for the benefit of, (2) the

Holder (and any affiliate of the Holder) or any other third party, including, without limitation, promissory notes; provided, however, the term “Other Agreements” shall not include the agreements and instruments defined as the Documents. Each of the loan transactions will be cross-defaulted with each other loan transaction and with all other existing and future debt of Borrower to the Holder.

3.19 Bid Price. The Borrower shall lose the “bid” price for its Common Stock (\$0.0001 on the “Ask” with zero market makers on the “Bid” per Level 2) and/or a market (including the OTC Pink, OTCQB or an equivalent replacement exchange).

3.20 OTC Markets Designation. On or after 180 days following the Issue Date, OTC Markets changes the Borrower’s designation to ‘No Information’ (Stop Sign), ‘Caveat Emptor’ (Skull and Crossbones), or ‘OTC’, ‘Other OTC’ or ‘Grey Market’ (Exclamation Mark Sign).

3.21 Inside Information. Any attempt by the Borrower or its officers, directors, and/or affiliates to transmit, convey, disclose, or any actual transmittal, conveyance, or disclosure by the Borrower or its officers, directors, and/or affiliates of, material non-public information concerning the Borrower, to the Holder or its successors and assigns, which is not immediately cured by Borrower’s filing of a Form 8-K pursuant to Regulation FD on that same date.

3.22 Unavailability of Rule 144. If, at any time on or after the date which is six (6) months after the Issue Date, the Holder is unable to (i) obtain a standard “144 legal opinion letter” from an attorney reasonably acceptable to the Holder, the Holder’s brokerage firm (and respective clearing firm), and the Borrower’s transfer agent in order to facilitate the Holder’s conversion of any portion of the Note into free trading shares of the Borrower’s Common Stock pursuant to Rule 144, and (ii) thereupon deposit such shares into the Holder’s brokerage account.

3.23 Delisting or Suspension of Trading of Common Stock. If, at any time on or after the Issue Date, the Borrower’s Common Stock (i) is suspended from trading, (ii) halted from trading, and/or (iii) fails to be quoted or listed (as applicable) on any level of the OTC Markets, any tier of the NASDAQ Stock Market, the New York Stock Exchange, or the NYSE American.

UPON THE OCCURRENCE OF ANY EVENT OF DEFAULT SPECIFIED IN SECTION 3.2 AND/OR 3.22 OF THIS NOTE, THE NOTE SHALL BECOME IMMEDIATELY AND AUTOMATICALLY DUE AND PAYABLE WITHOUT DEMAND, PRESENTMENT, OR NOTICE AND THE BORROWER SHALL PAY TO THE HOLDER, IN FULL SATISFACTION OF ITS OBLIGATIONS HEREUNDER, AN AMOUNT EQUAL TO: (Y) THE DEFAULT SUM (AS DEFINED HEREIN) MULTIPLIED BY (Z) ONE AND ONE-HALF (1.5). Upon the occurrence of any Event of Default specified in Sections 3.1, 3.4, 3.5, 3.6, 3.7, 3.8, 3.9, 3.10, 3.11, 3.12, 3.13, 3.14, 3.15, 3.16, 3.17, 3.18, 3.19, 3.20, 3.21, and/or 3.23, the Note shall become immediately and automatically due and payable without demand, presentment or notice and the Borrower shall pay to the Holder, in full satisfaction of its obligations hereunder, an amount equal to (i) 125% times the sum of (w) the then outstanding principal amount of this Note plus (x) accrued and unpaid interest on the unpaid principal amount of this Note to the date of payment (the “Mandatory Prepayment Date”) plus (y) Default Interest, if any, on the amounts referred to in clauses (w) and/or (x) plus (z) any amounts owed to the Holder pursuant to Sections 1.3 and 1.4(g) hereof (the then outstanding principal amount of this Note to the date of payment plus the amounts referred to in clauses (x), (y) and (z) shall collectively be known as the “Default Sum”).

The Holder shall have the right at any time after an Event of Default occurs under this Note to require the Borrower, to immediately issue, in lieu of the Default Amount and/or Default Sum, the number of shares of Common Stock of the Borrower equal to the Default Amount and/or Default Sum divided by the Conversion Price then in effect, pursuant to the terms of this Note (including but not limited to any beneficial ownership limitations contained herein). This requirement by the Borrower shall automatically apply upon the occurrence of an Event of Default without the need for any party to give any notice or take any other action.

If the Holder shall commence an action or proceeding to enforce any provisions of this Note, including, without limitation, engaging an attorney, then if the Holder prevails in such action, the Holder shall be reimbursed by the Borrower for its reasonable attorneys' fees and other costs and expenses incurred in the investigation, preparation and prosecution of such action or proceeding.

ARTICLE IV. MISCELLANEOUS

4.1 Failure or Indulgence Not Waiver. No failure or delay on the part of the Holder in the exercise of any power, right or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such power, right or privilege preclude other or further exercise thereof or of any other right, power or privileges. All rights and remedies existing hereunder are cumulative to, and not exclusive of, any rights or remedies otherwise available.

4.2 Notices. All notices, demands, requests, consents, approvals, and other communications required or permitted hereunder shall be in writing and, unless otherwise specified herein, shall be (i) personally served, (ii) deposited in the mail, registered or certified, return receipt requested, postage prepaid, (iii) delivered by reputable air courier service with charges prepaid, or (iv) transmitted by hand delivery, telegram, electronic mail, or facsimile, addressed as set forth below or to such other address as such party shall have specified most recently by written notice. Any notice or other communication required or permitted to be given hereunder shall be deemed effective (a) upon hand delivery or delivery by electronic mail or facsimile, with accurate confirmation generated by the transmitting facsimile machine, at the address or number designated below (if delivered on a business day during normal business hours where such notice is to be received), or the first business day following such delivery (if delivered other than on a business day during normal business hours where such notice is to be received) or (b) on the second business day following the date of mailing by express courier service, fully prepaid, addressed to such address, or upon actual receipt of such mailing, whichever shall first occur. The addresses for such communications shall be:

If to the Borrower, to:

BioRestorative Therapies, Inc.
40 Marcus Drive, Suite One
Melville, NY 11747
Attn: CEO
E-mail:

If to the Holder:

Attn:

Facsimile:

4.3 Amendments. This Note and any provision hereof may only be amended by an instrument in writing signed by the Borrower and the Holder. The term “Note” and all reference thereto, as used throughout this instrument, shall mean this instrument (and the other Notes issued pursuant to the Purchase Agreement) as originally executed, or if later amended or supplemented, then as so amended or supplemented.

4.4 Assignability. This Note shall be binding upon the Borrower and its successors and assigns, and shall inure to be the benefit of the Holder and its successors and assigns. Neither the Borrower nor the Holder shall assign this Note or any rights or obligations hereunder without the prior written consent of the other. Notwithstanding the foregoing, the Holder may assign its rights hereunder to any “accredited investor” (as defined in Rule 501(a) of the 1933 Act) in a private transaction from the Holder or to any of its “affiliates”, as that term is defined under the 1934 Act, without the consent of the Borrower. Notwithstanding anything in this Note to the contrary, this Note may be pledged as collateral in connection with a bona fide margin account or other lending arrangement. The Holder and any assignee, by acceptance of this Note, acknowledge and agree that following conversion of a portion of this Note, the unpaid and unconverted principal amount of this Note represented by this Note may be less than the amount stated on the face hereof.

4.5 Cost of Collection. If default is made in the payment of this Note, the Borrower shall pay the Holder hereof reasonable costs of collection, including reasonable attorneys’ fees.

4.6 Governing Law. This Note shall be governed by and construed in accordance with the laws of the State of Nevada without regard to principles of conflicts of laws. Any action brought by either party against the other concerning the transactions contemplated by this Note shall be brought only in the state courts located in the Commonwealth of Massachusetts or federal courts located in the Commonwealth of Massachusetts. The parties to this Note hereby irrevocably waive any objection to jurisdiction and venue of any action instituted hereunder and shall not assert any defense based on lack of jurisdiction or venue or based upon *forum non conveniens*. **THE BORROWER HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE TO, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION WITH OR ARISING OUT OF THIS NOTE OR ANY TRANSACTION CONTEMPLATED HEREBY.** The prevailing party shall be entitled to recover from the other party its reasonable attorney's fees and costs. In the event that any provision of this Note or any other agreement delivered in connection herewith is invalid or unenforceable under any applicable statute or rule of law, then such provision shall be deemed inoperative to the extent that it may conflict therewith and shall be deemed modified to conform with such statute or rule of law. Any such provision which may prove invalid or unenforceable under any law shall not affect the validity or enforceability of any other provision of any agreement. Each party hereby irrevocably waives personal service of process and consents to process being served in any suit, action or proceeding in connection with this Agreement or any other Transaction Document by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by law.

4.7 Certain Amounts. Whenever pursuant to this Note the Borrower is required to pay an amount in excess of the outstanding principal amount (or the portion thereof required to be paid at that time) plus accrued and unpaid interest plus Default Interest on such interest, the Borrower and the Holder agree that the actual damages to the Holder from the receipt of cash payment on this Note may be difficult to determine and the amount to be so paid by the Borrower represents stipulated damages and not a penalty and is intended to compensate the Holder in part for loss of the opportunity to convert this Note and to earn a return from the sale of shares of Common Stock acquired upon conversion of this Note at a price in excess of the price paid for such shares pursuant to this Note. The Borrower and the Holder hereby agree that such amount of stipulated damages is not plainly disproportionate to the possible loss to the Holder from the receipt of a cash payment without the opportunity to convert this Note into shares of Common Stock.

4.8 Purchase Agreement. By its acceptance of this Note, each party agrees to be bound by the applicable terms of the Purchase Agreement.

4.9 Notice of Corporate Events. Except as otherwise provided below, the Holder of this Note shall have no rights as a Holder of Common Stock unless and only to the extent that it converts this Note into Common Stock. The Borrower shall provide the Holder with prior notification of any meeting of the Borrower’s shareholders (and copies of proxy materials and other information sent to shareholders). In the event of any taking by the Borrower of a record of its shareholders for the purpose of determining shareholders who are entitled to receive payment of any dividend or other distribution, any right to subscribe for, purchase or otherwise acquire (including by way of merger, consolidation, reclassification or recapitalization) any share of any class or any other securities or property, or to receive any other right, or for the purpose of determining shareholders who are entitled to vote in connection with any proposed sale, lease or conveyance of all or substantially all of the assets of the Borrower or any proposed liquidation, dissolution or winding up of the Borrower, the Borrower shall mail a notice to the Holder, at least twenty (20) days prior to the record date specified therein (or thirty (30) days prior to the consummation of the transaction or event, whichever is earlier), of the date on which any such record is to be taken for the purpose of such dividend, distribution, right or other event, and a brief statement regarding the amount and character of such dividend, distribution, right or other event to the extent known at such time. The Borrower shall make a public announcement of any event requiring notification to the Holder hereunder substantially simultaneously with the notification to the Holder in accordance with the terms of this Section 4.9 including, but not limited to, name changes, recapitalizations, etc. as soon as possible under law.

4.10 Usury. If it shall be found that any interest or other amount deemed interest due hereunder violates the applicable law governing usury, the applicable provision shall automatically be revised to equal the maximum rate of interest or other amount deemed interest permitted under applicable law. The Borrower covenants (to the extent that it may lawfully do so) that it will not seek to claim or take advantage of any law that would prohibit or forgive the Borrower from paying all or a portion of the principal or interest on this Note.

4.11 Remedies. The Borrower acknowledges that a breach by it of its obligations hereunder will cause irreparable harm to the Holder, by vitiating the intent and purpose of the transaction contemplated hereby. Accordingly, the Borrower acknowledges that the remedy at law for a breach of its obligations under this Note will be inadequate and agrees, in the event of a breach or threatened breach by the Borrower of the provisions of this Note, that the Holder shall be entitled, in addition to all other available remedies at law or in equity, and in addition to the penalties assessable herein, to an injunction or injunctions restraining, preventing or curing any breach of this Note and to enforce specifically the terms and provisions thereof, without the necessity of showing economic loss and without any bond or other security being required. No provision of this Note shall alter or impair the obligation of the Borrower, which is absolute and unconditional, to pay the principal of, and interest on, this Note at the time, place, and rate, and in the form, herein prescribed.

4.12 Severability. In the event that any provision of this Note is invalid or unenforceable under any applicable statute or rule of law, then such provision shall be deemed inoperative to the extent that it may conflict therewith and shall be deemed modified to conform with such statute or rule of law. Any provision hereof which may prove invalid or unenforceable under any law shall not affect the validity or enforceability of any other provision hereof.

4.13 Dispute Resolution. In the case of a dispute as to the determination of the Conversion Price, Conversion Amount, any prepayment amount or Default Amount, Default Sum, Closing or Maturity Date, the closing bid price, or fair market value (as the case may be) or the arithmetic calculation of the Conversion Price or the applicable prepayment amount(s) (as the case may be), the Borrower or the Holder shall submit the disputed determinations or arithmetic calculations via facsimile (i) within two (2) Business Days after receipt of the applicable notice giving rise to such dispute to the Borrower or the Holder or (ii) if no notice gave rise to such dispute, at any time after the Holder learned of the circumstances giving rise to such dispute. If the Holder and the Borrower are unable to agree upon such determination or calculation within two (2) Business Days of such disputed determination or arithmetic calculation (as the case may be) being submitted to the Borrower or the Holder, then the Borrower shall, within two (2) Business Days, submit via facsimile (a) the disputed determination of the Conversion Price, the closing bid price, the or fair market value (as the case may be) to an independent, reputable investment bank selected by the Borrower and approved by the Holder or (b) the disputed arithmetic calculation of the Conversion Price, Conversion Amount, any prepayment amount or Default Amount, Default Sum to an independent, outside accountant selected by the Holder that is reasonably acceptable to the Borrower. The Borrower shall cause at its expense the investment bank or the accountant to perform the determinations or calculations and notify the Borrower and the Holder of the results no later than ten (10) Business Days from the time it receives such disputed determinations or calculations. Such investment bank's or accountant's determination or calculation shall be binding upon all parties absent demonstrable error.

4.14 Terms of Future Financings. So long as this Note is outstanding, upon any issuance by the Borrower or any of its subsidiaries of any security with any term more favorable to the holder of such security or with a term in favor of the holder of such security that was not similarly provided to the Holder in this Note, then the Borrower shall notify the Holder of such additional or more favorable term and such term, at Holder's option, shall become a part of the transaction documents with the Holder. The types of terms contained in another security that may be more favorable to the holder of such security include, but are not limited to, terms addressing conversion discounts, prepayment rate, conversion lookback periods, interest rates, original issue discounts, stock sale price, private placement price per share, and warrant coverage.

4.15 Piggyback Registration Rights. The Borrower shall include on each registration statement that the Borrower files with SEC all shares issuable upon conversion of this Note. The Borrower's failure to comply with this Section 4.15 shall result in liquidated damages of 25% of the outstanding principal balance of this Note, but not less than Fifteen Thousand and No/100 United States Dollars (\$15,000), being immediately due and payable to the Holder at its election in the form of cash payment or addition to the balance of this Note.

[signature page follows]

IN WITNESS WHEREOF, Borrower has caused this Note to be signed in its name by its duly authorized officer as of the date first above written.

BIORESTORATIVE THERAPIES, INC.

By: _____
Name: _____
Title: Chief Executive Officer

EXHIBIT A
NOTICE OF CONVERSION

The undersigned hereby elects to convert \$_____ principal amount of the Note (defined below) together with \$_____ of accrued and unpaid interest thereto, totaling \$_____ into that number of shares of Common Stock to be issued pursuant to the conversion of the Note ("Common Stock") as set forth below, of BioRestorative Therapies, Inc., a Delaware corporation (the "Borrower"), according to the conditions of the secured convertible note of the Borrower dated as of _____ 2020 (the "Note"), as of the date written below. No fee will be charged to the Holder for any conversion, except for transfer taxes, if any.

Box Checked as to applicable instructions:

- ☐ The Borrower shall electronically transmit the Common Stock issuable pursuant to this Notice of Conversion to the account of the undersigned or its nominee with DTC through its Deposit Withdrawal At Custodian system ("DWAC Transfer").

Name of DTC Prime Broker:

Account Number:

- ☐ The undersigned hereby requests that the Borrower issue a certificate or certificates for the number of shares of Common Stock set forth below (which numbers are based on the Holder's calculation attached hereto) in the name(s) specified immediately below or, if additional space is necessary, on an attachment hereto:

Name: [NAME]

Address: [ADDRESS]

Date of Conversion:

Applicable Conversion Price:

\$_____

Number of Shares of Common Stock to be Issued

Pursuant to Conversion of the Notes:

Amount of Principal Balance Due remaining

Under the Note after this conversion:

Accrued and unpaid interest remaining

[HOLDER]

By: _____

Name: [NAME]

Title: [TITLE]

Date: [DATE]

EXHIBIT B - CONVERTIBLE PLAN NOTE

NEITHER THE ISSUANCE AND SALE OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE NOR THE SECURITIES INTO WHICH THESE SECURITIES ARE CONVERTIBLE HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) AN OPINION OF COUNSEL (WHICH COUNSEL SHALL BE SELECTED BY THE HOLDER), IN A GENERALLY ACCEPTABLE FORM, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR (II) UNLESS SOLD PURSUANT TO RULE 144 OR RULE 144A UNDER SAID ACT OR OTHER APPLICABLE EXEMPTION. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES.

Principal Amount: US\$ _____
Exchanged Debt: US\$ _____

Issue Date: _____, 2020

CONVERTIBLE PROMISSORY NOTE

FOR VALUE RECEIVED, BIORESTORATIVE THERAPIES, INC., a Delaware corporation (hereinafter called the “Borrower”) (Trading Symbol: BRTX), hereby promises to pay to the order of _____, a _____, or registered assigns (the “Holder”) the sum of US\$ _____ together with any interest as set forth herein, on _____, 2023 (the “Maturity Date”), and to pay interest on the unpaid principal balance hereof at the rate of five percent (5%) (the “Interest Rate”) per annum from the date hereof (the “Issue Date”) until the same becomes due and payable, whether at maturity or upon acceleration or by prepayment or otherwise. This Note may not be prepaid in whole or in part except as otherwise explicitly set forth herein. Any amount of principal or interest on this Note which is not paid when due shall bear interest at the rate of the lesser of (i) fifteen percent (15%) per annum and (ii) the maximum amount permitted under law from the due date thereof until the same is paid (the “Default Interest”). Interest shall commence accruing on the Issue Date and shall be computed on the basis of a 360-day year and the actual number of days elapsed. All payments due hereunder (to the extent not converted into common stock, \$0.001 par value per share (the “Common Stock”) in accordance with the terms hereof) shall be made in lawful money of the United States of America. All payments shall be made at such address as the Holder shall hereafter give to the Borrower by written notice made in accordance with the provisions of this Note. Whenever any amount expressed to be due by the terms of this Note is due on any day which is not a business day, the same shall instead be due on the next succeeding day which is a business day and, in the case of any interest payment date which is not the date on which this Note is paid in full, the extension of the due date thereof shall not be taken into account for purposes of determining the amount of interest due on such date. As used in this Note, the term “business day” shall mean any day other than a Saturday, Sunday or a day on which commercial banks in the city of New York, New York are authorized or required by law or executive order to remain closed. Each capitalized term used herein, and not otherwise defined, shall have the meaning ascribed thereto in that certain Securities Exchange Agreement dated the date hereof, pursuant to which this Note was originally issued (the “Exchange Agreement”).

This Note is free from all taxes, liens, claims and encumbrances with respect to the issue thereof and shall not be subject to preemptive rights or other similar rights of shareholders of the Borrower and will not impose personal liability upon the holder thereof.

The following terms shall also apply to this Note:

ARTICLE I. CONVERSION RIGHTS

1.1 Conversion Right. The Holder shall have the right from time to time, at any time following the Issue Date, and ending on the later of (i) the Maturity Date and (ii) the date of payment of the Default Amount (as defined in Article III) pursuant to Section 1.6(a) or Article III, each in respect of the remaining outstanding principal amount of this Note to convert all or any part of the outstanding and unpaid principal, interest, penalties, and all other amounts under this Note into fully paid and non-assessable shares of Common Stock, as such Common Stock exists on the Issue Date, or any shares of capital stock or other securities of the Borrower into which such Common Stock shall hereafter be changed or reclassified at the Conversion Price (as defined below) determined as provided herein (a “Conversion”); provided, however, that in no event shall the Holder be entitled to convert any portion of this Note in excess of that portion of this Note upon conversion of which the sum of (1) the number of shares of Common Stock beneficially owned by the Holder and its affiliates (other than shares of Common Stock which may be deemed beneficially owned through the ownership of the unconverted portion of the Notes or the unexercised or unconverted portion of any other security of the Borrower subject to a limitation on conversion or exercise analogous to the limitations contained herein) and (2) the number of shares of Common Stock issuable upon the conversion of the portion of this Note with respect to which the determination of this proviso is being made, would result in beneficial ownership by the Holder and its affiliates of more than 4.99% of the outstanding shares of Common Stock. For purposes of the proviso to the immediately preceding sentence, beneficial ownership shall be determined in accordance with Section 13(d) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and Regulations 13D-G thereunder, except as otherwise provided in clause (1) of such proviso. The number of shares of Common Stock to be issued upon each conversion of this Note shall be determined by dividing the Conversion Amount (as defined below) by the applicable Conversion Price then in effect on the date specified in the notice of conversion, in the form attached hereto as Exhibit A (the “Notice of Conversion”), delivered to the Borrower or Borrower’s transfer agent by the Holder in accordance with Section 1.4 below; provided that the Notice of Conversion is submitted by facsimile or e-mail (or by other means resulting in, or reasonably expected to result in, notice) to the Borrower or Borrower’s transfer agent before 11:59 p.m., New York, New York time on such conversion date (the “Conversion Date”). The term “Conversion Amount” means, with respect to any conversion of this Note, the sum of (1) the principal amount of this Note to be converted in such conversion plus (2) at the Holder’s option, accrued and unpaid interest, if any, on such principal amount at the interest rates provided in this Note to the Conversion Date, provided however, that the Borrower shall have the right to pay any or all interest in cash plus (3) at the Holder’s option, Default Interest, if any, on the amounts referred to in the immediately preceding clauses (1) and/or (2) plus (4) at the Holder’s option, any amounts owed to the Holder pursuant to Sections 1.3 and 1.4(g) hereof.

1.2 Conversion Price.

Calculation of Conversion Price. Subject to the adjustments described herein, the conversion price (the “Conversion Price”) shall equal the Variable Conversion Price (as defined herein), subject in each case to equitable adjustments for stock splits, stock dividends or rights offerings by the Borrower relating to the Borrower’s securities or the securities of any subsidiary of the Borrower, combinations, recapitalization, reclassifications, extraordinary distributions and similar events. The “Variable Conversion Price” shall mean the Market Price (as defined herein). “Market Price” means the average of the five (5) daily volume weighted average price, as determined at the end of each Trading Day, for the Common Stock during the five (5) Trading Day period ending on the latest complete Trading Day prior to the Conversion Date. *To the extent the Conversion Price of the Borrower’s Common Stock closes below the par value per share, the Borrower will take all steps necessary to solicit the consent of the stockholders to reduce the par value to the lowest value possible under law. The Borrower agrees to honor all conversions submitted pending this adjustment.* If the shares of the Borrower’s Common Stock have not been delivered within three (3) business days to the Borrower or Borrower’s transfer agent, the Notice of Conversion may be rescinded. At any time after the Closing Date, if in the case that the Borrower’s Common Stock is not deliverable by DWAC (including if the Borrower’s transfer agent has a policy prohibiting or limiting delivery of shares of the Borrower’s Common Stock specified in a Notice of Conversion), an additional 10% discount will apply for all future conversions under all Notes. If in the case that the Borrower’s Common Stock is “chilled” for deposit into the DTC system and only eligible for clearing deposit, an additional 15% discount shall apply for all future conversions under all Notes while the “chill” is in effect. If in the case of both of the above, an additional cumulative 25% discount shall apply. Additionally, if the Borrower ceases to be a reporting company pursuant to the 1934 Act or if the Note cannot be converted into free trading shares after one hundred eighty-one (181) days from the Issue Date, an additional 15% discount will be attributed to the Conversion Price. If the volume weighted average price cannot be calculated for such security on such date in the manner provided above, the volume weighted average price shall be the fair market value as mutually determined by the Borrower and the holders of a majority in interest of the Notes being converted for which the calculation of the volume weighted average price is required in order to determine the Conversion Price of such Notes. “Trading Day” shall mean any day on which the Common Stock is tradable for any period on the OTC Pink, OTCQB, OTCQX or on the principal securities exchange or other securities market on which the Common Stock is then being traded. The Borrower shall be responsible for the fees of its transfer agent and all DTC fees associated with any such issuance. Holder shall be entitled to deduct \$500.00 from the conversion amount in each Notice of Conversion to cover Holder’s deposit fees associated with each Notice of Conversion.

(a) Mandatory Conversion. In the event that the Borrower shall have consummated a listing (the “Listing”) of its common stock on the NASDAQ Capital Markets, the New York Stock Exchange, or such other similar senior exchange (a “Senior Exchange”) prior to the Maturity Date, the outstanding balance of this Note shall be automatically converted into fully paid and non-assessable shares of Common Stock of the Borrower, as such Common Stock exists on the Issue Date, or any shares of capital stock or other securities into which such Common Stock shall hereafter be changed or reclassified at the Listing Conversion Price (as defined herein) determined as provided herein (an “Listing Conversion”); provided, however, that in no event shall this Note be converted into Common Stock in excess of the beneficial ownership limitations provided in Section 1.1 hereof. The conversion price upon a Listing Conversion shall equal (i) the sale price of the Borrower’s shares of Common Stock, as sold in a financing in connection with the Listing (the “Listing Conversion Price”) or (ii) in the event that no financing is consummated in connection with the Listing, the opening price of the Borrower’s shares of Common Stock, as listed on the Senior Exchange, on the first day on which the Borrower’s shares are traded thereon. In the event that the conversions provided hereby are limited by the beneficial ownership limitations provided in Section 1.1 hereof, the Company shall take any and all actions as are necessary or advisable to convert the remaining outstanding balance of this Note (following any conversions into Common Stock permitted hereby) into preferred shares of the Company and the terms of such preferred shares and the certificate of designation governing same shall be determined by the Borrower at such time in its reasonable discretion. In the event that a financing is consummated concurrently with or in connection with the Listing, in addition to any shares of common stock issuable upon conversion as stated herein, the Holder shall also receive such other consideration, including, but not limited to, common stock purchase warrants, as any investor would otherwise receive upon making an investment in the amount of the converted amount in connection with the financing.

(b) Conversion Price During Major Announcements. Notwithstanding anything contained in Section 1.2(a) to the contrary, in the event the Borrower (i) makes a public announcement that it intends to consolidate or merge with any other corporation (other than a merger in which the Borrower is the surviving or continuing corporation and its capital stock is unchanged) or sell or transfer all or substantially all of the assets of the Borrower or (ii) any person, group or entity (including the Borrower) publicly announces a tender offer to purchase 50% or more of the Borrower’s Common Stock (or any other takeover scheme) (the date of the announcement referred to in clause (i) or (ii) is hereinafter referred to as the “Announcement Date”), then the Conversion Price shall, effective upon the Announcement Date and continuing through the Adjusted Conversion Price Termination Date (as defined below), be equal to the lower of (x) the Conversion Price which would have been applicable for a Conversion occurring on the Announcement Date and (y) the Conversion Price that would otherwise be in effect. From and after the Adjusted Conversion Price Termination Date, the Conversion Price shall be determined as set forth in this Section 1.2(a). For purposes hereof, “Adjusted Conversion Price Termination Date” shall mean, with respect to any proposed transaction or tender offer (or takeover scheme) for which a public announcement as contemplated by this Section 1.2(b) has been made, the date upon which the Borrower (in the case of clause (i) above) or the person, group or entity (in the case of clause (ii) above) consummates or publicly announces the termination or abandonment of the proposed transaction or tender offer (or takeover scheme) which caused this Section 1.2(b) to become operative.

(c) Pro Rata Conversion; Disputes. In the event of a dispute as to the number of shares of Common Stock issuable to the Holder in connection with a conversion of this Note, the Borrower shall issue to the Holder the number of shares of Common Stock not in dispute and resolve such dispute in accordance with Section 4.13.

(d) If at any time the Conversion Price as determined hereunder for any conversion would be less than the par value of the Common Stock, then the Conversion Price hereunder shall equal such par value for such conversion and the Conversion Amount for such conversion shall be increased to include Additional Principal, where “Additional Principal” means such additional amount to be added to the Conversion Amount to the extent necessary to cause the number of conversion shares issuable upon such conversion to equal the same number of conversion shares as would have been issued had the Conversion Price not been subject to the minimum price set forth in this Section 1.2(c).

1.3 Authorized Shares. The Borrower covenants that during the period the conversion right exists, the Borrower will reserve from its authorized and unissued Common Stock a sufficient number of shares, free from preemptive rights, to provide for the issuance of Common Stock upon the full conversion of this Note issued pursuant to the Exchange Agreement. The Borrower is required at all times to have authorized and reserved three (3) times the number of shares that is actually issuable upon full conversion of the Note (based on the Conversion

Price of the Notes in effect from time to time) (the “Reserved Amount”). The Reserved Amount shall be increased from time to time in accordance with the Borrower’s obligations pursuant to Section 3(d) of the Exchange Agreement. The Borrower represents that upon issuance, such shares will be duly and validly issued, fully paid and non-assessable. In addition, if the Borrower shall issue any securities or make any change to its capital structure which would change the number of shares of Common Stock into which the Notes shall be convertible at the then current Conversion Price, the Borrower shall at the same time make proper provision so that thereafter there shall be a sufficient number of shares of Common Stock authorized and reserved, free from preemptive rights, for conversion of the outstanding Notes. The Borrower (i) acknowledges that it has irrevocably instructed its transfer agent to issue certificates for the Common Stock issuable upon conversion of this Note, and (ii) agrees that its issuance of this Note shall constitute full authority to its officers and agents who are charged with the duty of executing stock certificates to execute and issue the necessary certificates for shares of Common Stock in accordance with the terms and conditions of this Note. Notwithstanding the foregoing, in no event shall the Reserved Amount be lower than the initial Reserved Amount, regardless of any prior conversions.

If, at any time the Borrower does not maintain or replenish the Reserved Amount within three (3) business days of the request of the Holder, the principal amount of the Note shall increase by Five Thousand and No/100 United States Dollars (\$5,000) (under Holder’s and Borrower’s expectation that any principal amount increase will tack back to the Issue Date) per occurrence.

1.4 Method of Conversion.

(a) Mechanics of Conversion. Subject to Section 1.1, this Note may be converted by the Holder in whole or in part from time to time, at any time after the Issue Date, by (A) submitting to the Borrower or Borrower’s transfer agent a Notice of Conversion (by facsimile, e-mail or other reasonable means of communication dispatched on the Conversion Date prior to 11:59 p.m., New York, New York time) and (B) subject to Section 1.4(b), surrendering this Note at the principal office of the Borrower.

(b) Surrender of Note Upon Conversion. Notwithstanding anything to the contrary set forth herein, upon conversion of this Note in accordance with the terms hereof, the Holder shall not be required to physically surrender this Note to the Borrower unless the entire unpaid principal amount of this Note is so converted. The Holder and the Borrower shall maintain records showing the principal amount so converted and the dates of such conversions or shall use such other method, reasonably satisfactory to the Holder and the Borrower, so as not to require physical surrender of this Note upon each such conversion. In the event of any dispute or discrepancy, such records of the Borrower shall, *prima facie*, be controlling and determinative in the absence of manifest error. Notwithstanding the foregoing, if any portion of this Note is converted as aforesaid, the Holder may not transfer this Note unless the Holder first physically surrenders this Note to the Borrower, whereupon the Borrower will forthwith issue and deliver upon the order of the Holder a new Note of like tenor, registered as the Holder (upon payment by the Holder of any applicable transfer taxes) may request, representing in the aggregate the remaining unpaid principal amount of this Note. The Holder and any assignee, by acceptance of this Note, acknowledge and agree that, by reason of the provisions of this paragraph, following conversion of a portion of this Note, the unpaid and unconverted principal amount of this Note represented by this Note may be less than the amount stated on the face hereof.

(c) Payment of Taxes. The Borrower shall not be required to pay any tax which may be payable in respect of any transfer involved in the issue and delivery of shares of Common Stock or other securities or property on conversion of this Note in a name other than that of the Holder (or in street name), and the Borrower shall not be required to issue or deliver any such shares or other securities or property unless and until the person or persons (other than the Holder or the custodian in whose street name such shares are to be held for the Holder’s account) requesting the issuance thereof shall have paid to the Borrower the amount of any such tax or shall have established to the satisfaction of the Borrower that such tax has been paid.

(d) Delivery of Common Stock Upon Conversion. Upon receipt by the Borrower from the Holder of a facsimile transmission or e-mail (or other reasonable means of communication) of a Notice of Conversion meeting the requirements for conversion as provided in this Section 1.4, the Borrower shall issue and deliver or cause to be issued and delivered to or upon the order of the Holder certificates for the Common Stock issuable upon such conversion within three (3) business days after such receipt (the “Deadline”) (and, solely in the case of conversion of the entire unpaid principal amount hereof, surrender of this Note) in accordance with the terms hereof and the Exchange Agreement.

(e) Obligation of Borrower to Deliver Common Stock. Upon receipt by the Borrower of a Notice of Conversion, the Holder shall be deemed to be the holder of record of the Common Stock issuable upon such conversion, the outstanding principal amount and the amount of accrued and unpaid interest on this Note shall be reduced to reflect such conversion, and, unless the Borrower defaults on its obligations under this Article I, all rights with respect to the portion of this Note being so converted shall forthwith terminate except the right to receive the Common Stock or other securities, cash or other assets, as herein provided, on such conversion. If the Holder shall have given a Notice of Conversion as provided herein, the Borrower’s obligation to issue and deliver the certificates for Common Stock shall be absolute and unconditional, irrespective of the absence of any action by the Holder to enforce the same, any waiver or consent with respect to any provision thereof, the recovery of any judgment against any person or any action to enforce the same, any failure or delay in the enforcement of any other obligation of the Borrower to the holder of record, or any setoff, counterclaim, recoupment, limitation or termination, or any breach or alleged breach by the Holder of any obligation to the Borrower, and irrespective of any other circumstance which might otherwise limit such obligation of the Borrower to the Holder in connection with such conversion. The Conversion Date specified in the Notice of Conversion shall be the Conversion Date so long as the Notice of Conversion is received by the Borrower before 11:59 p.m., New York, New York time, on such date.

(f) Delivery of Common Stock by Electronic Transfer. In lieu of delivering physical certificates representing the Common Stock issuable upon conversion, provided the Borrower is participating in the Depository Trust Company (“DTC”) Fast Automated Securities Transfer (“FAST”) program, upon request of the Holder and its compliance with the provisions contained in Section 1.1 and in this Section 1.4, the Borrower shall use its commercially reasonable best efforts to cause its transfer agent to electronically transmit the Common Stock issuable upon conversion to the Holder by crediting the account of Holder’s Prime Broker with DTC through its Deposit Withdrawal At Custodian (“DWAC”) system.

(g) DTC Eligibility & Market Loss. If the Borrower fails to maintain its status as “DTC Eligible” for any reason, or, if the Conversion Price is less than \$0.001 at any time after the Issue Date, the Variable Conversion Price shall be redefined to mean ninety percent

(90%) multiplied by the Market Price, subject to adjustment as provided in this Note.

(h) Failure to Deliver Common Stock Prior to Delivery Deadline. Without in any way limiting the Holder's right to pursue other remedies, including actual damages and/or equitable relief, the parties agree that if delivery of the Common Stock issuable upon conversion of this Note is not delivered by the Deadline (other than a failure due to the circumstances described in Section 1.3 above, which failure shall be governed by such Section) the Borrower shall pay to the Holder \$2,000 per day in cash, for each day beyond the Deadline that the Borrower fails to deliver such Common Stock until the Borrower issues and delivers a certificate to the Holder or credit the Holder's balance account with OTC for the number of shares of Common Stock to which the Holder is entitled upon such Holder's conversion of any Conversion Amount (under Holder's and Borrower's expectation that any damages will tack back to the Issue Date).. Such cash amount shall be paid to Holder by the fifth day of the month following the month in which it has accrued or, at the option of the Holder (by written notice to the Borrower by the first day of the month following the month in which it has accrued), shall be added to the principal amount of this Note, in which event interest shall accrue thereon in accordance with the terms of this Note and such additional principal amount shall be convertible into Common Stock in accordance with the terms of this Note. The Borrower agrees that the right to convert is a valuable right to the Holder. The damages resulting from a failure, attempt to frustrate, interference with such conversion right are difficult if not impossible to quantify. Accordingly the parties acknowledge that the liquidated damages provision contained in this Section 1.4(h) are justified.

(i) Rescindment of a Notice of Conversion. If (i) the Borrower fails to respond to Holder within one (1) business day from the Conversion Date confirming the details of Notice of Conversion, (ii) the Borrower fails to provide any of the shares of the Borrower's Common Stock requested in the Notice of Conversion within three (3) business days from the date of receipt of the Note of Conversion, (iii) the Holder is unable to procure a legal opinion required to have the shares of the Borrower's Common Stock issued unrestricted and/or deposited to sell for any reason related to the Borrower's standing, (iv) the Holder is unable to deposit the shares of the Borrower's Common Stock requested in the Notice of Conversion for any reason related to the Borrower's standing, (v) at any time after a missed Deadline, at the Holder's sole discretion, or (vi) if OTC Markets changes the Borrower's designation to 'Limited Information' (Yield), 'No Information' (Stop Sign), 'Caveat Emptor' (Skull & Crossbones), 'OTC', 'Other OTC' or 'Grey Market' (Exclamation Mark Sign) or other trading restriction on the day of or any day after the Conversion Date, the Holder maintains the option and sole discretion to rescind the Notice of Conversion ("Rescindment") with a "Notice of Rescindment."

1.5 Concerning the Shares. The shares of Common Stock issuable upon conversion of this Note may not be sold or transferred unless (i) such shares are sold pursuant to an effective registration statement under the Act or (ii) the Borrower or its transfer agent shall have been furnished with an opinion of counsel (which opinion shall be in form, substance and scope customary for opinions of counsel in comparable transactions) to the effect that the shares to be sold or transferred may be sold or transferred pursuant to an exemption from such registration or (iii) such shares are sold or transferred pursuant to Rule 144 under the Act (or a successor rule) ("Rule 144") or other applicable exemption or (iv) such shares are transferred to an "affiliate" (as defined in Rule 144) of the Borrower who agrees to sell or otherwise transfer the shares only in accordance with this Section 1.5 and who is an Accredited Investor (as defined in the Exchange Agreement). Except as otherwise provided in the Exchange Agreement (and subject to the removal provisions set forth below), until such time as the shares of Common Stock issuable upon conversion of this Note have been registered under the Act or otherwise may be sold pursuant to Rule 144 or other applicable exemption without any restriction as to the number of securities as of a particular date that can then be immediately sold, each certificate for shares of Common Stock issuable upon conversion of this Note that has not been so included in an effective registration statement or that has not been sold pursuant to an effective registration statement or an exemption that permits removal of the legend, shall bear a legend substantially in the following form, as appropriate:

"NEITHER THE ISSUANCE AND SALE OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE NOR THE SECURITIES INTO WHICH THESE SECURITIES ARE EXERCISABLE HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) AN OPINION OF COUNSEL (WHICH COUNSEL SHALL BE SELECTED BY THE HOLDER), IN A GENERALLY ACCEPTABLE FORM, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR (II) UNLESS SOLD PURSUANT TO RULE 144 OR RULE 144A UNDER SAID ACT OR OTHER APPLICABLE EXEMPTION. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES."

The legend set forth above shall be removed and the Borrower shall issue to the Holder a new certificate therefore free of any transfer legend if (i) the Borrower or its transfer agent shall have received an opinion of counsel, in form, substance and scope customary for opinions of counsel in comparable transactions, to the effect that a public sale or transfer of such Common Stock may be made without registration under the Act, which opinion shall be reasonably accepted by the Borrower so that the sale or transfer is effected or (ii) in the case of the Common Stock issuable upon conversion of this Note, such security is registered for sale by the Holder under an effective registration statement filed under the Act or otherwise may be sold pursuant to Rule 144 or other applicable exemption without any restriction as to the number of securities as of a particular date that can then be immediately sold. In the event that the Borrower does not accept the opinion of counsel provided by the Buyer with respect to the transfer of Securities pursuant to an exemption from registration, such as Rule 144 or Regulation S, at the Deadline, it will be considered an Event of Default pursuant to Section 3.2 of the Note.

1.6 Effect of Certain Events.

(a) Effect of Merger, Consolidation, Etc. At the option of the Holder, the sale, conveyance or disposition of all or substantially all of the assets of the Borrower, the effectuation by the Borrower of a transaction or series of related transactions in which more than 50% of the voting power of the Borrower is disposed of, or the consolidation, merger or other business combination of the Borrower with or into any other Person (as defined below) or Persons when the Borrower is not the survivor shall either: (i) be deemed to be an Event of Default (as defined in Article III) pursuant to which the Borrower shall be required to pay to the Holder upon the consummation of and as a condition to such transaction an amount equal to the Default Amount (as defined in Article III) or (ii) be treated pursuant to Section 1.6(b) hereof. "Person" shall mean any individual, corporation, limited liability company, partnership, association, trust or other entity or organization.

(b) Adjustment Due to Merger, Consolidation, Etc. If, at any time when this Note is issued and outstanding and prior to conversion of all of the Notes, there shall be any merger, consolidation, exchange of shares, recapitalization, reorganization, or other similar event, as a result of which shares of Common Stock of the Borrower shall be changed into the same or a different number of shares of another class or classes of stock or securities of the Borrower or another entity, or in case of any sale or conveyance of all or substantially all of the assets of the Borrower other than in connection with a plan of complete liquidation of the Borrower, then the Holder of this Note shall thereafter have the right to receive upon conversion of this Note, upon the basis and upon the terms and conditions specified herein and in lieu of the shares of Common Stock immediately theretofore issuable upon conversion, such stock, securities or assets which the Holder would have been entitled to receive in such transaction had this Note been converted in full immediately prior to such transaction (without regard to any limitations on conversion set forth herein), and in any such case appropriate provisions shall be made with respect to the rights and interests of the Holder of this Note to the end that the provisions hereof (including, without limitation, provisions for adjustment of the Conversion Price and of the number of shares issuable upon conversion of the Note) shall thereafter be applicable, as nearly as may be practicable in relation to any securities or assets thereafter deliverable upon the conversion hereof. The Borrower shall not affect any transaction described in this Section 1.6(b) unless (a) it first gives, to the extent practicable, thirty (30) days prior written notice (but in any event at least fifteen (15) days prior written notice) of the record date of the special meeting of shareholders to approve, or if there is no such record date, the consummation of, such merger, consolidation, exchange of shares, recapitalization, reorganization or other similar event or sale of assets (during which time the Holder shall be entitled to convert this Note) and (b) the resulting successor or acquiring entity (if not the Borrower) assumes by written instrument the obligations of this Section 1.6(b). The above provisions shall similarly apply to successive consolidations, mergers, sales, transfers or share exchanges.

(c) Adjustment Due to Distribution. If the Borrower shall declare or make any distribution of its assets (or rights to acquire its assets) to holders of Common Stock as a dividend, stock repurchase, by way of return of capital or otherwise (including any dividend or distribution to the Borrower's shareholders in cash or shares (or rights to acquire shares) of capital stock of a subsidiary (i.e., a spin-off)) (a "Distribution"), then the Holder of this Note shall be entitled, upon any conversion of this Note after the date of record for determining shareholders entitled to such Distribution, to receive the amount of such assets which would have been payable to the Holder with respect to the shares of Common Stock issuable upon such conversion had such Holder been the holder of such shares of Common Stock on the record date for the determination of shareholders entitled to such Distribution.

(d) Purchase Rights. If, at any time when any Notes are issued and outstanding, the Borrower issues any convertible securities or rights to purchase stock, warrants, securities or other property (the "Purchase Rights") pro rata to the record holders of any class of Common Stock, then the Holder of this Note will be entitled to acquire, upon the terms applicable to such Purchase Rights, the aggregate Purchase Rights which such Holder could have acquired if such Holder had held the number of shares of Common Stock acquirable upon complete conversion of this Note (without regard to any limitations on conversion contained herein) immediately before the date on which a record is taken for the grant, issuance or sale of such Purchase Rights or, if no such record is taken, the date as of which the record holders of Common Stock are to be determined for the grant, issue or sale of such Purchase Rights.

(e) Notice of Adjustments. Upon the occurrence of each adjustment or readjustment of the Conversion Price as a result of the events described in this Section 1.6, the Borrower, at its expense, shall promptly compute such adjustment or readjustment and prepare and furnish to the Holder a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. The Borrower shall, upon the written request at any time of the Holder, furnish to such Holder a like certificate setting forth (i) such adjustment or readjustment, (ii) the Conversion Price at the time in effect and (iii) the number of shares of Common Stock and the amount, if any, of other securities or property which at the time would be received upon conversion of the Note.

1.7 [Intentionally Omitted].

1.8 Status as Shareholder. Upon submission of a Notice of Conversion by a Holder, (i) the shares covered thereby (other than the shares, if any, which cannot be issued because their issuance would exceed such Holder's allocated portion of the Reserved Amount or Maximum Share Amount) shall be deemed converted into shares of Common Stock and (ii) the Holder's rights as a Holder of such converted portion of this Note shall cease and terminate, excepting only the right to receive certificates for such shares of Common Stock and to any remedies provided herein or otherwise available at law or in equity to such Holder because of a failure by the Borrower to comply with the terms of this Note. Notwithstanding the foregoing, if a Holder has not received certificates for all shares of Common Stock prior to the tenth (10th) business day after the expiration of the Deadline with respect to a conversion of any portion of this Note for any reason, then (unless the Holder otherwise elects to retain its status as a holder of Common Stock by so notifying the Borrower) the Holder shall regain the rights of a Holder of this Note with respect to such unconverted portions of this Note and the Borrower shall, as soon as practicable, return such unconverted Note to the Holder or, if the Note has not been surrendered, adjust its records to reflect that such portion of this Note has not been converted. In all cases, the Holder shall retain all of its rights and remedies (including, without limitation, (i) the right to receive Conversion Default Payments pursuant to Section 1.3 to the extent required thereby for such Conversion Default and any subsequent Conversion Default and (ii) the right to have the Conversion Price with respect to subsequent conversions determined in accordance with Section 1.3) for the Borrower's failure to convert this Note.

1.9 Prepayment. Provided that an Event of Default has not occurred under this Note, the Borrower may prepay the amounts outstanding hereunder pursuant to the following terms and conditions and subject to the terms of this Note:

(a) At any time during the period beginning on the Issue Date and ending on the date which is one hundred eighty (180) calendar days following the Issue Date, the Borrower shall have the right, exercisable on not less than three (3) Trading Days prior written notice to the Holder of the Note, to prepay the outstanding Note (principal and accrued interest), in full by making a payment to the Holder of an amount in cash equal to 110%, multiplied by the sum of: (w) the then outstanding principal amount of this Note plus (x) accrued and unpaid interest on the unpaid principal amount of this Note plus (y) Default Interest, if any.

1.10 Any notice of prepayment hereunder (an "Optional Prepayment Notice") shall be delivered to the Holder of the Note at its registered addresses by physical mail and shall state: (1) that the Borrower is requesting to prepay the Note, and (2) the date of the requested prepayment which shall be not more than three (3) Trading Days from the date of the Optional Prepayment Notice. On the date fixed for prepayment (the "Optional Prepayment Date"), the Borrower shall make payment of the applicable prepayment amount to or upon the order of the

Holder as specified by the Holder in writing to the Borrower. If the Borrower delivers an Optional Prepayment Notice, and Borrower fails to pay the applicable prepayment amount due to the Holder of the Note within two (2) business days following the Optional Prepayment Date, the Borrower shall forever forfeit its right to request a prepayment pursuant to Section 1.9.

ARTICLE II. CERTAIN COVENANTS

2.1 Distributions on Capital Stock. So long as the Borrower shall have any obligation under this Note, the Borrower shall not without the Holder's written consent (a) pay, declare or set apart for such payment, any dividend or other distribution (whether in cash, property or other securities) on shares of capital stock other than dividends on shares of Common Stock solely in the form of additional shares of Common Stock or (b) directly or indirectly or through any subsidiary make any other payment or distribution in respect of its capital stock except for distributions pursuant to any shareholders' rights plan which is approved by a majority of the Borrower's disinterested directors.

2.2 Restriction on Stock Repurchases. So long as the Borrower shall have any obligation under this Note, the Borrower shall not without the Holder's written consent redeem, repurchase or otherwise acquire (whether for cash or in exchange for property or other securities or otherwise) in any one transaction or series of related transactions any shares of capital stock of the Borrower or any warrants, rights or options to purchase or acquire any such shares.

2.3 [Intentionally Omitted].

2.4 Sale of Assets. So long as the Borrower shall have any obligation under this Note, the Borrower shall not, without the Holder's written consent, sell, lease or otherwise dispose of any significant portion of its assets outside the ordinary course of business. Any consent to the disposition of any assets shall be conditioned on a specified use of the proceeds towards the repayment of this Note.

2.5 Advances and Loans. So long as the Borrower shall have any obligation under this Note, the Borrower shall not, without the Holder's written consent, lend money, give credit or make advances to officers, directors, or employees of the Borrower, except loans, credits or advances (a) in existence or committed on the date hereof and which the Borrower has informed Holder in writing prior to the date hereof, (b) made in the ordinary course of business or (c) not in excess of \$100,000.

2.6 Section 3(a)(9) or 3(a)(10) Transaction. So long as this Note is outstanding, the Borrower shall not enter into any transaction or arrangement structured in accordance with, based upon, or related or pursuant to, in whole or in part, either Section 3(a)(9) of the Securities Act (a "3(a)(9) Transaction") or Section 3(a)(10) of the Securities Act (a "3(a)(10) Transaction"). In the event that the Borrower does enter into, or makes any issuance of Common Stock related to a 3(a)(9) Transaction or a 3(a)(10) Transaction while this note is outstanding, a liquidated damages charge of 25% of the outstanding principal balance of this Note, but not less than Fifteen Thousand Dollars \$15,000, will be assessed and will become immediately due and payable to the Holder at its election in the form of cash payment or addition to the balance of this Note.

2.7 Preservation of Existence, etc. The Borrower shall maintain and preserve, and cause each of its Subsidiaries to maintain and preserve, its existence, rights and privileges, and become or remain, and cause each of its Subsidiaries (other than dormant Subsidiaries that have no or minimum assets) to become or remain, duly qualified and in good standing in each jurisdiction in which the character of the properties owned or leased by it or in which the transaction of its business makes such qualification necessary.

2.8 Non-circumvention. The Borrower hereby covenants and agrees that the Borrower will not, by amendment of its Certificate or Articles of Incorporation or Bylaws, or through any reorganization, transfer of assets, consolidation, merger, scheme of arrangement, dissolution, issue or sale of securities, or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Note, and will at all times in good faith carry out all the provisions of this Note and take all action as may be required to protect the rights of the Holder.

ARTICLE III. EVENTS OF DEFAULT

If any of the following events of default (each, an "Event of Default") shall occur:

3.1 Failure to Pay Principal or Interest. The Borrower fails to pay the principal hereof or interest thereon when due on this Note, whether at maturity, upon acceleration or otherwise.

3.2 Conversion and the Shares. The Borrower (i) fails to issue shares of Common Stock to the Holder (or announces or threatens in writing that it will not honor its obligation to do so) upon exercise by the Holder of the conversion rights of the Holder in accordance with the terms of this Note, (ii) fails to transfer or cause its transfer agent to transfer (issue) (electronically or in certificated form) any certificate for shares of Common Stock issued to the Holder upon conversion of or otherwise pursuant to this Note as and when required by this Note, (iii) directs its transfer agent not to transfer or delays, impairs, and/or hinders its transfer agent in transferring (or issuing) (electronically or in certificated form) any certificate for shares of Common Stock to be issued to the Holder upon conversion of or otherwise pursuant to this Note as and when required by this Note, (iv) fails to remove (or directs its transfer agent not to remove or impairs, delays, and/or hinders its transfer agent from removing) any restrictive legend (or to withdraw any stop transfer instructions in respect thereof) on any certificate for any shares of Common Stock issued to the Holder upon conversion of or otherwise pursuant to this Note as and when required by this Note (or makes any written announcement, statement or threat that it does not intend to honor the obligations described in this paragraph) and any such failure shall continue uncured (or any written announcement, statement or threat not to honor its obligations shall not be rescinded in writing) for three (3) business days after the Holder shall have delivered a Notice of Conversion, (v) fails to remain current in its obligations to its transfer agent, (vi) causes a conversion of this Note is delayed, hindered or frustrated due to a balance owed by the Borrower to its transfer agent, (vii) fails to repay Holder, within forty eight (48) hours of a demand from the Holder, any amount of funds advanced by Holder to Borrower's transfer agent in order to process a conversion, (viii) fails to reserve sufficient amount of shares of common stock to satisfy the Reserved Amount at all times, (ix) fails to provide a Rule 144 opinion letter from the Borrower's legal counsel to the Holder, covering the Holder's resale into the public market of the respective conversion shares under this Note, within two (2) business days of the Holder's submission of a Notice of Conversion to the Borrower (provided that the Holder must request the opinion from the Borrower at the time that Holder submits the respective Notice of Conversion and the

date of the respective Notice of Conversion must be on or after the date which is six (6) months after the date that the Holder funded the Purchase Price under this Note), and/or (x) an exemption under Rule 144 is unavailable for the Holder's deposit into Holder's brokerage account and resale into the public market of any of the conversion shares under this Note at any time after the date which is six (6) months after the date that the Holder funded the Purchase Price under this Note.

3.3 [Intentionally Omitted]

3.4 Breach of Covenants. The Borrower breaches any material covenant or other material term or condition contained in this Note and any collateral documents including but not limited to the Exchange Agreement and such breach continues for a period of ten (10) days after written notice thereof to the Borrower from the Holder.

3.5 Breach of Representations and Warranties. Any representation or warranty of the Borrower made herein or in any agreement, statement or certificate given in writing pursuant hereto or in connection herewith (including, without limitation, the Exchange Agreement), shall be false or misleading in any material respect when made and the breach of which has (or with the passage of time will have) a material adverse effect on the rights of the Holder with respect to this Note or the Exchange Agreement.

3.6 Receiver or Trustee. The Borrower or any subsidiary of the Borrower shall make an assignment for the benefit of creditors or commence proceedings for its dissolution, or apply for or consent to the appointment of a receiver or trustee for it or for a substantial part of its property or business, or such a receiver or trustee shall otherwise be appointed for the Borrower or for a substantial part of its property or business without its consent and shall not be discharged within sixty (60) days after such appointment. [BANKRUPTCY COUNSEL TO ADVISE]

3.7 Judgments. Any money judgment, writ or similar process shall be entered or filed against the Borrower or any subsidiary of the Borrower or any of its property or other assets for more than \$50,000, and shall remain unvacated, unbonded or unstayed for a period of twenty (20) days unless otherwise consented to by the Holder, which consent will not be unreasonably withheld.

3.8 Bankruptcy. Bankruptcy, insolvency, reorganization or liquidation proceedings or other proceedings, voluntary or involuntary, for relief under any bankruptcy law or any law for the relief of debtors shall be instituted by or against the Borrower or any subsidiary of the Borrower, or the Borrower admits in writing its inability to pay its debts generally as they mature, or have filed against it an involuntary petition for bankruptcy relief, all under federal or state laws as applicable or the Borrower admits in writing its inability to pay its debts generally as they mature, or have filed against it an involuntary petition for bankruptcy relief, all under international, federal or state laws as applicable. [BANKRUPTCY COUNSEL TO ADVISE]

3.9 Delisting of Common Stock. The Borrower shall fail to maintain the listing of the Common Stock on at least one of the OTC Pink, OTCQB, Nasdaq National Market, Nasdaq Small Cap Market, New York Stock Exchange, NYSE MKT, or an equivalent replacement exchange

3.10 Failure to Comply with the Exchange Act. On or after 180 days following the Issue Date, the Borrower shall fail to comply with the reporting requirements of the Exchange Act (including but not limited to becoming delinquent in its filings); and/or the Borrower shall cease to be subject to the reporting requirements of the Exchange Act.

3.11 Liquidation. Any dissolution, liquidation, or winding up of Borrower or any substantial portion of its business.

3.12 Cessation of Operations. Any cessation of operations by Borrower or Borrower admits it is otherwise generally unable to pay its debts as such debts become due, provided, however, that any disclosure of the Borrower's ability to continue as a "going concern" shall not be an admission that the Borrower cannot pay its debts as they become due.

3.13 Maintenance of Assets. The failure by Borrower to maintain any material intellectual property rights, personal, real property or other assets which are necessary to conduct its business (whether now or in the future), or any disposition or conveyance of any material asset of the Borrower.

3.14 Financial Statement Restatement. The restatement by the Borrower at any time after the Issue Date of any financial statements filed by the Borrower with the SEC for any date or period from two years prior to the Issue Date of this Note and until this Note is no longer outstanding, if the result of such restatement would, by comparison to the unrestated financial statement, have constituted a material adverse effect on the rights of the Holder with respect to this Note or the Exchange Agreement.

3.15 Reverse Splits. The Borrower effectuates a reverse split of its Common Stock without twenty (20) days prior written notice to the Holder.

3.16 Replacement of Transfer Agent. In the event that the Borrower proposes to replace its transfer agent, the Borrower fails to provide, prior to the effective date of such replacement, a fully executed Irrevocable Transfer Agent Instructions in a form as initially delivered pursuant to the Exchange Agreement (including but not limited to the provision to irrevocably reserve shares of Common Stock in the Reserved Amount) signed by the successor transfer agent to Borrower and the Borrower.

3.17 Cessation of Trading. Any cessation of trading of the Common Stock on at least one of the OTC Pink, OTCQB, Nasdaq National Market, Nasdaq Small Cap Market, New York Stock Exchange, NYSE MKT, or an equivalent replacement exchange, and such cessation of trading shall continue for a period of five consecutive (5) Trading Days.

3.18 Cross-Default. Notwithstanding anything to the contrary contained in this Note or the other related or companion documents, a breach or default by the Borrower of any covenant or other term or condition contained in any of the Other Agreements (as defined herein), after the passage of all applicable notice and cure or grace periods, shall, at the option of the Holder, be considered a default under this Note and the Other Agreements, in which event the Holder shall be entitled (but in no event required) to apply all rights and remedies of the

Holder under the terms of this Note and the Other Agreements by reason of a default under said Other Agreement or hereunder. "Other Agreements" means, collectively, all agreements and instruments between, among or by: (1) the Borrower, and, or for the benefit of, (2) the Holder (and any affiliate of the Holder) or any other third party, including, without limitation, promissory notes; provided, however, the term "Other Agreements" shall not include the agreements and instruments defined as the Documents. Each of the loan transactions will be cross-defaulted with each other loan transaction and with all other existing and future debt of Borrower to the Holder.

3.19 Bid Price. The Borrower shall lose the "bid" price for its Common Stock (\$0.0001 on the "Ask" with zero market makers on the "Bid" per Level 2) and/or a market (including the OTC Pink, OTCQB or an equivalent replacement exchange).

3.20 OTC Markets Designation. On or after 180 days following the Issue Date, OTC Markets changes the Borrower's designation to 'No Information' (Stop Sign), 'Caveat Emptor' (Skull and Crossbones), or 'OTC', 'Other OTC' or 'Grey Market' (Exclamation Mark Sign).

3.21 Inside Information. Any attempt by the Borrower or its officers, directors, and/or affiliates to transmit, convey, disclose, or any actual transmittal, conveyance, or disclosure by the Borrower or its officers, directors, and/or affiliates of, material non-public information concerning the Borrower, to the Holder or its successors and assigns, which is not immediately cured by Borrower's filing of a Form 8-K pursuant to Regulation FD on that same date.

3.22 Unavailability of Rule 144. If, at any time on or after the date which is six (6) months after the Issue Date, the Holder is unable to (i) obtain a standard "144 legal opinion letter" from an attorney reasonably acceptable to the Holder, the Holder's brokerage firm (and respective clearing firm), and the Borrower's transfer agent in order to facilitate the Holder's conversion of any portion of the Note into free trading shares of the Borrower's Common Stock pursuant to Rule 144, and (ii) thereupon deposit such shares into the Holder's brokerage account.

3.23 Delisting or Suspension of Trading of Common Stock. If, at any time on or after the Issue Date, the Borrower's Common Stock (i) is suspended from trading, (ii) halted from trading, and/or (iii) fails to be quoted or listed (as applicable) on any level of the OTC Markets, any tier of the NASDAQ Stock Market, the New York Stock Exchange, or the NYSE American.

UPON THE OCCURRENCE OF ANY EVENT OF DEFAULT SPECIFIED IN SECTION 3.2 AND/OR 3.22 OF THIS NOTE, THE NOTE SHALL BECOME IMMEDIATELY AND AUTOMATICALLY DUE AND PAYABLE WITHOUT DEMAND, PRESENTMENT, OR NOTICE AND THE BORROWER SHALL PAY TO THE HOLDER, IN FULL SATISFACTION OF ITS OBLIGATIONS HEREUNDER, AN AMOUNT EQUAL TO: (Y) THE DEFAULT SUM (AS DEFINED HEREIN) MULTIPLIED BY (Z) ONE AND TWO-TENTHS (1.2). Upon the occurrence of any Event of Default specified in Sections 3.1, 3.4, 3.5, 3.6, 3.7, 3.8, 3.9, 3.10, 3.11, 3.12, 3.13, 3.14, 3.15, 3.16, 3.17, 3.18, 3.19, 3.20, 3.21, and/or 3.23, the Note shall become immediately and automatically due and payable without demand, presentment or notice and the Borrower shall pay to the Holder, in full satisfaction of its obligations hereunder, an amount equal to 110% times the sum of (w) the then outstanding principal amount of this Note plus (x) accrued and unpaid interest on the unpaid principal amount of this Note to the date of payment (the "Mandatory Prepayment Date") plus (y) Default Interest, if any, on the amounts referred to in clauses (w) and/or (x) plus (z) any amounts owed to the Holder pursuant to Sections 1.3 and 1.4(g) hereof (the then outstanding principal amount of this Note to the date of payment plus the amounts referred to in clauses (x), (y) and (z) shall collectively be known as the "Default Sum").

The Holder shall have the right at any time after an Event of Default occurs under this Note to require the Borrower, to immediately issue, in lieu of the Default Amount and/or Default Sum, the number of shares of Common Stock of the Borrower equal to the Default Amount and/or Default Sum divided by the Conversion Price then in effect, pursuant to the terms of this Note (including but not limited to any beneficial ownership limitations contained herein). This requirement by the Borrower shall automatically apply upon the occurrence of an Event of Default without the need for any party to give any notice or take any other action.

If the Holder shall commence an action or proceeding to enforce any provisions of this Note, including, without limitation, engaging an attorney, then if the Holder prevails in such action, the Holder shall be reimbursed by the Borrower for its reasonable attorneys' fees and other costs and expenses incurred in the investigation, preparation and prosecution of such action or proceeding.

ARTICLE IV. MISCELLANEOUS

4.1 Failure or Indulgence Not Waiver. No failure or delay on the part of the Holder in the exercise of any power, right or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such power, right or privilege preclude other or further exercise thereof or of any other right, power or privileges. All rights and remedies existing hereunder are cumulative to, and not exclusive of, any rights or remedies otherwise available.

4.2 Notices. All notices, demands, requests, consents, approvals, and other communications required or permitted hereunder shall be in writing and, unless otherwise specified herein, shall be (i) personally served, (ii) deposited in the mail, registered or certified, return receipt requested, postage prepaid, (iii) delivered by reputable air courier service with charges prepaid, or (iv) transmitted by hand delivery, telegram, electronic mail, or facsimile, addressed as set forth below or to such other address as such party shall have specified most recently by written notice. Any notice or other communication required or permitted to be given hereunder shall be deemed effective (a) upon hand delivery or delivery by electronic mail or facsimile, with accurate confirmation generated by the transmitting facsimile machine, at the address or number designated below (if delivered on a business day during normal business hours where such notice is to be received), or the first business day following such delivery (if delivered other than on a business day during normal business hours where such notice is to be received) or (b) on the second business day following the date of mailing by express courier service, fully prepaid, addressed to such address, or upon actual receipt of such mailing, whichever shall first occur. The addresses for such communications shall be:

If to the Borrower, to:

BioRestorative Therapies, Inc.
40 Marcus Drive, Suite One
Melville, NY 11747
Attn:

E-mail:

If to the Holder:

Attn:

Facsimile:

4.3 Amendments. This Note and any provision hereof may only be amended by an instrument in writing signed by the Borrower and the Holder. The term “Note” and all reference thereto, as used throughout this instrument, shall mean this instrument (and the other Notes issued pursuant to the Exchange Agreement) as originally executed, or if later amended or supplemented, then as so amended or supplemented.

4.4 Assignability. This Note shall be binding upon the Borrower and its successors and assigns, and shall inure to be the benefit of the Holder and its successors and assigns. Neither the Borrower nor the Holder shall assign this Note or any rights or obligations hereunder without the prior written consent of the other. Notwithstanding the foregoing, the Holder may assign its rights hereunder to any “accredited investor” (as defined in Rule 501(a) of the 1933 Act) in a private transaction from the Holder or to any of its “affiliates”, as that term is defined under the 1934 Act, without the consent of the Borrower. Notwithstanding anything in this Note to the contrary, this Note may be pledged as collateral in connection with a bona fide margin account or other lending arrangement. The Holder and any assignee, by acceptance of this Note, acknowledge and agree that following conversion of a portion of this Note, the unpaid and unconverted principal amount of this Note represented by this Note may be less than the amount stated on the face hereof.

4.5 Cost of Collection. If default is made in the payment of this Note, the Borrower shall pay the Holder hereof reasonable costs of collection, including reasonable attorneys’ fees.

4.6 Governing Law. This Note shall be governed by and construed in accordance with the laws of the State of Nevada without regard to principles of conflicts of laws. Any action brought by either party against the other concerning the transactions contemplated by this Note shall be brought only in the state courts located in the Commonwealth of Massachusetts or federal courts located in the Commonwealth of Massachusetts. The parties to this Note hereby irrevocably waive any objection to jurisdiction and venue of any action instituted hereunder and shall not assert any defense based on lack of jurisdiction or venue or based upon *forum non conveniens*. **THE BORROWER HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE TO, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION WITH OR ARISING OUT OF THIS NOTE OR ANY TRANSACTION CONTEMPLATED HEREBY.** The prevailing party shall be entitled to recover from the other party its reasonable attorney’s fees and costs. In the event that any provision of this Note or any other agreement delivered in connection herewith is invalid or unenforceable under any applicable statute or rule of law, then such provision shall be deemed inoperative to the extent that it may conflict therewith and shall be deemed modified to conform with such statute or rule of law. Any such provision which may prove invalid or unenforceable under any law shall not affect the validity or enforceability of any other provision of any agreement. Each party hereby irrevocably waives personal service of process and consents to process being served in any suit, action or proceeding in connection with this Agreement or any other Transaction Document by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by law.

4.7 Certain Amounts. Whenever pursuant to this Note the Borrower is required to pay an amount in excess of the outstanding principal amount (or the portion thereof required to be paid at that time) plus accrued and unpaid interest plus Default Interest on such interest, the Borrower and the Holder agree that the actual damages to the Holder from the receipt of cash payment on this Note may be difficult to determine and the amount to be so paid by the Borrower represents stipulated damages and not a penalty and is intended to compensate the Holder in part for loss of the opportunity to convert this Note and to earn a return from the sale of shares of Common Stock acquired upon conversion of this Note at a price in excess of the price paid for such shares pursuant to this Note. The Borrower and the Holder hereby agree that such amount of stipulated damages is not plainly disproportionate to the possible loss to the Holder from the receipt of a cash payment without the opportunity to convert this Note into shares of Common Stock.

4.8 Exchange Agreement. By its acceptance of this Note, each party agrees to be bound by the applicable terms of the Exchange Agreement.

4.9 Notice of Corporate Events. Except as otherwise provided below, the Holder of this Note shall have no rights as a Holder of Common Stock unless and only to the extent that it converts this Note into Common Stock. The Borrower shall provide the Holder with prior notification of any meeting of the Borrower’s shareholders (and copies of proxy materials and other information sent to shareholders). In the event of any taking by the Borrower of a record of its shareholders for the purpose of determining shareholders who are entitled to receive payment of any dividend or other distribution, any right to subscribe for, purchase or otherwise acquire (including by way of merger, consolidation, reclassification or recapitalization) any share of any class or any other securities or property, or to receive any other right, or for the purpose of determining shareholders who are entitled to vote in connection with any proposed sale, lease or conveyance of all or substantially all of the assets of the Borrower or any proposed liquidation, dissolution or winding up of the Borrower, the Borrower shall mail a notice to the Holder, at least twenty (20) days prior to the record date specified therein (or thirty (30) days prior to the consummation of the transaction or event, whichever is earlier), of the date on which any such record is to be taken for the purpose of such dividend, distribution, right or other event, and a brief statement regarding the amount and character of such dividend, distribution, right or other event to the extent known at such time. The Borrower shall make a public announcement of any event requiring notification to the Holder hereunder substantially simultaneously with the notification to the Holder in accordance with the terms of this Section 4.9 including, but not limited to, name changes, recapitalizations, etc. as soon as possible under law.

4.10 Usury. If it shall be found that any interest or other amount deemed interest due hereunder violates the applicable law governing usury, the applicable provision shall automatically be revised to equal the maximum rate of interest or other amount deemed interest

permitted under applicable law. The Borrower covenants (to the extent that it may lawfully do so) that it will not seek to claim or take advantage of any law that would prohibit or forgive the Borrower from paying all or a portion of the principal or interest on this Note.

4.11 Remedies. The Borrower acknowledges that a breach by it of its obligations hereunder will cause irreparable harm to the Holder, by vitiating the intent and purpose of the transaction contemplated hereby. Accordingly, the Borrower acknowledges that the remedy at law for a breach of its obligations under this Note will be inadequate and agrees, in the event of a breach or threatened breach by the Borrower of the provisions of this Note, that the Holder shall be entitled, in addition to all other available remedies at law or in equity, and in addition to the penalties assessable herein, to an injunction or injunctions restraining, preventing or curing any breach of this Note and to enforce specifically the terms and provisions thereof, without the necessity of showing economic loss and without any bond or other security being required. No provision of this Note shall alter or impair the obligation of the Borrower, which is absolute and unconditional, to pay the principal of, and interest on, this Note at the time, place, and rate, and in the form, herein prescribed.

4.12 Severability. In the event that any provision of this Note is invalid or unenforceable under any applicable statute or rule of law, then such provision shall be deemed inoperative to the extent that it may conflict therewith and shall be deemed modified to conform with such statute or rule of law. Any provision hereof which may prove invalid or unenforceable under any law shall not affect the validity or enforceability of any other provision hereof.

4.13 Dispute Resolution. In the case of a dispute as to the determination of the Conversion Price, Conversion Amount, any prepayment amount or Default Amount, Default Sum, Closing or Maturity Date, the closing bid price, or fair market value (as the case may be) or the arithmetic calculation of the Conversion Price or the applicable prepayment amount(s) (as the case may be), the Borrower or the Holder shall submit the disputed determinations or arithmetic calculations via facsimile (i) within two (2) Business Days after receipt of the applicable notice giving rise to such dispute to the Borrower or the Holder or (ii) if no notice gave rise to such dispute, at any time after the Holder learned of the circumstances giving rise to such dispute. If the Holder and the Borrower are unable to agree upon such determination or calculation within two (2) Business Days of such disputed determination or arithmetic calculation (as the case may be) being submitted to the Borrower or the Holder, then the Borrower shall, within two (2) Business Days, submit via facsimile (a) the disputed determination of the Conversion Price, the closing bid price, the or fair market value (as the case may be) to an independent, reputable investment bank selected by the Borrower and approved by the Holder or (b) the disputed arithmetic calculation of the Conversion Price, Conversion Amount, any prepayment amount or Default Amount, Default Sum to an independent, outside accountant selected by the Holder that is reasonably acceptable to the Borrower. The Borrower shall cause at its expense the investment bank or the accountant to perform the determinations or calculations and notify the Borrower and the Holder of the results no later than ten (10) Business Days from the time it receives such disputed determinations or calculations. Such investment bank's or accountant's determination or calculation shall be binding upon all parties absent demonstrable error.

4.14 Terms of Future Financings. So long as this Note is outstanding, upon any issuance by the Borrower or any of its subsidiaries of any security with any term more favorable to the holder of such security or with a term in favor of the holder of such security that was not similarly provided to the Holder in this Note, then the Borrower shall notify the Holder of such additional or more favorable term and such term, at Holder's option, shall become a part of the transaction documents with the Holder. The types of terms contained in another security that may be more favorable to the holder of such security include, but are not limited to, terms addressing conversion discounts, prepayment rate, conversion lookback periods, interest rates, original issue discounts, stock sale price, private placement price per share, and warrant coverage.

[signature page follows]

IN WITNESS WHEREOF, Borrower has caused this Note to be signed in its name by its duly authorized officer as of the date first above written.

BIORESTORATIVE THERAPIES, INC.

By: _____
Name: _____
Title: Chief Executive Officer

EXHIBIT A
NOTICE OF CONVERSION

The undersigned hereby elects to convert \$_____ principal amount of the Note (defined below) together with \$_____ of accrued and unpaid interest thereto, totaling \$_____ into that number of shares of Common Stock to be issued pursuant to the conversion of the Note ("Common Stock") as set forth below, of BioRestorative Therapies, Inc., a Delaware corporation (the "Borrower"), according to the conditions of the secured convertible note of the Borrower dated as of _____ 2020 (the "Note"), as of the date written below. No fee will be charged to the Holder for any conversion, except for transfer taxes, if any.

Box Checked as to applicable instructions:

- ☐ The Borrower shall electronically transmit the Common Stock issuable pursuant to this Notice of Conversion to the account of the undersigned or its nominee with DTC through its Deposit Withdrawal At Custodian system ("DWAC Transfer").

Name of DTC Prime Broker:

Account Number:

- ☐ The undersigned hereby requests that the Borrower issue a certificate or certificates for the number of shares of Common Stock set forth below (which numbers are based on the Holder's calculation attached hereto) in the name(s) specified immediately below or, if additional space is necessary, on an attachment hereto:

Name: [NAME]

Address: [ADDRESS]

Date of Conversion:

Applicable Conversion Price:

\$ _____

Number of Shares of Common Stock to be Issued

Pursuant to Conversion of the Notes:

Amount of Principal Balance Due remaining

Under the Note after this conversion:

Accrued and unpaid interest remaining

[HOLDER]

By: _____

Name: [NAME]

Title: [TITLE]

Date: [DATE]

NEITHER THIS SECURITY NOR THE SECURITIES AS TO WHICH THIS SECURITY MAY BE EXERCISED HAVE BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS AS EVIDENCED BY A LEGAL OPINION OF COUNSEL TO THE TRANSFEROR TO SUCH EFFECT, THE SUBSTANCE OF WHICH SHALL BE REASONABLY ACCEPTABLE TO THE COMPANY. THIS SECURITY AND THE SECURITIES ISSUABLE UPON EXERCISE OF THIS SECURITY MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN SECURED BY SUCH SECURITIES.

COMMON STOCK PURCHASE WARRANT

BIORESTORATIVE THERAPIES, INC.
(WARRANT A)

Warrant Shares: _____

Date of Issuance: _____, 2020 ("Issuance Date")

This COMMON STOCK PURCHASE WARRANT (the "Warrant") certifies that, for value received (in connection with the issuance of the secured convertible promissory note in the principal amount of \$_____ to the Holder (as defined below) of even date) (the "Note"), _____, a _____ (including any permitted and registered assigns, the "Holder"), is entitled, upon the terms and subject to the limitations on exercise and the conditions hereinafter set forth, at any time on or after the date of issuance hereof, to purchase from BioRestorative Therapies, Inc., a Delaware corporation (the "Company"), up to _____ shares of Common Stock (as defined below) (the "Warrant Shares") (whereby such number may be adjusted from time to time pursuant to the terms and conditions of this Warrant) at the Exercise Price per share then in effect. This Warrant is issued by the Company as of the date hereof in connection with that certain securities purchase agreement dated _____, 2020, by and among the Company and the Holder (the "Purchase Agreement").

Capitalized terms used in this Warrant shall have the meanings set forth in the Purchase Agreement unless otherwise defined in the body of this Warrant or in Section 12 below. For purposes of this Warrant, the term "Exercise Price" shall mean **\$0.0005**, subject to adjustment as provided herein (including but not limited to cashless exercise), and the term "Exercise Period" shall mean the period commencing on the Issuance Date and ending on 5:00 p.m. eastern standard time on the five-year anniversary thereof.

1. EXERCISE OF WARRANT.

(a) *Mechanics of Exercise.* Subject to the terms and conditions hereof, the rights represented by this Warrant may be exercised in whole or in part at any time or times during the Exercise Period by delivery of a written notice, in the form attached hereto as Exhibit A (the "Exercise Notice"), of the Holder's election to exercise this Warrant. The Holder shall not be required to deliver the original Warrant in order to effect an exercise hereunder. Partial exercises of this Warrant resulting in purchases of a portion of the total number of Warrant Shares available hereunder shall have the effect of lowering the outstanding number of Warrant Shares purchasable hereunder in an amount equal to the applicable number of Warrant Shares purchased. On or before the second Trading Day (the "Warrant Share Delivery Date") following the date on which the Holder sent the Exercise Notice to the Company or the Company's transfer agent, and upon receipt by the Company of payment to the Company of an amount equal to the applicable Exercise Price multiplied by the number of Warrant Shares as to which all or a portion of this Warrant is being exercised (the "Aggregate Exercise Price" and together with the Exercise Notice, the "Exercise Delivery Documents") in cash or by wire transfer of immediately available funds (or by cashless exercise, in which case there shall be no Aggregate Exercise Price provided), the Company shall (or direct its transfer agent to) issue and dispatch by overnight courier to the address as specified in the Exercise Notice, a certificate, registered in the Company's share register in the name of the Holder or its designee, for the number of shares of Common Stock to which the Holder is entitled pursuant to such exercise (or deliver such shares of Common Stock in electronic format if requested by the Holder). Upon delivery of the Exercise Delivery Documents, the Holder shall be deemed for all corporate purposes to have become the holder of record of the Warrant Shares with respect to which this Warrant has been exercised, irrespective of the date of delivery of the certificates evidencing such Warrant Shares. If this Warrant is submitted in connection with any exercise and the number of Warrant Shares represented by this Warrant submitted for exercise is greater than the number of Warrant Shares being acquired upon an exercise, then the Company shall as soon as practicable and in no event later than three Business Days after any exercise and at its own expense, issue a new Warrant (in accordance with Section 6) representing the right to purchase the number of Warrant Shares purchasable immediately prior to such exercise under this Warrant, less the number of Warrant Shares with respect to which this Warrant is exercised.

If the Company fails to cause its transfer agent to transmit to the Holder the respective shares of Common Stock by the respective Warrant Share Delivery Date, then the Holder will have the right to rescind such exercise in Holder's sole discretion, and such failure shall be deemed an event of default under the Note.

If shares underlying this Warrant have not been registered with the SEC in a valid and effective registration statement and the Market Price of one share of Common Stock is greater than the Exercise Price, the Holder may elect to receive Warrant Shares pursuant to a cashless exercise, in lieu of a cash exercise, equal to the value of this Warrant determined in the manner described below (or of any portion thereof remaining unexercised) by surrender of this Warrant and a Notice of Exercise, in which event the Company shall issue to Holder a number of Common Stock computed using the following formula:

$$X = \frac{Y(A-B)}{A}$$

A

Where X = the number of Shares to be issued to Holder.

Y = the number of Warrant Shares that the Holder elects to purchase under this Warrant (at the date of such calculation).

A = the Market Price (at the date of such calculation).

B = Exercise Price (as adjusted to the date of such calculation).

(b) *No Fractional Shares.* No fractional shares shall be issued upon the exercise of this Warrant as a consequence of any adjustment pursuant hereto. All Warrant Shares (including fractions) issuable upon exercise of this Warrant may be aggregated for purposes of determining whether the exercise would result in the issuance of any fractional share. If, after aggregation, the exercise would result in the issuance of a fractional share, the Company shall, in lieu of issuance of any fractional share, pay

the Holder otherwise entitled to such fraction a sum in cash equal to the product resulting from multiplying the then-current fair market value of a Warrant Share by such fraction.

(c) *Holder's Exercise Limitations.* The Company shall not effect any exercise of this Warrant, and a Holder shall not have the right to exercise any portion of this Warrant, to the extent that after giving effect to issuance of Warrant Shares upon exercise as set forth on the applicable Notice of Exercise, the Holder (together with the Holder's Affiliates, and any other persons acting as a group together with the Holder or any of the Holder's Affiliates), would beneficially own in excess of the Beneficial Ownership Limitation, as defined below. For purposes of the foregoing sentence, the number of shares of Common Stock beneficially owned by the Holder and its Affiliates shall include the number of shares of Common Stock issuable upon exercise of this Warrant with respect to which such determination is being made, but shall exclude the number of shares of Common Stock which would be issuable upon (i) exercise of the remaining, non-exercised portion of this Warrant beneficially owned by the Holder or any of its Affiliates and (ii) exercise or conversion of the unexercised or non-converted portion of any other securities of the Company (including without limitation any other Common Stock Equivalents) subject to a limitation on conversion or exercise analogous to the limitation contained herein beneficially owned by the Holder or any of its Affiliates. Except as set forth in the preceding sentence, for purposes of this paragraph (d), beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act, it being acknowledged by the Holder that the Company is not representing to the Holder that such calculation is in compliance with Section 13(d) of the Exchange Act and the Holder is solely responsible for any schedules required to be filed in accordance therewith. To the extent that the limitation contained in this paragraph applies, the determination of whether this Warrant is exercisable (in relation to other securities owned by the Holder together with any affiliates) and of which portion of this Warrant is exercisable shall be in the sole discretion of the Holder, and the submission of a Notice of Exercise shall be deemed to be the Holder's determination of whether this Warrant is exercisable (in relation to other securities owned by the Holder together with any Affiliates) and of which portion of this Warrant is exercisable, in each case subject to the Beneficial Ownership Limitation, and the Company shall have no obligation to verify or confirm the accuracy of such determination.

For purposes of this paragraph, in determining the number of outstanding shares of Common Stock, a Holder may rely on the number of outstanding shares of Common Stock as reflected in (A) the Company's most recent periodic or annual report filed with the Commission, as the case may be, (B) a more recent public announcement by the Company or (C) a more recent written notice by the Company or its transfer agent setting forth the number of shares of Common Stock outstanding. Upon the request of a Holder, the Company shall within two Trading Days confirm to the Holder the number of shares of Common Stock then outstanding. In any case, the number of outstanding shares of Common Stock shall be determined after giving effect to the conversion or exercise of securities of the Company, including this Warrant, by the Holder or its affiliates since the date as of which such number of outstanding shares of Common Stock was reported. The "Beneficial Ownership Limitation" shall be 4.99% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock issuable upon exercise of this Warrant. The limitations contained in this paragraph shall apply to a successor Holder of this Warrant.

2. ADJUSTMENTS. The Exercise Price and the number of Warrant Shares shall be adjusted from time to time as follows:

(a) *Distribution of Assets.* If the Company shall declare or make any dividend or other distribution of its assets (or rights to acquire its assets) to holders of shares of Common Stock, by way of return of capital or otherwise (including without limitation any distribution of cash, stock or other securities, property or options by way of a dividend, spin off, reclassification, corporate rearrangement or other similar transaction) (a "Distribution"), at any time after the issuance of this Warrant, then, in each such case:

(i) any Exercise Price in effect immediately prior to the close of business on the record date fixed for the determination of holders of shares of Common Stock entitled to receive the Distribution shall be reduced, effective as of the close of business on such record date, to a price determined by multiplying such Exercise Price by a fraction (i) the numerator of which shall be the Closing Sale Price of the shares of Common Stock on the Trading Day immediately preceding such record date minus the value of the Distribution (as determined in good faith by the Company's Board of Directors) applicable to one share of Common Stock, and (ii) the denominator of which shall be the Closing Sale Price of the shares of Common Stock on the Trading Day immediately preceding such record date; and

(ii) the number of Warrant Shares shall be increased to a number of shares equal to the number of shares of Common Stock obtainable immediately prior to the close of business on the record date fixed for the determination of holders of shares of Common Stock entitled to receive the Distribution multiplied by the reciprocal of the fraction set forth in the immediately preceding clause (i); provided, however, that in the event that the Distribution is of shares of common stock of a company (other than the Company) whose common stock is traded on a national securities exchange or a national automated quotation system ("Other Shares of Common Stock"), then the Holder may elect to receive a warrant to purchase Other Shares of Common Stock in lieu of an increase in the number of Warrant Shares, the terms of which shall be identical to those of this Warrant, except that such warrant shall be exercisable into the number of shares of Other Shares of Common Stock that would have been payable to the Holder pursuant to the Distribution had the Holder exercised this Warrant immediately prior to such record date and with an aggregate exercise price equal to the product of the amount by which the exercise price of this Warrant was decreased with respect to the Distribution pursuant to the terms of the immediately preceding clause (i) and the number of Warrant Shares calculated in accordance with the first part of this clause (ii).

(b) *Anti-Dilution Adjustments to Exercise Price.* If the Company or any Subsidiary thereof, as applicable, at any time while this Warrant is outstanding, shall sell or grant any option to purchase, or sell or grant any right to reprice, or otherwise dispose of or issue (or announce any offer, sale, grant or any option to purchase or other disposition) any Common Stock or securities entitling any person or entity to acquire shares of Common Stock (upon conversion, exercise or otherwise) (including but not limited to the Conversion Price (as defined in the Note) under the Note), at an effective price per share less than the then Exercise Price (such lower price, the "Base Share Price" and such issuances collectively, a "Dilutive Issuance") (if the holder of the Common Stock, Common Stock Equivalents, or Note so issued shall at any time, whether by operation of purchase price adjustments, elimination of an applicable floor price for any reason in the future (including but not limited to the passage of time or satisfaction of certain condition(s)), reset provisions, floating conversion, exercise or exchange prices or otherwise, or due to warrants, options or rights per share which are issued in connection with such issuance, be entitled or potentially entitled to receive shares of Common Stock at an effective price per share which is less than the Exercise Price at any time while such Common Stock, Common Stock Equivalents, or Note are in existence, such issuance shall be deemed to have occurred for less than the Exercise Price on such date of the Dilutive Issuance (regardless of whether the Common Stock, Common Stock Equivalents, or Note are (i) subsequently redeemed or retired by the Company after the date of the Dilutive Issuance or (ii) actually converted or exercised at such Base Share Price), then the Exercise Price shall be reduced at the option of the Holder and only reduced to equal the Base Share Price, and the number of Warrant Shares issuable hereunder shall be increased such that the aggregate Exercise Price payable hereunder, after taking into account the decrease in the Exercise Price, shall be equal to the aggregate Exercise Price prior to such adjustment (for the avoidance of doubt, the aggregate Exercise Price prior to such adjustment is calculated as follows: the total number of Warrant Shares issuable upon exercise of this Warrant immediately prior to such adjustment (without regard to the Beneficial Ownership Limitation) multiplied by the Exercise Price in effect immediately prior to such adjustment). By way of example, if E is the total number of Warrant Shares issuable upon exercise of this Warrant immediately prior to such adjustment (without regard to the Beneficial Ownership Limitation), F is the Exercise Price in effect immediately prior to such adjustment, and G is the Base Share Price, the adjustment to the number of Warrant Shares can be expressed in the following formula: Total number of Warrant Shares after such Dilutive Issuance = the number obtained from dividing $[E \times F]$ by G. Such adjustment shall be made whenever such Common Stock, Common Stock Equivalents, or Note are issued, regardless of whether the Common Stock, Common Stock Equivalents, or Note are (i) subsequently redeemed or retired by the Company after the date of the Dilutive Issuance or (ii) actually converted or exercised at such Base Share Price by the holder thereof (for the avoidance of doubt, the Holder may utilize the Base Share Price even if the Company did not actually issue shares of its common stock at the Base Share Price under the respective Common stock Equivalents or Note). The Company shall notify the Holder in writing, no later than the Trading Day following the issuance of any Common Stock or Common Stock Equivalents subject to this Section 2(b), indicating therein the applicable issuance price, or applicable reset price, exchange price, conversion price and other pricing terms (such notice the "Dilutive Issuance Notice"). For purposes of clarification, whether or not the Company provides a Dilutive Issuance Notice pursuant to this Section 2(b), upon the occurrence of any Dilutive Issuance, after the date of such Dilutive Issuance the Holder is entitled to receive a number of Warrant Shares based upon the Base Share Price regardless of whether the Holder accurately refers to the Base Share Price in the Notice of Exercise. Notwithstanding anything herein to the contrary, the occurrence of a Dilutive Issuance on or after the date that the Common Stock is listed for trading on the NYSE American, the Nasdaq Capital Market, the Nasdaq Global Market, the Nasdaq Global Select Market or the New York Stock Exchange (or any successors to any of the foregoing) (the "Uplist Date") shall not cause any anti-dilution adjustments to occur pursuant to this Section 2(b) of this Warrant. For the avoidance of doubt, the occurrence of a Dilutive Issuance prior to the Uplist Date shall cause anti-

dilution adjustments to occur under this Warrant pursuant to this Section 2(b) of this Warrant, regardless of whether the Common Stock is subsequently listed for trading on the NYSE American, the Nasdaq Capital Market, the Nasdaq Global Market, the Nasdaq Global Select Market or the New York Stock Exchange (or any successors to any of the foregoing).

(c) Subdivision or Combination of Common Stock. If the Company at any time on or after the Issuance Date subdivides (by any stock split, stock dividend, recapitalization or otherwise) one or more classes of its outstanding shares of Common Stock into a greater number of shares, the Exercise Price in effect immediately prior to such subdivision will be proportionately reduced and the number of Warrant Shares will be proportionately increased. If the Company at any time on or after the Issuance Date combines (by combination, reverse stock split or otherwise) one or more classes of its outstanding shares of Common Stock into a smaller number of shares, the Exercise Price in effect immediately prior to such combination will be proportionately increased and the number of Warrant Shares will be proportionately decreased. Any adjustment under this Section 2(c) shall become effective at the close of business on the date the subdivision or combination becomes effective. 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 covered by this Section 2(c) shall occur.

3. FUNDAMENTAL TRANSACTIONS. If, at any time while this Warrant is outstanding, (i) the Company effects any merger of the Company with or into another entity and the Company is not the surviving entity (such surviving entity, the “Successor Entity”), (ii) the Company effects any sale of all or substantially all of its assets in one or a series of related transactions, (iii) any tender offer or exchange offer (whether by the Company or by another individual or entity, and approved by the Company) is completed pursuant to which holders of Common Stock are permitted to tender or exchange their shares of Common Stock for other securities, cash or property and the holders of at least 50% of the Common Stock accept such offer, or (iv) the Company effects any reclassification of the Common Stock or any compulsory share exchange pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash or property (other than as a result of a subdivision or combination of shares of Common Stock) (in any such case, a “Fundamental Transaction”), then, upon any subsequent exercise of this Warrant, the Holder shall have the right to receive the number of shares of Common Stock of the Successor Entity or of the Company and any additional consideration (the “Alternate Consideration”) receivable upon or as a result of such reorganization, reclassification, merger, consolidation or disposition of assets by a holder of the number of shares of Common Stock for which this Warrant is exercisable immediately prior to such event (disregarding any limitation on exercise contained herein solely for the purpose of such determination). For purposes of any such exercise, the determination of the Exercise Price shall be appropriately adjusted to apply to such Alternate Consideration based on the amount of Alternate Consideration issuable in respect of one share of Common Stock in such Fundamental Transaction, and the Company shall apportion the Exercise Price among the Alternate Consideration in a reasonable manner reflecting the relative value of any different components of the Alternate Consideration. If holders of Common Stock are given any choice as to the securities, cash or property to be received in a Fundamental Transaction, then the Holder shall be given the same choice as to the Alternate Consideration it receives upon any exercise of this Warrant following such Fundamental Transaction. To the extent necessary to effectuate the foregoing provisions, any Successor Entity in such Fundamental Transaction shall issue to the Holder a new warrant consistent with the foregoing provisions and evidencing the Holder’s right to exercise such warrant into Alternate Consideration.

4. NON-CIRCUMVENTION. The Company covenants and agrees that it will not, by amendment of its certificate of incorporation, bylaws or through any reorganization, transfer of assets, consolidation, merger, scheme of arrangement, dissolution, issue or sale of securities, or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, and will at all times in good faith carry out all the provisions of this Warrant and take all action as may be required to protect the rights of the Holder. Without limiting the generality of the foregoing, the Company (i) shall not increase the par value of any shares of Common Stock receivable upon the exercise of this Warrant above the Exercise Price then in effect, (ii) shall take all such actions as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and non-assessable shares of Common Stock upon the exercise of this Warrant, and (iii) shall, for so long as this Warrant is outstanding, have authorized and reserved, free from preemptive rights, ten times the number of shares of Common Stock that is actually issuable upon full exercise of the Warrant (based on the Exercise Price in effect from time to time, and without regard to any limitations on exercise).

5. WARRANT HOLDER NOT DEEMED A STOCKHOLDER. Except as otherwise specifically provided herein, this Warrant, in and of itself, shall not entitle the Holder to any voting rights or other rights as a stockholder of the Company. In addition, nothing contained in this Warrant shall be construed as imposing any liabilities on the Holder to purchase any securities (upon exercise of this Warrant or otherwise) or as a stockholder of the Company, whether such liabilities are asserted by the Company or by creditors of the Company.

6. REISSUANCE.

(a) Lost, Stolen or Mutilated Warrant. If this Warrant is lost, stolen, mutilated or destroyed, the Company will, on such terms as to indemnity or otherwise as it may reasonably impose (which shall, in the case of a mutilated Warrant, include the surrender thereof), issue a new Warrant of like denomination and tenor as this Warrant so lost, stolen, mutilated or destroyed.

(b) Issuance of New Warrants. Whenever the Company is required to issue a new Warrant pursuant to the terms of this Warrant, such new Warrant shall be of like tenor with this Warrant, and shall have an issuance date, as indicated on the face of such new Warrant which is the same as the Issuance Date.

7. CALL OPTION. If, at the time of the Company’s request (each a “Call Notice”), (i) the Warrant Shares are registered for resale by the Holder at prevailing market prices (and not fixed prices) under an effective non-stale registration statement of the Company, (ii) the Company is current in its reporting obligations with respect to the SEC, (iii) the volume weighted average price of the Company’s common stock exceeds 200% of the Exercise Price in effect at that time for ten (10) consecutive Trading Days immediately preceding the date that the Call Notice is given to Holder, (iv) the Holder is not in possession of any information provided by the Company that constitutes material nonpublic information, (v) the number of shares being called will not result in the Holder exceeding the Beneficial Ownership Limitation, and (vi) an Event of Default (as defined in the Note) nor an event which with the passage of time or the giving of notice could become an Event of Default is not pending, then the Company may call for the exercise of that portion of this Warrant for which an Exercise Notice has not yet been delivered as of the date of the Call Notice, provided, however, that the Company may not call for exercise a number of Warrant Shares which, when exercised, the total amount paid for the Warrant Shares equals more than 50% of the previous ten (10) days total trading volume of the Company’s Common Stock. A Call Notice shall not be given to the Holder (i) with respect to any Warrants which if exercised would cause such Holder to exceed the Beneficial Ownership Limitation or (ii) if the Aggregate Exercise Price payable pursuant to the Call Notice exceeds \$500,000.00. A Call Notice may not be given later than sixty (60) days before the end of the Exercise Period, nor more often than one time each fifteen (15) Trading Days.

8. TRANSFER. This Warrant shall be binding upon the Company and its successors and assigns, and shall inure to be the benefit of the Holder and its successors and assigns. Notwithstanding anything to the contrary herein, the rights, interests or obligations of the Company hereunder may not be assigned, by operation of law or otherwise, in whole or in part, by the Company without the prior signed written consent of the Holder, which consent may be withheld at the sole discretion of the Holder (any such assignment or transfer shall be null and void if the Company does not obtain the prior signed written consent of the Holder). This Warrant or any of the severable rights and obligations inuring to the benefit of or to be performed by Holder hereunder may be assigned by Holder to a third party, in whole or in part, without the need to obtain the Company’s consent thereto.

9. NOTICES. Whenever notice is required to be given under this Warrant, unless otherwise provided herein, such notice shall be given in accordance with the notice provisions contained in the Purchase Agreement. The Company shall provide the Holder with prompt written notice (i) immediately upon any adjustment of the Exercise Price, setting forth in reasonable detail, the calculation of such adjustment and (ii) at least 20 days prior to the date on which the Company closes its books or takes a record (A) with respect to any dividend or distribution upon the shares of Common Stock, (B) with respect to any grants, issuances or sales of any stock or other securities directly or indirectly convertible into or exercisable or exchangeable for shares of Common Stock or other property, pro rata to the holders of shares of Common Stock or (C) for determining rights to vote with respect to any Fundamental Transaction, dissolution or liquidation, provided in each case that such information shall be made known to the public prior to or in conjunction with such notice being provided to the Holder.

10. AMENDMENT AND WAIVER. The terms of this Warrant may be amended or waived (either generally or in a particular instance and either retroactively or prospectively) only with the written consent of the Company and the Holder.

11. GOVERNING LAW AND VENUE. This Warrant shall be governed by and construed in accordance with the laws of the State of Nevada without regard to principles of conflicts of laws. Any action brought by either party against the other concerning the transactions contemplated by this Warrant shall be brought only in the state courts located in the Commonwealth of Massachusetts or in the federal courts located in the Commonwealth of Massachusetts. The parties to this Warrant hereby irrevocably waive any objection to jurisdiction and venue of any action instituted hereunder and shall not assert any defense based on lack of jurisdiction or venue or based upon *forum non conveniens*. **THE COMPANY HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE TO, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION WITH OR ARISING OUT OF THIS WARRANT OR ANY TRANSACTION CONTEMPLATED HEREBY.** The prevailing party shall be entitled to recover from the other party its reasonable attorney's fees and costs. In the event that any provision of this Warrant or any other agreement delivered in connection herewith is invalid or unenforceable under any applicable statute or rule of law, then such provision shall be deemed inoperative to the extent that it may conflict therewith and shall be deemed modified to conform with such statute or rule of law. Any such provision which may prove invalid or unenforceable under any law shall not affect the validity or enforceability of any other provision of any agreement. Each party hereby irrevocably waives personal service of process and consents to process being served in any suit, action or proceeding in connection with this Agreement or any other Transaction Document by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by law.

12. ACCEPTANCE. Receipt of this Warrant by the Holder shall constitute acceptance of and agreement to all of the terms and conditions contained herein.

13. CERTAIN DEFINITIONS. For purposes of this Warrant, the following terms shall have the following meanings:

(a) "Nasdaq" means www.Nasdaq.com.

(b) "Closing Sale Price" means, for any security as of any date, (i) the last closing trade price for such security on the Principal Market, as reported by Nasdaq, or, if the Principal Market begins to operate on an extended hours basis and does not designate the closing trade price, then the last trade price of such security prior to 4:00 p.m., New York time, as reported by Nasdaq, or (ii) if the foregoing does not apply, the last trade price of such security in the over-the-counter market for such security as reported by Nasdaq, or (iii) if no last trade price is reported for such security by Nasdaq, the average of the bid and ask prices of any market makers for such security as reported by the OTC Markets. If the Closing Sale Price cannot be calculated for a security on a particular date on any of the foregoing bases, the Closing Sale Price of such security on such date shall be the fair market value as mutually determined by the Company and the Holder. All such determinations to be appropriately adjusted for any stock dividend, stock split, stock combination or other similar transaction during the applicable calculation period.

(c) "Common Stock" means the Company's common stock, and any other class of securities into which such securities may hereafter be reclassified or changed.

(d) "Common Stock Equivalents" means any securities of the Company that would entitle the holder thereof to acquire at any time Common Stock, including without limitation any debt, preferred stock, rights, options, warrants or other instrument that is at any time convertible into or exercisable or exchangeable for, or otherwise entitles the holder thereof to receive, Common Stock.

(e) "Dilutive Issuance" shall have the meaning described in Section 2(b) above; provided, however, that a Dilutive Issuance shall not include any Exempt Issuance.

(f) "Exempt Issuance" means the issuance of (i) shares of Common Stock or options to employees, officers, directors or consultants of the Company pursuant to any stock or option plan duly adopted by a majority of the non-employee members of the Board of Directors of the Company or a majority of the members of a committee of non-employee directors established for such purpose, or by all of the members of the Board of Directors and (ii) shares of Common Stock issued pursuant to real property leasing arrangement from a bank approved by the Board of Directors of the Company or for services rendered or property acquired.

(g) "Principal Market" means the primary national securities exchange on which the Common Stock is then traded.

(h) "Market Price" means the highest traded price of the Common Stock during the five (5) Trading Days prior to the date of the respective Exercise Notice.

(i) "Trading Day" means (i) any day on which the Common Stock is listed or quoted and traded on its Principal Market, (ii) if the Common Stock is not then listed or quoted and traded on any national securities exchange, then a day on which trading occurs on any over-the-counter markets, or (iii) if trading does not occur on the over-the-counter markets, any Business Day.

[signature page follows]

IN WITNESS WHEREOF, the Company has caused this Warrant to be duly executed as of the Issuance Date set forth above.

BIORESTORATIVE THERAPIES, INC.

By: _____
Name: _____
Title: Chief Executive Officer

EXHIBIT A

EXERCISE NOTICE

(To be executed by the registered holder to exercise this Common Stock Purchase Warrant)

The undersigned holder hereby exercises the right to purchase _____ of the shares of Common Stock ("Warrant Shares") of BioRestorative Therapies, Inc., a Delaware corporation (the "Company"), evidenced by the attached copy of the Common Stock Purchase Warrant (the "Warrant"). Capitalized terms used herein and not otherwise defined shall have the respective meanings set forth in the Warrant.

1. Form of Exercise Price. The Holder intends that payment of the Exercise Price shall be made as (check one):

- ☐ a cash exercise with respect to _____ Warrant Shares; or
☐ by cashless exercise pursuant to the Warrant.

2. Payment of Exercise Price. If cash exercise is selected above, the holder shall pay the applicable Aggregate Exercise Price in the sum of \$_____ to the Company in accordance with the terms of the Warrant.

3. Delivery of Warrant Shares. The Company shall deliver to the holder _____ Warrant Shares in accordance with the terms of the Warrant.

Date:

(Print Name of Registered Holder)

By:
Name:
Title:

EXHIBIT B

ASSIGNMENT OF WARRANT

(To be signed only upon authorized transfer of the Warrant)

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto _____ the right to purchase _____ shares of common stock of BioRestorative Therapies, Inc., to which the within Common Stock Purchase Warrant relates and appoints _____, as attorney-in-fact, to transfer said right on the books of BioRestorative Therapies, Inc. with full power of substitution and re-substitution in the premises. By accepting such transfer, the transferee has agreed to be bound in all respects by the terms and conditions of the within Warrant.

Dated: _____

(Signature) *

(Name)

(Address)

(Social Security or Tax Identification No.)

* The signature on this Assignment of Warrant must correspond to the name as written upon the face of the Common Stock Purchase Warrant in every particular without alteration or enlargement or any change whatsoever. When signing on behalf of a corporation, partnership, trust or other entity, please indicate your position(s) and title(s) with such entity.

NEITHER THIS SECURITY NOR THE SECURITIES AS TO WHICH THIS SECURITY MAY BE EXERCISED HAVE BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS AS EVIDENCED BY A LEGAL OPINION OF COUNSEL TO THE TRANSFEROR TO SUCH EFFECT, THE SUBSTANCE OF WHICH SHALL BE REASONABLY ACCEPTABLE TO THE COMPANY. THIS SECURITY AND THE SECURITIES ISSUABLE UPON EXERCISE OF THIS SECURITY MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN SECURED BY SUCH SECURITIES.

COMMON STOCK PURCHASE WARRANT

BIORESTORATIVE THERAPIES, INC.
(WARRANT B)

Warrant Shares: _____
Date of Issuance: _____, 2020 ("Issuance Date")

This COMMON STOCK PURCHASE WARRANT (the "Warrant") certifies that, for value received (in connection with the issuance of the secured convertible promissory note in the principal amount of \$ _____ to the Holder (as defined below) of even date) (the "Note"), _____, a _____ (including any permitted and registered assigns, the "Holder"), is entitled, upon the terms and subject to the limitations on exercise and the conditions hereinafter set forth, at any time on or after the date of issuance hereof, to purchase from BioRestorative Therapies, Inc., a Delaware corporation (the "Company"), up to _____ shares of Common Stock (as defined below) (the "Warrant Shares") (whereby such number may be adjusted from time to time pursuant to the terms and conditions of this Warrant) at the Exercise Price per share then in effect. This Warrant is issued by the Company as of the date hereof in connection with that certain securities purchase agreement dated _____, 2020, by and among the Company and the Holder (the "Purchase Agreement").

Capitalized terms used in this Warrant shall have the meanings set forth in the Purchase Agreement unless otherwise defined in the body of this Warrant or in Section 12 below. For purposes of this Warrant, the term "Exercise Price" shall mean **\$0.001**, subject to adjustment as provided herein (including but not limited to cashless exercise), and the term "Exercise Period" shall mean the period commencing on the Issuance Date and ending on 5:00 p.m. eastern standard time on the five-year anniversary thereof.

1. EXERCISE OF WARRANT

(a) *Mechanics of Exercise.* Subject to the terms and conditions hereof, the rights represented by this Warrant may be exercised in whole or in part at any time or times during the Exercise Period by delivery of a written notice, in the form attached hereto as Exhibit A (the "Exercise Notice"), of the Holder's election to exercise this Warrant. The Holder shall not be required to deliver the original Warrant in order to effect an exercise hereunder. Partial exercises of this Warrant resulting in purchases of a portion of the total number of Warrant Shares available hereunder shall have the effect of lowering the outstanding number of Warrant Shares purchasable hereunder in an amount equal to the applicable number of Warrant Shares purchased. On or before the second Trading Day (the "Warrant Share Delivery Date") following the date on which the Holder sent the Exercise Notice to the Company or the Company's transfer agent, and upon receipt by the Company of payment to the Company of an amount equal to the applicable Exercise Price multiplied by the number of Warrant Shares as to which all or a portion of this Warrant is being exercised (the "Aggregate Exercise Price" and together with the Exercise Notice, the "Exercise Delivery Documents") in cash or by wire transfer of immediately available funds (or by cashless exercise, in which case there shall be no Aggregate Exercise Price provided), the Company shall (or direct its transfer agent to) issue and dispatch by overnight courier to the address as specified in the Exercise Notice, a certificate, registered in the Company's share register in the name of the Holder or its designee, for the number of shares of Common Stock to which the Holder is entitled pursuant to such exercise (or deliver such shares of Common Stock in electronic format if requested by the Holder). Upon delivery of the Exercise Delivery Documents, the Holder shall be deemed for all corporate purposes to have become the holder of record of the Warrant Shares with respect to which this Warrant has been exercised, irrespective of the date of delivery of the certificates evidencing such Warrant Shares. If this Warrant is submitted in connection with any exercise and the number of Warrant Shares represented by this Warrant submitted for exercise is greater than the number of Warrant Shares being acquired upon an exercise, then the Company shall as soon as practicable and in no event later than three Business Days after any exercise and at its own expense, issue a new Warrant (in accordance with Section 6) representing the right to purchase the number of Warrant Shares purchasable immediately prior to such exercise under this Warrant, less the number of Warrant Shares with respect to which this Warrant is exercised.

If the Company fails to cause its transfer agent to transmit to the Holder the respective shares of Common Stock by the respective Warrant Share Delivery Date, then the Holder will have the right to rescind such exercise in Holder's sole discretion, and such failure shall be deemed an event of default under the Note.

If shares underlying this Warrant have not been registered with the SEC in a valid and effective registration statement and the Market Price of one share of Common Stock is greater than the Exercise Price, the Holder may elect to receive Warrant Shares pursuant to a cashless exercise, in lieu of a cash exercise, equal to the value of this Warrant determined in the manner described below (or of any portion thereof remaining unexercised) by surrender of this Warrant and a Notice of Exercise, in which event the Company shall issue to Holder a number of Common Stock computed using the following formula:

$$X = \frac{Y(A-B)}{A}$$

A

Where X = the number of Shares to be issued to Holder.

Y = the number of Warrant Shares that the Holder elects to purchase under this Warrant (at the date of such calculation).

A = the Market Price (at the date of such calculation).

B = Exercise Price (as adjusted to the date of such calculation).

(b) *No Fractional Shares.* No fractional shares shall be issued upon the exercise of this Warrant as a consequence of any adjustment pursuant hereto. All Warrant Shares (including fractions) issuable upon exercise of this Warrant may be aggregated for purposes of determining whether the exercise would result in the issuance of any fractional share. If, after aggregation, the exercise would result in the issuance of a fractional share, the Company shall, in lieu of issuance of any fractional share, pay

the Holder otherwise entitled to such fraction a sum in cash equal to the product resulting from multiplying the then-current fair market value of a Warrant Share by such fraction.

(c) *Holder's Exercise Limitations.* The Company shall not effect any exercise of this Warrant, and a Holder shall not have the right to exercise any portion of this Warrant, to the extent that after giving effect to issuance of Warrant Shares upon exercise as set forth on the applicable Notice of Exercise, the Holder (together with the Holder's Affiliates, and any other persons acting as a group together with the Holder or any of the Holder's Affiliates), would beneficially own in excess of the Beneficial Ownership Limitation, as defined below. For purposes of the foregoing sentence, the number of shares of Common Stock beneficially owned by the Holder and its Affiliates shall include the number of shares of Common Stock issuable upon exercise of this Warrant with respect to which such determination is being made, but shall exclude the number of shares of Common Stock which would be issuable upon (i) exercise of the remaining, non-exercised portion of this Warrant beneficially owned by the Holder or any of its Affiliates and (ii) exercise or conversion of the unexercised or non-converted portion of any other securities of the Company (including without limitation any other Common Stock Equivalents) subject to a limitation on conversion or exercise analogous to the limitation contained herein beneficially owned by the Holder or any of its Affiliates. Except as set forth in the preceding sentence, for purposes of this paragraph (d), beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act, it being acknowledged by the Holder that the Company is not representing to the Holder that such calculation is in compliance with Section 13(d) of the Exchange Act and the Holder is solely responsible for any schedules required to be filed in accordance therewith. To the extent that the limitation contained in this paragraph applies, the determination of whether this Warrant is exercisable (in relation to other securities owned by the Holder together with any affiliates) and of which portion of this Warrant is exercisable shall be in the sole discretion of the Holder, and the submission of a Notice of Exercise shall be deemed to be the Holder's determination of whether this Warrant is exercisable (in relation to other securities owned by the Holder together with any Affiliates) and of which portion of this Warrant is exercisable, in each case subject to the Beneficial Ownership Limitation, and the Company shall have no obligation to verify or confirm the accuracy of such determination.

For purposes of this paragraph, in determining the number of outstanding shares of Common Stock, a Holder may rely on the number of outstanding shares of Common Stock as reflected in (A) the Company's most recent periodic or annual report filed with the Commission, as the case may be, (B) a more recent public announcement by the Company or (C) a more recent written notice by the Company or its transfer agent setting forth the number of shares of Common Stock outstanding. Upon the request of a Holder, the Company shall within two Trading Days confirm to the Holder the number of shares of Common Stock then outstanding. In any case, the number of outstanding shares of Common Stock shall be determined after giving effect to the conversion or exercise of securities of the Company, including this Warrant, by the Holder or its affiliates since the date as of which such number of outstanding shares of Common Stock was reported. The "Beneficial Ownership Limitation" shall be 4.99% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock issuable upon exercise of this Warrant. The limitations contained in this paragraph shall apply to a successor Holder of this Warrant.

2. ADJUSTMENTS. The Exercise Price and the number of Warrant Shares shall be adjusted from time to time as follows:

(a) *Distribution of Assets.* If the Company shall declare or make any dividend or other distribution of its assets (or rights to acquire its assets) to holders of shares of Common Stock, by way of return of capital or otherwise (including without limitation any distribution of cash, stock or other securities, property or options by way of a dividend, spin off, reclassification, corporate rearrangement or other similar transaction) (a "Distribution"), at any time after the issuance of this Warrant, then, in each such case:

(i) any Exercise Price in effect immediately prior to the close of business on the record date fixed for the determination of holders of shares of Common Stock entitled to receive the Distribution shall be reduced, effective as of the close of business on such record date, to a price determined by multiplying such Exercise Price by a fraction (i) the numerator of which shall be the Closing Sale Price of the shares of Common Stock on the Trading Day immediately preceding such record date minus the value of the Distribution (as determined in good faith by the Company's Board of Directors) applicable to one share of Common Stock, and (ii) the denominator of which shall be the Closing Sale Price of the shares of Common Stock on the Trading Day immediately preceding such record date; and

(ii) the number of Warrant Shares shall be increased to a number of shares equal to the number of shares of Common Stock obtainable immediately prior to the close of business on the record date fixed for the determination of holders of shares of Common Stock entitled to receive the Distribution multiplied by the reciprocal of the fraction set forth in the immediately preceding clause (i); provided, however, that in the event that the Distribution is of shares of common stock of a company (other than the Company) whose common stock is traded on a national securities exchange or a national automated quotation system ("Other Shares of Common Stock"), then the Holder may elect to receive a warrant to purchase Other Shares of Common Stock in lieu of an increase in the number of Warrant Shares, the terms of which shall be identical to those of this Warrant, except that such warrant shall be exercisable into the number of shares of Other Shares of Common Stock that would have been payable to the Holder pursuant to the Distribution had the Holder exercised this Warrant immediately prior to such record date and with an aggregate exercise price equal to the product of the amount by which the exercise price of this Warrant was decreased with respect to the Distribution pursuant to the terms of the immediately preceding clause (i) and the number of Warrant Shares calculated in accordance with the first part of this clause (ii).

(b) *Anti-Dilution Adjustments to Exercise Price.* If the Company or any Subsidiary thereof, as applicable, at any time while this Warrant is outstanding, shall sell or grant any option to purchase, or sell or grant any right to reprice, or otherwise dispose of or issue (or announce any offer, sale, grant or any option to purchase or other disposition) any Common Stock or securities entitling any person or entity to acquire shares of Common Stock (upon conversion, exercise or otherwise) (including but not limited to the Conversion Price (as defined in the Note) under the Note), at an effective price per share less than the then Exercise Price (such lower price, the "Base Share Price" and such issuances collectively, a "Dilutive Issuance") (if the holder of the Common Stock, Common Stock Equivalents, or Note so issued shall at any time, whether by operation of purchase price adjustments, elimination of an applicable floor price for any reason in the future (including but not limited to the passage of time or satisfaction of certain condition(s)), reset provisions, floating conversion, exercise or exchange prices or otherwise, or due to warrants, options or rights per share which are issued in connection with such issuance, be entitled or potentially entitled to receive shares of Common Stock at an effective price per share which is less than the Exercise Price at any time while such Common Stock, Common Stock Equivalents, or Note are in existence, such issuance shall be deemed to have occurred for less than the Exercise Price on such date of the Dilutive Issuance (regardless of whether the Common Stock, Common Stock Equivalents, or Note are (i) subsequently redeemed or retired by the Company after the date of the Dilutive Issuance or (ii) actually converted or exercised at such Base Share Price), then the Exercise Price shall be reduced at the option of the Holder and only reduced to equal the Base Share Price, and the number of Warrant Shares issuable hereunder shall be increased such that the aggregate Exercise Price payable hereunder, after taking into account the decrease in the Exercise Price, shall be equal to the aggregate Exercise Price prior to such adjustment (for the avoidance of doubt, the aggregate Exercise Price prior to such adjustment is calculated as follows: the total number of Warrant Shares issuable upon exercise of this Warrant immediately prior to such adjustment (without regard to the Beneficial Ownership Limitation) multiplied by the Exercise Price in effect immediately prior to such adjustment). By way of example, if E is the total number of Warrant Shares issuable upon exercise of this Warrant immediately prior to such adjustment (without regard to the Beneficial Ownership Limitation), F is the Exercise Price in effect immediately prior to such adjustment, and G is the Base Share Price, the adjustment to the number of Warrant Shares can be expressed in the following formula: Total number of Warrant Shares after such Dilutive Issuance = the number obtained from dividing $[E \times F]$ by G. Such adjustment shall be made whenever such Common Stock, Common Stock Equivalents, or Note are issued, regardless of whether the Common Stock, Common Stock Equivalents, or Note are (i) subsequently redeemed or retired by the Company after the date of the Dilutive Issuance or (ii) actually converted or exercised at such Base Share Price by the holder thereof (for the avoidance of doubt, the Holder may utilize the Base Share Price even if the Company did not actually issue shares of its common stock at the Base Share Price under the respective Common stock Equivalents or Note). The Company shall notify the Holder in writing, no later than the Trading Day following the issuance of any Common Stock or Common Stock Equivalents subject to this Section 2(b), indicating therein the applicable issuance price, or applicable reset price, exchange price, conversion price and other pricing terms (such notice the "Dilutive Issuance Notice"). For purposes of clarification, whether or not the Company provides a Dilutive Issuance Notice pursuant to this Section 2(b), upon the occurrence of any Dilutive Issuance, after the date of such Dilutive Issuance the Holder is entitled to receive a number of Warrant Shares based upon the Base Share Price regardless of whether the Holder accurately refers to the Base Share Price in the Notice of Exercise. Notwithstanding anything herein to the contrary, the occurrence of a Dilutive Issuance on or after the date that the Common Stock is listed for trading on the NYSE American, the Nasdaq Capital Market, the Nasdaq Global Market, the Nasdaq Global Select Market or the New York Stock Exchange (or any successors to any of the foregoing) (the "Uplist Date") shall not cause any anti-dilution adjustments to occur pursuant to this Section 2(b) of this Warrant. For the avoidance of doubt, the occurrence of a Dilutive Issuance prior to the Uplist Date shall cause anti-

dilution adjustments to occur under this Warrant pursuant to this Section 2(b) of this Warrant, regardless of whether the Common Stock is subsequently listed for trading on the NYSE American, the Nasdaq Capital Market, the Nasdaq Global Market, the Nasdaq Global Select Market or the New York Stock Exchange (or any successors to any of the foregoing).

(c) Subdivision or Combination of Common Stock. If the Company at any time on or after the Issuance Date subdivides (by any stock split, stock dividend, recapitalization or otherwise) one or more classes of its outstanding shares of Common Stock into a greater number of shares, the Exercise Price in effect immediately prior to such subdivision will be proportionately reduced and the number of Warrant Shares will be proportionately increased. If the Company at any time on or after the Issuance Date combines (by combination, reverse stock split or otherwise) one or more classes of its outstanding shares of Common Stock into a smaller number of shares, the Exercise Price in effect immediately prior to such combination will be proportionately increased and the number of Warrant Shares will be proportionately decreased. Any adjustment under this Section 2(c) shall become effective at the close of business on the date the subdivision or combination becomes effective. 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 covered by this Section 2(c) shall occur.

3. FUNDAMENTAL TRANSACTIONS. If, at any time while this Warrant is outstanding, (i) the Company effects any merger of the Company with or into another entity and the Company is not the surviving entity (such surviving entity, the “Successor Entity”), (ii) the Company effects any sale of all or substantially all of its assets in one or a series of related transactions, (iii) any tender offer or exchange offer (whether by the Company or by another individual or entity, and approved by the Company) is completed pursuant to which holders of Common Stock are permitted to tender or exchange their shares of Common Stock for other securities, cash or property and the holders of at least 50% of the Common Stock accept such offer, or (iv) the Company effects any reclassification of the Common Stock or any compulsory share exchange pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash or property (other than as a result of a subdivision or combination of shares of Common Stock) (in any such case, a “Fundamental Transaction”), then, upon any subsequent exercise of this Warrant, the Holder shall have the right to receive the number of shares of Common Stock of the Successor Entity or of the Company and any additional consideration (the “Alternate Consideration”) receivable upon or as a result of such reorganization, reclassification, merger, consolidation or disposition of assets by a holder of the number of shares of Common Stock for which this Warrant is exercisable immediately prior to such event (disregarding any limitation on exercise contained herein solely for the purpose of such determination). For purposes of any such exercise, the determination of the Exercise Price shall be appropriately adjusted to apply to such Alternate Consideration based on the amount of Alternate Consideration issuable in respect of one share of Common Stock in such Fundamental Transaction, and the Company shall apportion the Exercise Price among the Alternate Consideration in a reasonable manner reflecting the relative value of any different components of the Alternate Consideration. If holders of Common Stock are given any choice as to the securities, cash or property to be received in a Fundamental Transaction, then the Holder shall be given the same choice as to the Alternate Consideration it receives upon any exercise of this Warrant following such Fundamental Transaction. To the extent necessary to effectuate the foregoing provisions, any Successor Entity in such Fundamental Transaction shall issue to the Holder a new warrant consistent with the foregoing provisions and evidencing the Holder’s right to exercise such warrant into Alternate Consideration.

4. NON-CIRCUMVENTION. The Company covenants and agrees that it will not, by amendment of its certificate of incorporation, bylaws or through any reorganization, transfer of assets, consolidation, merger, scheme of arrangement, dissolution, issue or sale of securities, or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, and will at all times in good faith carry out all the provisions of this Warrant and take all action as may be required to protect the rights of the Holder. Without limiting the generality of the foregoing, the Company (i) shall not increase the par value of any shares of Common Stock receivable upon the exercise of this Warrant above the Exercise Price then in effect, (ii) shall take all such actions as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and non-assessable shares of Common Stock upon the exercise of this Warrant, and (iii) shall, for so long as this Warrant is outstanding, have authorized and reserved, free from preemptive rights, ten times the number of shares of Common Stock that is actually issuable upon full exercise of the Warrant (based on the Exercise Price in effect from time to time, and without regard to any limitations on exercise).

5. WARRANT HOLDER NOT DEEMED A STOCKHOLDER. Except as otherwise specifically provided herein, this Warrant, in and of itself, shall not entitle the Holder to any voting rights or other rights as a stockholder of the Company. In addition, nothing contained in this Warrant shall be construed as imposing any liabilities on the Holder to purchase any securities (upon exercise of this Warrant or otherwise) or as a stockholder of the Company, whether such liabilities are asserted by the Company or by creditors of the Company.

6. REISSUANCE.

(a) Lost, Stolen or Mutilated Warrant. If this Warrant is lost, stolen, mutilated or destroyed, the Company will, on such terms as to indemnity or otherwise as it may reasonably impose (which shall, in the case of a mutilated Warrant, include the surrender thereof), issue a new Warrant of like denomination and tenor as this Warrant so lost, stolen, mutilated or destroyed.

(b) Issuance of New Warrants. Whenever the Company is required to issue a new Warrant pursuant to the terms of this Warrant, such new Warrant shall be of like tenor with this Warrant, and shall have an issuance date, as indicated on the face of such new Warrant which is the same as the Issuance Date.

7. [Intentionally Omitted]

8. TRANSFER. This Warrant shall be binding upon the Company and its successors and assigns, and shall inure to be the benefit of the Holder and its successors and assigns. Notwithstanding anything to the contrary herein, the rights, interests or obligations of the Company hereunder may not be assigned, by operation of law or otherwise, in whole or in part, by the Company without the prior signed written consent of the Holder, which consent may be withheld at the sole discretion of the Holder (any such assignment or transfer shall be null and void if the Company does not obtain the prior signed written consent of the Holder). This Warrant or any of the severable rights and obligations inuring to the benefit of or to be performed by Holder hereunder may be assigned by Holder to a third party, in whole or in part, without the need to obtain the Company’s consent thereto.

9. NOTICES. Whenever notice is required to be given under this Warrant, unless otherwise provided herein, such notice shall be given in accordance with the notice provisions contained in the Purchase Agreement. The Company shall provide the Holder with prompt written notice (i) immediately upon any adjustment of the Exercise Price, setting forth in reasonable detail, the calculation of such adjustment and (ii) at least 20 days prior to the date on which the Company closes its books or takes a record (A) with respect to any dividend or distribution upon the shares of Common Stock, (B) with respect to any grants, issuances or sales of any stock or other securities directly or indirectly convertible into or exercisable or exchangeable for shares of Common Stock or other property, pro rata to the holders of shares of Common Stock or (C) for determining rights to vote with respect to any Fundamental Transaction, dissolution or liquidation, provided in each case that such information shall be made known to the public prior to or in conjunction with such notice being provided to the Holder.

10. AMENDMENT AND WAIVER. The terms of this Warrant may be amended or waived (either generally or in a particular instance and either retroactively or prospectively) only with the written consent of the Company and the Holder.

11. GOVERNING LAW AND VENUE. This Warrant shall be governed by and construed in accordance with the laws of the State of Nevada without regard to principles of conflicts of laws. Any action brought by either party against the other concerning the transactions contemplated by this Warrant shall be brought only in the state courts located in the Commonwealth of Massachusetts or in the federal courts located in the Commonwealth of Massachusetts. The parties to this Warrant hereby irrevocably waive any objection to jurisdiction and venue of any action instituted hereunder and shall not assert any defense based on lack of jurisdiction or venue or based upon *forum non conveniens*. **THE COMPANY HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE TO, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION WITH OR ARISING OUT OF THIS WARRANT OR ANY**

TRANSACTION CONTEMPLATED HEREBY. The prevailing party shall be entitled to recover from the other party its reasonable attorney's fees and costs. In the event that any provision of this Warrant or any other agreement delivered in connection herewith is invalid or unenforceable under any applicable statute or rule of law, then such provision shall be deemed inoperative to the extent that it may conflict therewith and shall be deemed modified to conform with such statute or rule of law. Any such provision which may prove invalid or unenforceable under any law shall not affect the validity or enforceability of any other provision of any agreement. Each party hereby irrevocably waives personal service of process and consents to process being served in any suit, action or proceeding in connection with this Agreement or any other Transaction Document by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by law.

12. ACCEPTANCE. Receipt of this Warrant by the Holder shall constitute acceptance of and agreement to all of the terms and conditions contained herein.

13. CERTAIN DEFINITIONS. For purposes of this Warrant, the following terms shall have the following meanings:

(a) "Nasdaq" means www.Nasdaq.com.

(b) "Closing Sale Price" means, for any security as of any date, (i) the last closing trade price for such security on the Principal Market, as reported by Nasdaq, or, if the Principal Market begins to operate on an extended hours basis and does not designate the closing trade price, then the last trade price of such security prior to 4:00 p.m., New York time, as reported by Nasdaq, or (ii) if the foregoing does not apply, the last trade price of such security in the over-the-counter market for such security as reported by Nasdaq, or (iii) if no last trade price is reported for such security by Nasdaq, the average of the bid and ask prices of any market makers for such security as reported by the OTC Markets. If the Closing Sale Price cannot be calculated for a security on a particular date on any of the foregoing bases, the Closing Sale Price of such security on such date shall be the fair market value as mutually determined by the Company and the Holder. All such determinations to be appropriately adjusted for any stock dividend, stock split, stock combination or other similar transaction during the applicable calculation period.

(c) "Common Stock" means the Company's common stock, and any other class of securities into which such securities may hereafter be reclassified or changed.

(d) "Common Stock Equivalents" means any securities of the Company that would entitle the holder thereof to acquire at any time Common Stock, including without limitation any debt, preferred stock, rights, options, warrants or other instrument that is at any time convertible into or exercisable or exchangeable for, or otherwise entitles the holder thereof to receive, Common Stock.

(e) "Dilutive Issuance" shall have the meaning described in Section 2(b) above; provided, however, that a Dilutive Issuance shall not include any Exempt Issuance.

(f) "Exempt Issuance" means the issuance of (i) shares of Common Stock or options to employees, officers, directors or consultants of the Company pursuant to any stock or option plan duly adopted by a majority of the non-employee members of the Board of Directors of the Company or a majority of the members of a committee of non-employee directors established for such purpose, or by all of the members of the Board of Directors and (ii) shares of Common Stock issued pursuant to real property leasing arrangement from a bank approved by the Board of Directors of the Company or for services rendered or property acquired.

(g) "Principal Market" means the primary national securities exchange on which the Common Stock is then traded.

(h) "Market Price" means the highest traded price of the Common Stock during the five (5) Trading Days prior to the date of the respective Exercise Notice.

(i) "Trading Day" means (i) any day on which the Common Stock is listed or quoted and traded on its Principal Market, (ii) if the Common Stock is not then listed or quoted and traded on any national securities exchange, then a day on which trading occurs on any over-the-counter markets, or (iii) if trading does not occur on the over-the-counter markets, any Business Day.

[signature page follows]

IN WITNESS WHEREOF, the Company has caused this Warrant to be duly executed as of the Issuance Date set forth above.

BIORESTORATIVE THERAPIES, INC.

By: _____
Name: _____
Title: Chief Executive Officer

EXHIBIT A

EXERCISE NOTICE

(To be executed by the registered holder to exercise this Common Stock Purchase Warrant)

The undersigned holder hereby exercises the right to purchase _____ of the shares of Common Stock ("Warrant Shares") of BioRestorative Therapies, Inc., a Delaware corporation (the "Company"), evidenced by the attached copy of the Common Stock Purchase Warrant (the "Warrant"). Capitalized terms used herein and not otherwise defined shall have the respective meanings set forth in the Warrant.

1. Form of Exercise Price. The Holder intends that payment of the Exercise Price shall be made as (check one):

- ☐ a cash exercise with respect to _____ Warrant Shares; or
☐ by cashless exercise pursuant to the Warrant.

2. Payment of Exercise Price. If cash exercise is selected above, the holder shall pay the applicable Aggregate Exercise Price in the sum of \$_____ to the Company in accordance with the terms of the Warrant.

3. Delivery of Warrant Shares. The Company shall deliver to the holder _____ Warrant Shares in accordance with the terms of the Warrant.

Date:

(Print Name of Registered Holder)

By:
Name:
Title:

EXHIBIT B

ASSIGNMENT OF WARRANT

(To be signed only upon authorized transfer of the Warrant)

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto _____ the right to purchase _____ shares of common stock of BioRestorative Therapies, Inc., to which the within Common Stock Purchase Warrant relates and appoints _____, as attorney-in-fact, to transfer said right on the books of BioRestorative Therapies, Inc. with full power of substitution and re-substitution in the premises. By accepting such transfer, the transferee has agreed to be bound in all respects by the terms and conditions of the within Warrant.

Dated: _____

(Signature) *

(Name)

(Address)

(Social Security or Tax Identification No.)

* The signature on this Assignment of Warrant must correspond to the name as written upon the face of the Common Stock Purchase Warrant in every particular without alteration or enlargement or any change whatsoever. When signing on behalf of a corporation, partnership, trust or other entity, please indicate your position(s) and title(s) with such entity.

EXHIBIT E - INTERCREDITOR AGREEMENT

INTERCREDITOR AGREEMENT

This INTERCREDITOR AGREEMENT, dated as of _____, 2020 (this "Agreement"), is among BioRestorative Therapies, Inc., a Delaware corporation (the "Debtor"), the signatories hereto and future creditors who become secured lenders to the Debtor and signatories hereto, their endorsees, transferees and assigns (collectively, the "Secured Parties") and the undersigned agent (in such capacity, the "Agent").

WITNESSETH:

WHEREAS, the Debtor filed for Chapter 11 bankruptcy protection (In re BioRestorative Therapies, Inc.; case no. 20-71757-reg) (the "Bankruptcy Case") and obtained confirmation of that certain Amended Joint Plan of Reorganization of BioRestorative Therapies, Inc. and Auctus Fund, LLC, dated August 7, 2020 [ECF Doc. No. 105] (the "Plan").

WHEREAS, the Order Confirming Amended Joint Plan of Reorganization was entered by the Bankruptcy Court in the Bankruptcy Case on _____, 2020 [ECF Doc No. ____ (the "Confirmation Order").

WHEREAS, capitalized terms used but not defined herein shall have the meanings ascribed to them in the Confirmation Order or the Plan, as the case may be.

WHEREAS, pursuant to the Plan, either (i) the Debtor and certain Secured Parties have entered into or will enter into certain Securities Purchase Agreements (collectively, the "Purchase Agreement") pursuant to which the Debtor will issue them Secured Convertible Promissory Notes or (ii) the Secured Parties shall receive under the Plan and the Confirmation Order certain Secured Convertible Promissory Notes in exchange for (i) secured claims held against the Debtor (in the case of John M. Desmarais ("Desmarais") and Tuxis Trust), (ii) the DIP Obligation (in the case of Auctus), or (iii) future secured loans to be made to the Debtor, and the Debtor has issued or will issue Secured Convertible Promissory Notes to each of the Secured Parties (the "Notes");

WHEREAS, in order to induce the Secured Parties to extend the loans evidenced by the Notes or exchange the existing debt owed to them for the Notes, the Debtor has agreed to enter into a Security Agreement (the "Security Agreement") and grant the Secured Parties a security interest in substantially all assets of the Debtor to secure the prompt payment, performance and discharge in full of all of the Debtor's obligations owing to the Secured Parties;

WHEREAS, pursuant to the Confirmation Order, the Debtor has issued to Desmarais a Note in the amount of \$490,698.81, dated _____ ("Desmarais Note");

WHEREAS, pursuant to the Confirmation Order, the Debtor has issued to Tuxis Trust a Note in the amount of \$309,301.19, dated _____ ("Tuxis Trust Note");

WHEREAS, Auctus (in its capacity as creditor and not as Agent) is owed the DIP Obligation pursuant to certain existing secured loan documentation;

WHEREAS, pursuant to the Plan, new secured loans of (i) \$3,500,000 and (ii) \$3,500,000, less the DIP Obligation, will or may be advanced by Auctus to the Debtor and new secured loans will or may be advanced by certain other investors to the Debtor on or after the Effective Date (collectively, the "New Indebtedness").

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

1. **Appointment.** The Secured Parties, by their acceptance of the benefits of the Agreement, hereby designate the undersigned agent as the Agent to act as specified herein and in the Transaction Documents. Each Secured Party shall be deemed irrevocably to authorize the Agent to take such action on its behalf under the provisions of this Agreement and any other transaction document executed in connection therewith or in connection with the Purchase Agreement, the Notes, or the Security Agreement (the "Transaction Documents") and to exercise such powers and to perform such duties hereunder and thereunder as are specifically delegated to or required of the Agent by the terms hereof and thereof and such other powers as are reasonably incidental thereto. The Agent shall have no power, right or duty to convert any indebtedness owing to any Secured Party into any shares of the Debtor. The Agent may perform any of its duties hereunder by or through its agents or employees. Any definition not otherwise defined herein or in the Plan or the Confirmation Order shall have the meaning provided in the Transaction Documents. Each of the Secured Parties hereby agrees, acknowledges and grants to the Agent, the full power and authority, on behalf of each of the Secured Parties, individually, and on behalf of all Secured Parties, as a group, to undertake any and all actions as the Agent may determine or elect to take in accordance with this Agreement, in pursuit and enforcement of any of the Creditor Rights (as hereinafter defined). Such actions include, without limitation: (i) the right to hire counsel to represent the Agent, to provide advice and counsel to the Agent in connection with Agent's pursuit and enforcement of the Creditor Rights, and to file any actions, claims or proceedings that the Agent determines to pursue in accordance with this Agreement; (ii) the right to deliver to the Debtor notices of default, and/or declare all sums due and owing under all Transaction Documents to be immediately due and payable; (iii) the right to proceed to protect, exercise and enforce, on behalf of all Secured Parties, the Creditor Rights against the Debtor or any other individual, partnership, limited liability company, limited liability partnership, corporation, trust, joint venture, joint stock company, association, unincorporated organization, government or agency or political subdivision thereof, or other entity ("Persons"), and such other rights and remedies as are provided by law or equity or otherwise available under the Transaction Documents; (iv) the right to file any and all claims or to otherwise make any required filings in any bankruptcy or insolvency proceedings or other proceedings for the protection of creditors, as agent for the Secured Parties; and (v) all other actions that Agent may determine or elect to undertake in accordance with the terms of this Agreement. To effectuate the terms and provisions hereof, each of the Secured Parties, individually, and all Secured Parties, collectively, hereby appoint the Agent as each Secured Parties' attorney-in-fact (and the Agent hereby accepts such appointment) solely for the purpose of carrying out the provisions of this Agreement including, without limitation, taking any and all actions on behalf of the Secured Parties in accordance with the terms and provisions of this Agreement. The powers of attorney granted pursuant

to this Agreement, being coupled with an interest, are irrevocable unless and until this Agreement is terminated in accordance with the provisions contained herein.

2. Nature of Duties. The Agent shall have no duties or responsibilities except those expressly set forth in the Agreement or the Transaction Documents. Neither the Agent nor any of its partners, members, shareholders, officers, directors, employees or agents shall be liable for any action taken or omitted by it as such under the Agreement or the Transaction Documents or in connection herewith or therewith, be responsible for the consequence of any oversight or error of judgment or answerable for any loss, unless caused solely by its or their gross negligence or willful misconduct as determined by a final judgment (not subject to further appeal) of a court of competent jurisdiction. The duties of the Agent shall be mechanical and administrative in nature; the Agent shall not have by reason of the Agreement or any other Transaction Document a fiduciary relationship in respect of Debtor or any Secured Party; and nothing in the Agreement or any other Transaction Document, expressed or implied, is intended to or shall be so construed as to impose upon the Agent any obligations in respect of the Agreement or any other Transaction Document except as expressly set forth herein and therein.

3. Lack of Reliance on the Agent. Independently and without reliance upon the Agent, each Secured Party, to the extent it deems appropriate, has made and shall continue to make (i) its own independent investigation of the financial condition and affairs of the Debtor and its subsidiaries in connection with such Secured Party's investment in the Debtor, the creation and continuance of the obligations, the transactions contemplated by the Transaction Documents, and the taking or not taking of any action in connection therewith, and (ii) its own appraisal of the creditworthiness of the Debtor and its subsidiaries, and of the value of the Collateral from time to time, and the Agent shall have no duty or responsibility, either initially or on a continuing basis, to provide any Secured Party with any credit, market or other information with respect thereto, whether coming into its possession before any Obligations are incurred or at any time or times thereafter. The Agent shall not be responsible to the Debtor or any Secured Party for any recitals, statements, information, representations or warranties herein or in any document, certificate or other writing delivered in connection herewith, or for the execution, effectiveness, genuineness, validity, enforceability, perfection, collectability, priority or sufficiency of the Agreement or any other Transaction Document, or for the financial condition of the Debtor or the value of any of the Collateral, or be required to make any inquiry concerning either the performance or observance of any of the terms, provisions or conditions of the Agreement or any other Transaction Document, or the financial condition of the Debtor, or the value of any of the Collateral, or the existence or possible existence of any default or Event of Default under the Agreement, the Notes or any of the other Transaction Documents. "Collateral" shall have the meaning provided in the Security Agreement.

4. Certain Rights of the Agent. The Agent shall have the right to take any action with respect to the Collateral, on behalf of all of the Secured Parties. To the extent practical, the Agent shall request instructions from the Secured Parties with respect to any material act or action (including failure to act) in connection with the Agreement or any other Transaction Document, and shall be entitled to act or refrain from acting in accordance with the instructions of a Majority in Interest; if such instructions are not provided despite the Agent's request therefor, the Agent shall be entitled to refrain from such act or taking such action, and if such action is taken, shall be entitled to appropriate indemnification from the Secured Parties in respect of actions to be taken by the Agent; and the Agent shall not incur liability to any person or entity by reason of so refraining. Without limiting the foregoing, (a) no Secured Party shall have any right of action whatsoever against the Agent as a result of the Agent acting or refraining from acting hereunder in accordance with the terms of the Agreement or any other Transaction Document, and the Debtor shall have no right to question or challenge the authority of, or the instructions given to, the Agent pursuant to the foregoing and (b) the Agent shall not be required to take any action which the Agent believes (i) could reasonably be expected to expose it to personal liability or (ii) is contrary to this Agreement, the Transaction Documents or applicable law. "Majority in Interest" means, at any time of determination, the majority in interest (based on then-outstanding principal amounts of Notes at the time of such determination) of the Secured Parties.

5. Ranking of Interests. Each Secured Party agrees and acknowledges that the order of security interest priority and deemed perfection shall be as set forth herein.

6. Distribution of Proceeds of Collateral. All proceeds of any realization or recovery on any of the Creditor Rights (as defined below) received by the Agent shall be allocated and distributed by the Agent within a reasonable time after receipt thereof as follows, provided that the Agent shall have the right to withhold certain sums for establishment of due and adequate reserves for future costs and expenses, the amount of such reserves to be determined by the Agent using reasonable business judgment:

- (a) First, to the extent outstanding, to the payment of all costs and expenses of the Agent or any attorneys, agents, experts, or other Persons retained by Agent hereunder, including, without limitation, any sums owing to the Agent under Section 9;
- (b) Second, to the amount owing under the Note issued to Auctus under the Confirmation Order in exchange for the DIP Obligation;
- (c) Third, in satisfaction of the amount owing under the Desmarais Note issued to Desmarais under the Confirmation Order;
- (d) Fourth, in satisfaction of the aggregate amount owing under the Tuxis Trust Note issued to Tuxis Trust under the Confirmation Order and the New Indebtedness, in accordance with such Secured Parties' pro-rata share thereof.

7. Reliance. The Agent shall be entitled to rely, and shall be fully protected in relying, upon any writing, resolution, notice, statement, certificate, telex, teletype or telecopier message, cablegram, radiogram, order or other document or telephone message signed, sent or made by the proper person or entity, and, with respect to all legal matters pertaining to the Agreement and the other Transaction Documents and its duties thereunder, upon advice of counsel selected by it and upon all other matters pertaining to this Agreement and the other Transaction Documents and its duties thereunder, upon advice of other experts selected by it. Anything to the contrary notwithstanding, the Agent shall have no obligation whatsoever to any Secured Party to assure that the Collateral exists or is owned by the Debtor or is cared for, protected or insured or that the liens granted pursuant to the Agreement have been properly or sufficiently or lawfully created, perfected, or enforced or are entitled to any particular priority.

8. **Indemnification.** To the extent that the Agent is not reimbursed and indemnified by the Debtor, the Secured Parties will jointly and severally reimburse and indemnify the Agent, in proportion to their initially purchased respective principal amounts of Notes, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against the Agent in performing its duties hereunder or under the Agreement or any other Transaction Document, or in any way relating to or arising out of the Agreement or any other Transaction Document except for those determined by a final judgment (not subject to further appeal) of a court of competent jurisdiction to have resulted solely from the Agent's own gross negligence or willful misconduct. Prior to taking any action hereunder as Agent, the Agent may require each Secured Party to deposit with it sufficient sums as it determines in good faith is necessary to protect the Agent for costs and expenses associated with taking such action.

9. **Creditors Responsible for all Costs.** The Secured Parties shall pay and be responsible for any and all costs and expenses incurred by the Agent in its pursuit of the Creditor Rights or otherwise incurred in connection with its duties under this Agreement, including, without limitation, all reasonable costs incurred in the pursuit or enforcement of the Creditor Rights, all reasonable expenses and fees of the attorneys, accountants and other experts the Agent may retain, if any, all of such costs and expenses to be borne by the Secured Parties on a pro-rata basis and otherwise in accordance with the terms of this Agreement.

10. Resignation by the Agent.

(a) The Agent may resign from the performance of all its functions and duties under the Agreement and the other Transaction Documents at any time by giving 30 days' prior written notice (as provided in the Agreement) to the Debtor and the Secured Parties. Such resignation shall take effect upon the appointment of a successor Agent pursuant to clauses (b) and (c) below.

(b) Upon any such notice of resignation, the Secured Parties, acting by a Majority in Interest, shall appoint a successor Agent hereunder.

(c) If a successor Agent shall not have been so appointed within said 30-day period, the Agent shall then appoint a successor Agent who shall serve as Agent until such time, if any, as the Secured Parties appoint a successor Agent as provided above. If a successor Agent has not been appointed within such 30-day period, the Agent may petition any court of competent jurisdiction or may interplead the Debtor and the Secured Parties in a proceeding for the appointment of a successor Agent, and all fees, including, but not limited to, extraordinary fees associated with the filing of interpleader and expenses associated therewith, shall be payable by the Debtor on demand.

11. **Rights with respect to Collateral and Enforcement.** Each Secured Party agrees with all other Secured Parties and the Agent (i) that the Agent shall have the exclusive right (but not the obligation) to exercise and enforce all rights and remedies available to the Secured Parties or applicable law and that each Secured Party shall not, and shall not attempt to, exercise any rights with respect to its security interest in the Collateral, whether pursuant to any other agreement or otherwise (other than pursuant to this Agreement) (the "Creditor Rights"), or take or institute any action against the Debtor, the Agent or any of the other Secured Parties in respect of the Collateral or its rights hereunder (other than any such action arising from the breach of this Agreement) or, while any obligations remain outstanding under the Transaction Documents, take or institute any action against the Debtor, the Agent or any of the other Secured Parties in respect of any of the Transaction Documents or any other document which may be currently in existence or which may hereafter come into existence by and between the Debtor and any Secured Party, whether secured or unsecured, and (ii) that such Secured Party has no other rights with respect to the Collateral other than as set forth in this Agreement and the other Transaction Documents. Upon the acceptance of any appointment as Agent hereunder by a successor Agent, such successor Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Agent and the retiring Agent shall be discharged from its duties and obligations under the Agreement. After any retiring Agent's resignation or removal hereunder as Agent, the provisions of the Agreement including this Annex A shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Agent.

12. **Choice of Law; Jurisdiction.** Except to the extent mandatorily governed by the jurisdiction or situs where the Collateral is located, all questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by and construed and enforced in accordance with the internal laws of the State of Nevada, without regard to the principles of conflicts of law thereof. Except to the extent mandatorily governed by the jurisdiction or situs where the Collateral is located, Debtor agrees that all proceedings concerning the interpretations, enforcement and defense of the transactions contemplated by this Agreement (whether brought against a party hereto or its respective affiliates, directors, officers, shareholders, partners, members, employees or agents) shall be commenced exclusively in the state and federal courts sitting in the Commonwealth of Massachusetts. Except to the extent mandatorily governed by the jurisdiction or situs where the Collateral is located, Debtor hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in the Commonwealth of Massachusetts for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such proceeding is improper. Each party hereto hereby irrevocably waives personal service of process and consents to process being served in any such proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. Each party hereto hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

13. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and, all of which taken together shall constitute one and the same Agreement. In the event that any signature is delivered by facsimile transmission, such signature shall create a valid binding obligation of the party executing (or on whose behalf such signature is executed) the same with the same force and effect as if such facsimile signature were the original thereof.

[signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Intercreditor Agreement to be duly executed on the day and year first above written.

AGENT:

AUCTUS FUND LLC

By: _____
Name:
Title:

BIORESTORATIVE THERAPIES, INC.

By: _____
Name: Lance Alstodt
Title: Chief Executive Officer

[additional signature page follows]

[ENTITY INVESTOR]

Name of Investing Entity: _____

Signature of Authorized Signatory of Investing entity: _____

Name of Authorized Signatory: _____

Title of Authorized Signatory: _____

Notice Address: _____

Email: _____

[SIGNATURE PAGE OF SECURED PARTIES TO THE INTERCREDITOR AGREEMENT]

[INDIVIDUAL INVESTOR]

Name of Investor: _____

Signature: _____

Notice Address: _____

Email: _____

SECURITY AGREEMENT

This SECURITY AGREEMENT, dated as of _____, 2020 (this "Agreement"), is among BioRestorative Therapies, Inc., a Delaware corporation (the "Debtor"), the signatories hereto, their endorsees, transferees and assigns (collectively, the "Secured Parties") and the undersigned agent (in such capacity, the "Agent").

THIS SECURITY AGREEMENT IS SUBJECT TO THAT CERTAIN INTERCREDITOR AGREEMENT, DATED _____, 2020, BY AND BETWEEN THE DEBTOR, THE AGENT (AS HEREIN DEFINED) AND AMONG THE SECURED PARTIES (THE "INTERCREDITOR AGREEMENT").

WITNESSETH:

WHEREAS, pursuant to those certain Securities Purchase Agreements, each dated on or about the date hereof (collectively, the "Purchase Agreement"), the Secured Parties have severally agreed to extend loans to the Debtor and the Debtor has issued Secured Convertible Promissory Notes to the Secured Parties (the "Notes");

WHEREAS in order to induce the Secured Parties to extend the loans evidenced by the Notes, the Debtor has agreed to execute and deliver to the Secured Parties this Agreement and to grant the Secured Parties, pari passu with each other Secured Party and through the Agent (as defined herein), a security interest in certain property of the Debtor (subject to the Intercreditor Agreement) to secure the prompt payment, performance and discharge in full of all of the Debtor's obligations under the Purchase Agreement and the Notes.

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

1. **Certain Definitions.** As used in this Agreement, the following terms shall have the meanings set forth in this Section 1. Terms used but not otherwise defined in this Agreement that are defined in Article 9 of the UCC (such as "account", "chattel paper", "commercial tort claim", "deposit account", "document", "equipment", "fixtures", "general intangibles", "goods", "instruments", "inventory", "investment property", "letter-of-credit rights", "proceeds" and "supporting obligations") shall have the respective meanings given such terms in Article 9 of the UCC.

(a) "Collateral" means the collateral in which the Secured Parties are granted a security interest by this Agreement and which shall include the following personal property of the Debtor, whether presently owned or existing or hereafter acquired or coming into existence, wherever situated, and all additions and accessions thereto and all substitutions and replacements thereof, and all proceeds, products and accounts thereof, including, without limitation, all proceeds from the sale or transfer of the Collateral and of insurance covering the same and of any tort claims in connection therewith, and all dividends, interest, cash, notes, securities, equity interest or other property at any time and from time to time acquired:

(i) All goods, including, without limitation, (A) all machinery, equipment, computers, motor vehicles, trucks, tanks, boats, ships, appliances, furniture, special and general tools, fixtures, test and quality control devices and other equipment of every kind and nature and wherever situated, together with all documents of title and documents representing the same, all additions and accessions thereto, replacements therefor, all parts therefor, and all substitutes for any of the foregoing and all other items used and useful in connection with Debtor's businesses and all improvements thereto; and (B) all inventory;

(ii) All contract rights and other general intangibles, including, without limitation, all partnership interests, membership interests, stock or other securities, rights under any of the Organizational Documents, licenses, distribution and other agreements, computer software (whether "off-the-shelf", licensed from any third party or developed by Debtor), computer software development rights, leases, franchises, customer lists, quality control procedures, grants and rights, goodwill, Intellectual Property and income tax refunds;

(iii) All accounts, together with all instruments, all documents of title representing any of the foregoing, all rights in any merchandising, goods, equipment, motor vehicles and trucks which any of the same may represent, and all right, title, security and guaranties with respect to each account, including any right of stoppage in transit;

(iv) All documents, letter-of-credit rights, instruments and chattel paper;

(v) All commercial tort claims;

(vi) All deposit accounts and all cash (whether or not deposited in such deposit accounts);

(vii) All investment property;

(viii) All supporting obligations; and

(ix) All files, records, books of account, business papers, and computer programs; and

(x) the products and proceeds of all of the foregoing Collateral set forth in clauses (i)-(ix) above.

Without limiting the generality of the foregoing, the "Collateral" shall include all investment property and general intangibles respecting ownership and/or other equity interests in all subsidiaries of the Debtor, including, without limitation, the

shares of capital stock and the other equity interests listed on Schedule H hereto (as the same may be modified from time to time pursuant to the terms hereof), and any other shares of capital stock and/or other equity interests of any other direct or indirect subsidiary of any Debtor obtained in the future, and, in each case, all certificates representing such shares and/or equity interests and, in each case, all rights, options, warrants, stock, other securities and/or equity interests that may hereafter be received, receivable or distributed in respect of, or exchanged for, any of the foregoing and all rights arising under or in connection with the Pledged Securities, including, but not limited to, all dividends, interest and cash.

Notwithstanding the foregoing, nothing herein shall be deemed to constitute an assignment of any asset which, in the event of an assignment, becomes void by operation of applicable law or the assignment of which is otherwise prohibited by applicable law (in each case to the extent that such applicable law is not overridden by Sections 9-406, 9-407 and/or 9-408 of the UCC or other similar applicable law); provided, however, that to the extent permitted by applicable law, this Agreement shall create a valid security interest in such asset and, to the extent permitted by applicable law, this Agreement shall create a valid security interest in the proceeds of such asset.

(b) “Intellectual Property” means the collective reference to all rights, priorities and privileges relating to intellectual property, whether arising under United States, multinational or foreign laws or otherwise, including, without limitation, (i) all copyrights arising under the laws of the United States, any other country or any political subdivision thereof, whether registered or unregistered and whether published or unpublished, all registrations and recordings thereof, and all applications in connection therewith, including, without limitation, all registrations, recordings and applications in the United States Copyright Office, (ii) all letters patent of the United States, any other country or any political subdivision thereof, all reissues and extensions thereof, and all applications for letters patent of the United States or any other country and all divisions, continuations and continuations-in-part thereof, (iii) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade dress, service marks, logos, domain names and other source or business identifiers, and all goodwill associated therewith, now existing or hereafter adopted or acquired, all registrations and recordings thereof, and all applications in connection therewith, whether in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof or any other country or any political subdivision thereof, or otherwise, and all common law rights related thereto, (iv) all trade secrets arising under the laws of the United States, any other country or any political subdivision thereof, (v) all rights to obtain any reissues, renewals or extensions of the foregoing, (vi) all licenses for any of the foregoing, and (vii) all causes of action for infringement of the foregoing.

(c) “Majority in Interest” means the definition provided in the Intercreditor Agreement.

(d) “Necessary Endorsement” means undated stock powers endorsed in blank or other proper instruments of assignment duly executed and such other instruments or documents as the Agent (as that term is defined below) may reasonably request.

(e) “Obligations” means all of the liabilities and obligations (primary, secondary, direct, contingent, sole, joint or several) due or to become due, or that are now or may be hereafter contracted or acquired, or owing to, of Debtor to the Secured Parties, including, without limitation, all obligations under this Agreement, the Purchase Agreement, the Notes and any other instruments, agreements or other documents executed and/or delivered in connection herewith or therewith, in each case, whether now or hereafter existing, voluntary or involuntary, direct or indirect, absolute or contingent, liquidated or unliquidated, whether or not jointly owed with others, and whether or not from time to time decreased or extinguished and later increased, created or incurred, and all or any portion of such obligations or liabilities that are paid, to the extent all or any part of such payment is avoided or recovered directly or indirectly from any of the Secured Parties as a preference, fraudulent transfer or otherwise as such obligations may be amended, supplemented, converted, extended or modified from time to time. Without limiting the generality of the foregoing, the term “Obligations” shall include, without limitation: (i) principal of, and interest on the Notes and the loans extended pursuant thereto; (ii) any and all other fees, indemnities, costs, obligations and liabilities of the Debtor from time to time under or in connection with this Agreement, the Purchase Agreement, the Notes, and any other instruments, agreements or other documents executed and/or delivered in connection herewith or therewith and (iii) all amounts (including but not limited to post-petition interest) in respect of the foregoing that would be payable but for the fact that the obligations to pay such amounts are unenforceable or not allowable due to the existence of a bankruptcy, reorganization or similar proceeding involving the Debtor.

(f) “Organizational Documents” means with respect to Debtor, the documents by which the Debtor was organized (such as a certificate of incorporation, certificate of limited partnership or articles of organization, and including, without limitation, any certificates of designation for preferred stock or other forms of preferred equity) and which relate to the internal governance of the Debtor (such as bylaws, a partnership agreement or an operating, limited liability or members agreement).

(g) “Pledged Interests” shall have the meaning ascribed to such term in Section 4(j).

(h) “Pledged Securities” shall have the meaning ascribed to such term in Section 4(i).

(i) “UCC” means the Uniform Commercial Code of the State of Delaware and or any other applicable law of any state or states which has jurisdiction with respect to all, or any portion of, the Collateral or this Agreement, from time to time. It is the intent of the parties that defined terms in the UCC should be construed in their broadest sense so that the term “Collateral” will be construed in its broadest sense. Accordingly if there are, from time to time, changes to defined terms in the UCC that broaden the definitions, they are incorporated herein and if existing definitions in the UCC are broader than the amended definitions, the existing ones shall be controlling.

2. Grant of Security Interest in Collateral. As an inducement for the Secured Parties to extend the loans as evidenced by the Notes and to secure the complete and timely payment, performance and discharge in full, as the case may be, of all of the Obligations, Debtor hereby unconditionally and irrevocably pledges, grants and hypothecates to the Secured Parties a security interest (subject to the Intercreditor Agreement) in and to, a lien upon and a right of set-off against all of their respective right, title and interest of whatsoever kind and nature in and to, the Collateral (a “Security Interest” and, collectively, the “Security Interests”).

3. **Delivery of Certain Collateral.** Contemporaneously or prior to the execution of this Agreement, the Debtor shall deliver or cause to be delivered to the Agent (a) any and all certificates and other instruments representing or evidencing the Pledged Securities, and (b) any and all certificates and other instruments or documents representing any of the other Collateral, in each case, together with all Necessary Endorsements. The Debtor is, contemporaneously with the execution hereof, delivering to Agent, or have previously delivered to Agent, a true and correct copy of each Organizational Document governing any of the Pledged Securities.

4. **Representations, Warranties, Covenants and Agreements of the Debtor.** Except as set forth under the corresponding section of the disclosure schedules delivered to the Secured Parties concurrently herewith (the “Disclosure Schedules”), which Disclosure Schedules shall be deemed a part hereof, the Debtor represents and warrants to, and covenants and agrees with, the Secured Parties as follows:

(a) The Debtor has the requisite corporate, partnership, limited liability company or other power and authority to enter into this Agreement and otherwise to carry out its obligations hereunder. The execution, delivery and performance by the Debtor of this Agreement and the filings contemplated therein have been duly authorized by all necessary action on the part of the Debtor and no further action is required by the Debtor. This Agreement has been duly executed by the Debtor. This Agreement constitutes the legal, valid and binding obligation of the Debtor, enforceable against the Debtor in accordance with its terms except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization and similar laws of general application relating to or affecting the rights and remedies of creditors and by general principles of equity.

(b) The Debtor has no place of business or offices where their respective books of account and records are kept (other than temporarily at the offices of its attorneys or accountants) or places where Collateral is stored or located, except as set forth on Schedule A attached hereto. Except as specifically set forth on Schedule A, the Debtor is the record owner of the real property where such Collateral is located, and there exist no mortgages or other liens on any such real property except as provided on Schedule A. Except as disclosed on Schedule A, none of such Collateral is in the possession of any consignee, bailee, warehouseman, agent or processor.

(c) Except as set forth on Schedule B attached hereto, the Debtor are the sole owner of the Collateral (except for licenses granted by any Debtor), free and clear of any liens, security interests, encumbrances, rights or claims, and are fully authorized to grant the Security Interests. Except as set forth on Schedule C attached hereto, there is not on file in any governmental or regulatory authority, agency or recording office an effective financing statement, security agreement, license or transfer or any notice of any of the foregoing (other than those that will be filed in favor of the Secured Parties pursuant to this Agreement) covering or affecting any of the Collateral. Except as set forth on Schedule C attached hereto and except pursuant to this Agreement, as long as this Agreement shall be in effect, the Debtor shall not execute and shall not knowingly permit to be on file in any such office or agency any other financing statement or other document or instrument (except to the extent filed or recorded in favor of the Secured Parties pursuant to the terms of this Agreement).

(d) No written claim has been received that any Collateral or any Debtor's use of any Collateral violates the rights of any third party. There has been no adverse decision to any Debtor's claim of ownership rights in or exclusive rights to use the Collateral in any jurisdiction or to any Debtor's right to keep and maintain such Collateral in full force and effect, and there is no proceeding involving said rights pending or, to the best knowledge of any Debtor, threatened before any court, judicial body, administrative or regulatory agency, arbitrator or other governmental authority.

(e) The Debtor shall at all times maintain its books of account and records relating to the Collateral at its principal place of business and its Collateral at the locations set forth on Schedule A attached hereto and may not relocate such books of account and records or tangible Collateral unless it delivers to the Secured Parties at least 20 days prior to such relocation (i) written notice of such relocation and the new location thereof (which must be within the United States) and (ii) evidence that appropriate financing statements under the UCC and other necessary documents have been filed and recorded and other steps have been taken to perfect the Security Interests to create in favor of the Secured Parties a valid, perfected and continuing perfected lien in the Collateral.

(f) This Agreement creates in favor of the Secured Parties a valid security interest in the Collateral securing the payment and performance of the Obligations. Upon making the filings described in the immediately following paragraph, all security interests created hereunder in any Collateral which may be perfected by filing UCC financing statements shall have been duly perfected. Except for the filing of the UCC financing statements referred to in the immediately following paragraph, the recordation of the Intellectual Property Security Agreement (as defined in Section 4(p) hereof) with respect to copyrights and copyright applications in the United States Copyright Office referred to in paragraph (m), the execution and delivery of deposit account control agreements satisfying the requirements of Section 9-104(a)(2) of the UCC with respect to each deposit account of the Debtor, and the delivery of the certificates and other instruments provided in Section 3, no action is necessary to create, perfect or protect the security interests created hereunder. Without limiting the generality of the foregoing, except for the filing of said financing statements, the recordation of said Intellectual Property Security Agreement, and the execution and delivery of said deposit account control agreements, no consent of any third parties and no authorization, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for (i) the execution, delivery and performance of this Agreement, (ii) the creation or perfection of the Security Interests created hereunder in the Collateral or (iii) the enforcement of the rights of the Agent and the Secured Parties hereunder.

(g) The Debtor hereby authorizes the Agent to file one or more financing statements under the UCC, with respect to the Security Interests, with the proper filing and recording agencies in any jurisdiction deemed proper by it.

(h) The execution, delivery and performance of this Agreement by the Debtor does not (i) violate any of the provisions of any Organizational Documents of any Debtor or any judgment, decree, order or award of any court, governmental body or arbitrator or any applicable law, rule or regulation applicable to any Debtor or (ii) except as set forth on Schedule B, conflict with, or constitute a default (or an event that with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation (with or without notice, lapse of time or both) of, any agreement, credit facility, debt or other instrument (evidencing any Debtor's debt or otherwise) or other understanding to which any Debtor is a party or by which any property or asset of any Debtor is bound or affected. If any, all required consents (including, without limitation, from stockholders or creditors of any Debtor) necessary for any Debtor to enter into and perform its obligations hereunder have been obtained.

- (i) The capital stock and other equity interests listed on Schedule H hereto (the “Pledged Securities”) represent all of the capital stock and other equity interests of the subsidiaries of the Debtor, and represent all capital stock and other equity interests owned, directly or indirectly, by the Debtor. All of the Pledged Securities are validly issued, fully paid and nonassessable, and the Debtor is the legal and beneficial owner of the Pledged Securities, free and clear of any lien, security interest or other encumbrance except for the security interests created by this Agreement and as provided on the schedules hereto.
- (j) The ownership and other equity interests in partnerships and limited liability companies (if any) included in the Collateral (the “Pledged Interests”) by their express terms do not provide that they are securities governed by Article 8 of the UCC and are not held in a securities account or by any financial intermediary.
- (k) Except as otherwise provided on the schedules hereto, the Debtor shall at all times maintain the liens and Security Interests provided for hereunder as valid and perfected first priority liens and security interests in the Collateral in favor of the Secured Parties until this Agreement and the Security Interest hereunder shall be terminated pursuant to Section 14 hereof. The Debtor hereby agrees to defend the same against the claims of any and all persons and entities. The Debtor shall safeguard and protect all Collateral for the account of the Secured Parties. At the request of the Agent, the Debtor will sign and deliver to the Agent on behalf of the Secured Parties at any time or from time to time one or more financing statements pursuant to the UCC in form reasonably satisfactory to the Agent and will pay the cost of filing the same in all public offices wherever filing is, or is deemed by the Agent to be, necessary or desirable to effect the rights and obligations provided for herein. Without limiting the generality of the foregoing, the Debtor shall pay all fees, taxes and other amounts necessary to maintain the Collateral and the Security Interests hereunder, and the Debtor shall obtain and furnish to the Agent from time to time, upon demand, such releases and/or subordinations of claims and liens which may be required to maintain the priority of the Security Interests hereunder.
- (l) Except as set forth on Schedule B, no Debtor will transfer, pledge, hypothecate, encumber, license, sell or otherwise dispose of any of the Collateral (except for non-exclusive licenses granted by a Debtor in its ordinary course of business and sales of inventory by a Debtor in its ordinary course of business) without the prior written consent of a Majority in Interest.
- (m) The Debtor shall keep and preserve its equipment, inventory and other tangible Collateral in good condition, repair and order, ordinary wear and tear excepted, and shall not operate or locate any such Collateral (or cause to be operated or located) in any area excluded from insurance coverage.
- (n) The Debtor shall maintain with financially sound and reputable insurers, insurance with respect to the Collateral, including Collateral hereafter acquired, against loss or damage of the kinds and in the amounts customarily insured against by entities of established reputation having similar properties similarly situated and in such amounts as are customarily carried under similar circumstances by other such entities and otherwise as is prudent for entities engaged in similar businesses but in any event sufficient to cover the full replacement cost thereof.
- (o) The Debtor shall, within ten (10) days of obtaining knowledge thereof, advise the Secured Parties promptly, in sufficient detail, of any material adverse change in the Collateral, and of the occurrence of any event which would have a material adverse effect on the value of the Collateral or on the Secured Parties’ security interest, through the Agent, therein.
- (p) The Debtor shall promptly execute and deliver to the Agent such further deeds, mortgages, assignments, security agreements, financing statements or other instruments, documents, certificates and assurances and take such further action as the Agent may from time to time reasonably request to perfect, protect or enforce the Secured Parties’ security interest in the Collateral including, without limitation, if applicable, the execution and delivery of a separate security agreement with respect to the Debtor’s Intellectual Property (“Intellectual Property Security Agreement”) in which the Secured Parties have been granted a security interest hereunder, substantially in a form reasonably acceptable to the Agent, which Intellectual Property Security Agreement, other than as stated therein, shall be subject to all of the terms and conditions hereof.
- (q) The Debtor shall permit the Agent and its representatives and agents to inspect the Collateral during normal business hours and upon reasonable prior notice, and to make copies of records pertaining to the Collateral as may be reasonably requested by the Agent from time to time.
- (r) The Debtor shall take all steps reasonably necessary to diligently pursue and seek to preserve, enforce and collect any rights, claims, causes of action and accounts receivable in respect of the Collateral.
- (s) The Debtor shall promptly notify the Secured Parties in sufficient detail upon becoming aware of any attachment, garnishment, execution or other legal process levied against any Collateral and of any other information received by the Debtor that may materially affect the value of the Collateral, the Security Interest or the rights and remedies of the Secured Parties hereunder.
- (t) All information heretofore, herein or hereafter supplied to the Secured Parties by or on behalf of any Debtor with respect to the Collateral is accurate and complete in all material respects as of the date furnished.
- (u) The Debtor shall at all times preserve and keep in full force and effect their respective valid existence and good standing and any rights and franchises material to its business.
- (v) No Debtor will change its name, type of organization, jurisdiction of organization, organizational identification number (if it has one), legal or corporate structure, or identity, or add any new fictitious name unless it provides at least 20 days prior written notice to the Secured Parties of such change and, at the time of such written notification, the Debtor provides any financing statements or fixture filings necessary to perfect and continue the perfection of the Security Interests granted and evidenced by this Agreement.
- (w) Except in the ordinary course of business, no Debtor may consign any of its inventory or sell any of its inventory on bill and hold, sale or return, sale on approval, or other conditional terms of sale without the consent of the Agent which shall not be

unreasonably withheld.

(x) No Debtor may relocate its chief executive office to a new location without providing 20 days prior written notification thereof to the Secured Parties and so long as, at the time of such written notification, the Debtor provides any financing statements or fixture filings necessary to perfect and continue the perfection of the Security Interests granted and evidenced by this Agreement.

(y) The Debtor was organized and remains organized solely under the laws of the state set forth next to the Debtor's name in Schedule D attached hereto, which Schedule D sets forth the Debtor's organizational identification number or, if any Debtor does not have one, states that one does not exist.

(z) (i) The actual name of the Debtor is the name set forth in Schedule D attached hereto; (ii) no Debtor has any trade names except as set forth on Schedule E attached hereto; (iii) no Debtor has used any name other than that stated in the preamble hereto or as set forth on Schedule E for the preceding five years; and (iv) no entity has merged into any Debtor or been acquired by any Debtor within the past five years except as set forth on Schedule E.

(aa) At any time and from time to time that any Collateral consists of instruments, certificated securities or other items that require or permit possession by the secured party to perfect the security interest created hereby, the applicable Debtor shall deliver such Collateral to the Agent upon the occurrence of any Event of Default.

(bb) The Debtor, in its capacity as issuer, hereby agrees to comply with any and all orders and instructions of Agent regarding the Pledged Interests consistent with the terms of this Agreement without the further consent of any Debtor as contemplated by Section 8-106 (or any successor section) of the UCC. Further, the Debtor agrees that it shall not enter into a similar agreement (or one that would confer "control" within the meaning of Article 8 of the UCC) with any other person or entity, except with respect to the Senior Indebtedness (as defined in the Debentures).

(cc) The Debtor shall cause all tangible chattel paper constituting Collateral to be delivered to the Agent upon the occurrence of any Event of Default, or, if such delivery is not possible, then to cause such tangible chattel paper to contain a legend noting that it is subject to the security interest created by this Agreement. To the extent that any Collateral consists of electronic chattel paper, the applicable Debtor shall cause the underlying chattel paper to be "marked" within the meaning of Section 9-105 of the UCC (or successor section thereto).

(dd) If there is any investment property or deposit account included as Collateral that can be perfected by "control" through an account control agreement, the applicable Debtor shall cause such an account control agreement, in form and substance in each case satisfactory to the Agent, to be entered into upon the occurrence of any Event of Default and delivered to the Agent for the benefit of the Secured Parties.

(ee) [Intentionally Omitted].

(ff) To the extent that any Collateral is in the possession of any third party, the applicable Debtor shall join with the Agent in notifying such third party of the Secured Parties' security interest in such Collateral and shall use its best efforts to obtain an acknowledgement and agreement from such third party with respect to the Collateral, in form and substance reasonably satisfactory to the Agent.

(gg) If any Debtor shall at any time hold or acquire a commercial tort claim, the Debtor shall promptly notify the Secured Parties in a writing signed by the Debtor of the particulars thereof and grant to the Secured Parties in such writing a security interest therein and in the proceeds thereof, all upon the terms of this Agreement, with such writing to be in form and substance reasonably satisfactory to the Agent.

(hh) The Debtor shall immediately provide written notice to the Secured Parties of any and all accounts which arise out of contracts with any governmental authority and, to the extent necessary to perfect or continue the perfected status of the Security Interests in such accounts and proceeds thereof, shall execute and deliver to the Agent an assignment of claims for such accounts and cooperate with the Agent in taking any other steps required, in its judgment, under the Federal Assignment of Claims Act or any similar federal, state or local statute or rule to perfect or continue the perfected status of the Security Interests in such accounts and proceeds thereof.

(ii) [intentionally omitted]

(jj) The Debtor shall vote the Pledged Securities to comply with the covenants and agreements set forth herein and in the Debentures.

(kk) The Debtor shall register the pledge of the applicable Pledged Securities on the books of the Debtor. The Debtor shall notify each issuer of Pledged Securities to register the pledge of the applicable Pledged Securities in the name of the Secured Parties on the books of such issuer. Further, except with respect to certificated securities delivered to the Agent, the applicable Debtor shall deliver to Agent an acknowledgement of pledge (which, where appropriate, shall comply with the requirements of the relevant UCC with respect to perfection by registration) signed by the issuer of the applicable Pledged Securities, which acknowledgement shall confirm that: (a) it has registered the pledge on its books and records; and (b) at any time directed by Agent during the continuation of an Event of Default, such issuer will transfer the record ownership of such Pledged Securities into the name of any designee of Agent, will take such steps as may be necessary to effect the transfer, and will comply with all other reasonable instructions of Agent regarding such Pledged Securities without the further consent of the applicable Debtor.

(ll) In the event that, upon an occurrence of an Event of Default, Agent shall sell all or any of the Pledged Securities to another party or parties (herein called the "Transferee") or shall purchase or retain all or any of the Pledged Securities, the Debtor shall, to the extent applicable: (i) deliver to Agent or the Transferee, as the case may be, the articles of incorporation, bylaws, minute books, stock

certificate books, corporate seals, deeds, leases, indentures, agreements, evidences of indebtedness, books of account, financial records and all other Organizational Documents and records of the Debtor and their direct and indirect subsidiaries; (ii) use its best efforts to obtain resignations of the persons then serving as officers and directors of the Debtor and their direct and indirect subsidiaries, if so requested; and (iii) use its best efforts to obtain any approvals that are required by any governmental or regulatory body in order to permit the sale of the Pledged Securities to the Transferee or the purchase or retention of the Pledged Securities by Agent and allow the Transferee or Agent to continue the business of the Debtor and their direct and indirect subsidiaries.

(mm) Without limiting the generality of the other obligations of the Debtor hereunder, the Debtor shall promptly (i) cause to be registered at the United States Copyright Office all of its material copyrights, (ii) cause the security interest contemplated hereby with respect to all Intellectual Property registered at the United States Copyright Office or United States Patent and Trademark Office to be duly recorded at the applicable office, and (iii) give the Agent notice whenever it acquires (whether absolutely or by license) or creates any additional material Intellectual Property.

(nn) The Debtor will from time to time, at the joint and several expense of the Debtor, promptly execute and deliver all such further instruments and documents, and take all such further action as may be necessary or desirable, or as the Agent may reasonably request, in order to perfect and protect any security interest granted or purported to be granted hereby or to enable the Secured Parties to exercise and enforce their rights and remedies hereunder and with respect to any Collateral or to otherwise carry out the purposes of this Agreement.

(oo) Schedule F attached hereto lists all of the patents, patent applications, trademarks, trademark applications, registered copyrights, and domain names owned by any of the Debtor as of the date hereof. Schedule F lists all material licenses in favor of any Debtor for the use of any patents, trademarks, copyrights and domain names as of the date hereof. All material patents and trademarks of the Debtor has been duly recorded at the United States Patent and Trademark Office and all material copyrights of the Debtor has been duly recorded at the United States Copyright Office.

(pp) Except as set forth on Schedule G attached hereto, none of the account Debtor or other persons or entities obligated on any of the Collateral is a governmental authority covered by the Federal Assignment of Claims Act or any similar federal, state or local statute or rule in respect of such Collateral.

5. **Effect of Pledge on Certain Rights.** If any of the Collateral subject to this Agreement consists of nonvoting equity or ownership interests (regardless of class, designation, preference or rights) that may be converted into voting equity or ownership interests upon the occurrence of certain events (including, without limitation, upon the transfer of all or any of the other stock or assets of the issuer), it is agreed that the pledge of such equity or ownership interests pursuant to this Agreement or the enforcement of any of Agent's rights hereunder shall not be deemed to be the type of event which would trigger such conversion rights notwithstanding any provisions in the Organizational Documents or agreements to which any Debtor is subject or to which any Debtor is party.

6. **Defaults.** The following events shall be "Events of Default":

- (a) The occurrence of an Event of Default (as defined in the Notes) under the Notes;
- (b) Any representation or warranty of any Debtor in this Agreement shall prove to have been incorrect in any material respect when made;
- (c) The failure by Debtor to observe or perform any of its obligations hereunder for thirty (30) days after delivery to the Debtor of notice of such failure by or on behalf of a Secured Party unless such default is capable of cure but cannot be cured within such time frame and the Debtor is using best efforts to cure same in a timely fashion; or
- (d) If any provision of this Agreement shall at any time for any reason be declared to be null and void, or the validity or enforceability thereof shall be contested by Debtor, or a proceeding shall be commenced by Debtor, or by any governmental authority having jurisdiction over Debtor, seeking to establish the invalidity or unenforceability thereof, or Debtor shall deny that Debtor has any liability or obligation purported to be created under this Agreement.

7. **Duty To Hold In Trust.**

(a) Upon the occurrence of any Event of Default and at any time thereafter, the Debtor shall, upon receipt of any revenue, income, dividend, interest or other sums subject to the Security Interests, whether payable pursuant to the Notes or otherwise, or of any check, draft, note, trade acceptance or other instrument evidencing an obligation to pay any such sum, hold the same in trust for the Secured Parties and shall forthwith endorse and transfer any such sums or instruments, or both, to the Secured Parties, pro-rata in proportion to their respective then-currently outstanding principal amount of Notes for application to the satisfaction of the Obligations (and if any Note is not outstanding, pro-rata in proportion to the initial purchases of the remaining Notes).

(b) If the Debtor shall become entitled to receive or shall receive any securities or other property (including, without limitation, shares of Pledged Securities or instruments representing Pledged Securities acquired after the date hereof, or any options, warrants, rights or other similar property or certificates representing a dividend, or any distribution in connection with any recapitalization, reclassification or increase or reduction of capital, or issued in connection with any reorganization of the Debtor or any of its direct or indirect subsidiaries) in respect of the Pledged Securities (whether as an addition to, in substitution of, or in exchange for, such Pledged Securities or otherwise), the Debtor agrees to (i) accept the same as the agent of the Secured Parties; (ii) hold the same in trust on behalf of and for the benefit of the Secured Parties; and (iii) to deliver any and all certificates or instruments evidencing the same to Agent on or before the close of business on the fifth business day following the receipt thereof by the Debtor, in the exact form received together with the Necessary Endorsements, to be held by Agent subject to the terms of this Agreement as Collateral.

8. **Rights and Remedies Upon Default.**

(a) Upon the occurrence of any Event of Default and at any time thereafter, the Secured Parties, acting through the Agent, shall have the right to exercise all of the remedies conferred hereunder and under the Notes, and the Secured Parties shall have all the rights and remedies of a secured party under the UCC. Without limitation, the Agent, for the benefit of the Secured Parties, shall have the following rights and powers upon the occurrence of any Event of Default and at any time thereafter:

(i) The Agent shall have the right to take possession of the Collateral and, for that purpose, enter, with the aid and assistance of any person, any premises where the Collateral, or any part thereof, is or may be placed and remove the same, and Debtor shall assemble the Collateral and make it available to the Agent at places which the Agent shall reasonably select, whether at the Debtor's premises or elsewhere, and make available to the Agent, without rent, all of the Debtor's respective premises and facilities for the purpose of the Agent taking possession of, removing or putting the Collateral in saleable or disposable form.

(ii) Upon notice to the Debtor by Agent, all rights of Debtor to exercise the voting and other consensual rights which it would otherwise be entitled to exercise and all rights of Debtor to receive the dividends and interest which it would otherwise be authorized to receive and retain, shall cease. Upon such notice, Agent shall have the right to receive, for the benefit of the Secured Parties, any interest, cash dividends or other payments on the Collateral and, at the option of Agent, to exercise in such Agent's discretion all voting rights pertaining thereto. Without limiting the generality of the foregoing, Agent shall have the right (but not the obligation) to exercise all rights with respect to the Collateral as it were the sole and absolute owner thereof, including, without limitation, to vote and/or to exchange, at its sole discretion, any or all of the Collateral in connection with a merger, reorganization, consolidation, recapitalization or other readjustment concerning the Collateral or Debtor or any of its direct or indirect subsidiaries.

(iii) The Agent shall have the right to operate the business of Debtor using the Collateral and shall have the right to assign, sell, lease or otherwise dispose of and deliver all or any part of the Collateral, at public or private sale or otherwise, either with or without special conditions or stipulations, for cash or on credit or for future delivery, in such parcel or parcels and at such time or times and at such place or places, and upon such terms and conditions as the Agent may deem commercially reasonable, all without (except as shall be required by applicable statute and cannot be waived) advertisement or demand upon or notice to Debtor or right of redemption of a Debtor, which are hereby expressly waived. Upon each such sale, lease, assignment or other transfer of Collateral, the Agent, for the benefit of the Secured Parties, may, unless prohibited by applicable law which cannot be waived, purchase all or any part of the Collateral being sold, free from and discharged of all trusts, claims, right of redemption and equities of Debtor, which are hereby waived and released.

(iv) The Agent shall have the right (but not the obligation) to notify any account Debtor and any obligors under instruments or accounts to make payments directly to the Agent, on behalf of the Secured Parties, and to enforce the Debtor's rights against such account Debtor and obligors.

(v) The Agent, for the benefit of the Secured Parties, may (but is not obligated to) direct any financial intermediary or any other person or entity holding any investment property to transfer the same to the Agent, on behalf of the Secured Parties, or its designee.

(vi) The Agent may (but is not obligated to) transfer any or all Intellectual Property registered in the name of Debtor at the United States Patent and Trademark Office and/or Copyright Office into the name of the Secured Parties or any designee or any purchaser of any Collateral.

(b) The Agent shall comply with any applicable law in connection with a disposition of Collateral and such compliance will not be considered adversely to affect the commercial reasonableness of any sale of the Collateral. The Agent may sell the Collateral without giving any warranties and may specifically disclaim such warranties. If the Agent sells any of the Collateral on credit, the Debtor will only be credited with payments actually made by the purchaser. In addition, Debtor waives any and all rights that it may have to a judicial hearing in advance of the enforcement of any of the Agent's rights and remedies hereunder, including, without limitation, its right following an Event of Default to take immediate possession of the Collateral and to exercise its rights and remedies with respect thereto.

(c) For the purpose of enabling the Agent to further exercise rights and remedies under this Section or elsewhere provided by agreement or applicable law, Debtor hereby grants to the Agent, for the benefit of the Agent and the Secured Parties, an irrevocable, nonexclusive license (exercisable without payment of royalty or other compensation to the Debtor) to use, license or sublicense following an Event of Default, any Intellectual Property now owned or hereafter acquired by the Debtor, and wherever the same may be located, and including in such license access to all media in which any of the licensed items may be recorded or stored and to all computer software and programs used for the compilation or printout thereof.

9. Applications of Proceeds. The proceeds of any such sale, lease or other disposition of the Collateral hereunder or from payments made on account of any insurance policy insuring any portion of the Collateral shall be applied first, to the reasonable expenses of retaking, holding, storing, processing and preparing for sale, selling, and the like (including, without limitation, any taxes, fees and other costs incurred in connection therewith) of the Collateral, to the reasonable attorneys' fees and reasonable expenses incurred by the Agent in enforcing the Secured Parties' rights hereunder and in connection with collecting, storing and disposing of the Collateral, and then to satisfaction of the Obligations pro rata among the Secured Parties (based on then-outstanding principal amounts of Notes at the time of any such determination), and to the payment of any other amounts required by applicable law, after which the Secured Parties shall pay to the applicable Debtor any surplus proceeds. If, upon the sale, license or other disposition of the Collateral, the proceeds thereof are insufficient to pay all amounts to which the Secured Parties are legally entitled, the Debtor will be liable for the deficiency, together with interest thereon, at the rate of 15% per annum or the lesser amount permitted by applicable law (the "Default Rate"), and the reasonable fees of any attorneys employed by the Secured Parties to collect such deficiency. To the extent permitted by applicable law, Debtor waives all claims, damages and demands against the Secured Parties arising out of the repossession, removal, retention or sale of the Collateral, unless due solely to the gross negligence or willful misconduct of the Secured Parties as determined by a final judgment (not subject to further appeal) of a court of competent jurisdiction.

10. Securities Law Provision. The Debtor recognizes that Agent may be limited in its ability to effect a sale to the public of all or part of the Pledged Securities by reason of certain prohibitions in the Securities Act of 1933, as amended, or other federal or state securities laws (collectively, the "Securities Laws"), and may be compelled to resort to one or more sales to a restricted group of purchasers who may be required to agree to acquire the Pledged Securities for their own account, for investment and not with a view to the distribution or resale thereof. The Debtor agrees that sales so made may be at prices and on terms less favorable than if the Pledged Securities were sold to the public, and that Agent has no obligation to delay the sale of any Pledged Securities for the period of time necessary to register the Pledged Securities for sale to the public under the Securities Laws. The Debtor shall cooperate with Agent in its attempt to satisfy any requirements under the Securities Laws (including, without limitation, registration thereunder if requested by Agent) applicable to the sale of the Pledged Securities by Agent.

11. Costs and Expenses. Debtor agrees to pay all reasonable out-of-pocket fees, costs and expenses incurred in connection with any filing required hereunder, including without limitation, any financing statements pursuant to the UCC, continuation statements, partial releases and/or termination statements related thereto or any expenses of any searches reasonably required by the Agent. The Debtor shall also pay all other claims and charges which in the reasonable opinion of the Agent is reasonably likely to prejudice, imperil or otherwise affect the Collateral or the Security Interests therein, except with respect to Senior Indebtedness (as defined in the Notes). The Debtor will also, upon demand, pay to the Agent the amount of any and all reasonable expenses, including the reasonable fees and expenses of its counsel and of any experts and agents, which the Agent, for the benefit of the Secured Parties, may incur in connection with the creation, perfection, protection, satisfaction, foreclosure, collection or enforcement of the Security Interest and the preparation, administration, continuance, amendment or enforcement of this Agreement and pay to the Agent the amount of any and all reasonable expenses, including the reasonable fees and expenses of its counsel and of any experts and agents, which the Agent, for the benefit of the Secured Parties, and the Secured Parties may incur in connection with (i) the enforcement of this Agreement, (ii) the custody or preservation of, or the sale of, collection from, or other realization upon, any of the Collateral, or (iii) the exercise or enforcement of any of the rights of the Secured Parties under the Notes. Until so paid, any fees payable hereunder shall be added to the principal amount of the Notes and shall bear interest at the Default Rate.

12. Responsibility for Collateral. The Debtor assumes all liabilities and responsibility in connection with all Collateral, and the Obligations shall in no way be affected or diminished by reason of the loss, destruction, damage or theft of any of the Collateral or its unavailability for any reason. Without limiting the generality of the foregoing, (a) neither the Agent nor any Secured Party (i) has any duty (either before or after an Event of Default) to collect any amounts in respect of the Collateral or to preserve any rights relating to the Collateral, or (ii) has any obligation to clean-up or otherwise prepare the Collateral for sale, and (b) Debtor shall remain obligated and liable under each contract or agreement included in the Collateral to be observed or performed by the Debtor thereunder. Neither the Agent nor any Secured Party shall have any obligation or liability under any such contract or agreement by reason of or arising out of this Agreement or the receipt by the Agent or any Secured Party of any payment relating to any of the Collateral, nor shall the Agent or any Secured Party be obligated in any manner to perform any of the obligations of Debtor under or pursuant to any such contract or agreement, to make inquiry as to the nature or sufficiency of any payment received by the Agent or any Secured Party in respect of the Collateral or as to the sufficiency of any performance by any party under any such contract or agreement, to present or file any claim, to take any action to enforce any performance or to collect the payment of any amounts which may have been assigned to the Agent or to which the Agent or any Secured Party may be entitled at any time or times.

13. Security Interests Absolute. All rights of the Secured Parties and all obligations of the Debtor hereunder, shall be absolute and unconditional, irrespective of: (a) any lack of validity or enforceability of this Agreement, the Notes or any agreement entered into in connection with the foregoing, or any portion hereof or thereof; (b) any change in the time, manner or place of payment or performance of, or in any other term of, all or any of the Obligations, or any other amendment or waiver of or any consent to any departure from the Notes or any other agreement entered into in connection with the foregoing; (c) any exchange, release or nonperfection of any of the Collateral, or any release or amendment or waiver of or consent to departure from any other collateral for, or any guarantee, or any other security, for all or any of the Obligations; (d) any action by the Secured Parties to obtain, adjust, settle and cancel in its sole discretion any insurance claims or matters made or arising in connection with the Collateral; or (e) any other circumstance which might otherwise constitute any legal or equitable defense available to a Debtor, or a discharge of all or any part of the Security Interests granted hereby. Until the Obligations shall have been paid and performed in full, the rights of the Secured Parties shall continue even if the Obligations are barred for any reason, including, without limitation, the running of the statute of limitations. Debtor expressly waives presentment, protest, notice of protest, demand, notice of nonpayment and demand for performance. In the event that at any time any transfer of any Collateral or any payment received by the Secured Parties hereunder shall be deemed by final order of a court of competent jurisdiction to have been a voidable preference or fraudulent conveyance under the bankruptcy or insolvency laws of the United States, or shall be deemed to be otherwise due to any party other than the Secured Parties, then, in any such event, Debtor's obligations hereunder shall survive cancellation of this Agreement, and shall not be discharged or satisfied by any prior payment thereof and/or cancellation of this Agreement, but shall remain a valid and binding obligation enforceable in accordance with the terms and provisions hereof. Debtor waives all right to require the Secured Parties to proceed against any other person or entity or to apply any Collateral which the Secured Parties may hold at any time, or to marshal assets, or to pursue any other remedy. Debtor waives any defense arising by reason of the application of the statute of limitations to any obligation secured hereby.

14. Term of Agreement. This Agreement and the Security Interests shall terminate on the date on which all payments under the Notes have been indefeasibly paid in full and all other Obligations have been paid or discharged; provided, however, that all indemnities of the Debtor contained in this Agreement shall survive and remain operative and in full force and effect regardless of the termination of this Agreement.

15. Power of Attorney; Further Assurances.

(a) Debtor authorizes the Agent, and does hereby make, constitute and appoint the Agent and its officers, agents, successors or assigns with full power of substitution, as the Debtor's true and lawful attorney-in-fact, with power, in the name of the Agent or the Debtor, to, after the occurrence and during the continuance of an Event of Default, (i) endorse any note, checks, drafts, money orders or other instruments of payment (including payments payable under or in respect of any policy of insurance) in respect of the Collateral that may come into possession of the Agent; (ii) to sign and endorse any financing statement pursuant to the UCC or any invoice, freight or express bill, bill of lading, storage or warehouse receipts, drafts against Debtor, assignments, verifications and notices in connection with accounts, and other documents relating to the Collateral; (iii) to pay or discharge taxes, liens, security interests or other encumbrances at any time levied or placed on or threatened against the Collateral; (iv) to demand, collect, receipt for, compromise, settle and sue for monies due in respect of the Collateral; (v) to transfer any Intellectual Property or provide licenses respecting any Intellectual Property; and (vi)

generally, at the option of the Agent, and at the expense of the Debtor, at any time, or from time to time, to execute and deliver any and all documents and instruments and to do all acts and things which the Agent deems necessary to protect, preserve and realize upon the Collateral and the Security Interests granted therein in order to effect the intent of this Agreement and the Notes all as fully and effectually as the Debtor might or could do; and Debtor hereby ratifies all that said attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable for the term of this Agreement and thereafter as long as any of the Obligations shall be outstanding. The designation set forth herein shall be deemed to amend and supersede any inconsistent provision in the Organizational Documents or other documents or agreements to which Debtor is subject or to which Debtor is a party. Without limiting the generality of the foregoing, after the occurrence and during the continuance of an Event of Default, each Secured Party is specifically authorized to execute and file any applications for or instruments of transfer and assignment of any patents, trademarks, copyrights or other Intellectual Property with the United States Patent and Trademark Office and the United States Copyright Office.

(b) On a continuing basis, Debtor will make, execute, acknowledge, deliver, file and record, as the case may be, with the proper filing and recording agencies in any jurisdiction all such instruments, and take all such action as may reasonably be deemed necessary or advisable, or as reasonably requested by the Agent, to perfect the Security Interests granted hereunder and otherwise to carry out the intent and purposes of this Agreement, or for assuring and confirming to the Agent the grant or perfection of a perfected security interest in all the Collateral under the UCC.

(c) Debtor hereby irrevocably appoints the Agent as the Debtor's attorney-in-fact, with full authority in the place and instead of the Debtor and in the name of the Debtor, from time to time in the Agent's discretion, to take any reasonably necessary action and to execute any reasonably necessary instrument to accomplish the purposes of this Agreement, pertaining to the filing, in its sole discretion, of one or more financing or continuation statements and amendments thereto, relative to any of the Collateral without the signature of the Debtor where permitted by law, which financing statements may (but need not) describe the Collateral as "all assets" or "all personal property" or words of like import, and ratifies all such actions taken by the Agent. This power of attorney is coupled with an interest and shall be irrevocable for the term of this Agreement and thereafter as long as any of the Obligations shall be outstanding.

16. **Notices.** All notices, requests, demands and other communications hereunder shall be subject to the notice provision of the Purchase Agreement (as such term is defined in the Notes).

17. **[reserved]**

18. **Miscellaneous.**

(a) No course of dealing between the Debtor and the Secured Parties, nor any failure to exercise, nor any delay in exercising, on the part of the Secured Parties, any right, power or privilege hereunder or under the Notes shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

(b) All of the rights and remedies of the Secured Parties with respect to the Collateral, whether established hereby or by the Notes or by any other agreements, instruments or documents or by law shall be cumulative and may be exercised singly or concurrently.

(c) This Agreement, together with the exhibits and schedules hereto, contain the entire understanding of the parties with respect to the subject matter hereof and supersede all prior agreements and understandings, oral or written, with respect to such matters, which the parties acknowledge have been merged into this Agreement and the exhibits and schedules hereto. No provision of this Agreement may be waived, modified, supplemented or amended except in a written instrument signed, in the case of an amendment, by the Debtor and the Secured Parties holding 67% or more of the principal amount of Notes then outstanding, or, in the case of a waiver, by the party against whom enforcement of any such waived provision is sought.

(d) If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the parties hereto shall use their commercially reasonable efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction. It is hereby stipulated and declared to be the intention of the parties that they would have executed the remaining terms, provisions, covenants and restrictions without including any of such that may be hereafter declared invalid, illegal, void or unenforceable.

(e) No waiver of any default with respect to any provision, condition or requirement of this Agreement shall be deemed to be a continuing waiver in the future or a waiver of any subsequent default or a waiver of any other provision, condition or requirement hereof, nor shall any delay or omission of any party to exercise any right hereunder in any manner impair the exercise of any such right.

(f) This Agreement shall be binding upon and inure to the benefit of the parties and their successors and permitted assigns. The Debtor may not assign this Agreement or any rights or obligations hereunder without the prior written consent of each Secured Party (other than by merger). Any Secured Party may assign any or all of its rights under this Agreement to any Person (as defined in the Purchase Agreement) to whom such Secured Party assigns or transfers any Obligations, provided such transferee agrees in writing to be bound, with respect to (i) the transferred Obligations, by the provisions of this Agreement that apply to the "Secured Parties" and (ii) such assignment or transfer complies with the requirements of the Purchase Agreement.

(g) Each party shall take such further action and execute and deliver such further documents as may be necessary or appropriate in order to carry out the provisions and purposes of this Agreement.

(h) Except to the extent mandatorily governed by the jurisdiction or situs where the Collateral is located, all questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by and construed and enforced in accordance with the internal laws of the State of Delaware, without regard to the principles of conflicts of law thereof. Except to the extent

mandatorily governed by the jurisdiction or situs where the Collateral is located, Debtor agrees that all proceedings concerning the interpretations, enforcement and defense of the transactions contemplated by this Agreement and the Notes (whether brought against a party hereto or its respective affiliates, directors, officers, shareholders, partners, members, employees or agents) shall be commenced exclusively in the state and federal courts sitting in the Commonwealth of Massachusetts. Except to the extent mandatorily governed by the jurisdiction or situs where the Collateral is located, Debtor hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in the Commonwealth of Massachusetts for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such proceeding is improper. Each party hereto hereby irrevocably waives personal service of process and consents to process being served in any such proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. Each party hereto hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

(i) This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and, all of which taken together shall constitute one and the same Agreement. In the event that any signature is delivered by facsimile transmission, such signature shall create a valid binding obligation of the party executing (or on whose behalf such signature is executed) the same with the same force and effect as if such facsimile signature were the original thereof.

(k) Debtor shall indemnify, reimburse and hold harmless the Agent and the Secured Parties and their respective partners, members, shareholders, officers, directors, employees and agents (and any other persons with other titles that have similar functions) (collectively, "Indemnitees") from and against any and all losses, claims, liabilities, damages, penalties, suits, costs and expenses, of any kind or nature, (including reasonable fees relating to the cost of investigating and defending any of the foregoing) imposed on, incurred by or asserted against such Indemnatee in any way related to or arising from or alleged to arise from this Agreement or the Collateral, except any such losses, claims, liabilities, damages, penalties, suits, costs and expenses which result from the gross negligence or willful misconduct of the Indemnatee as determined by a final, nonappealable decision of a court of competent jurisdiction. This indemnification provision is in addition to, and not in limitation of, any other indemnification provision in the Notes, the Purchase Agreement (as such term is defined in the Notes) or any other agreement, instrument or other document executed or delivered in connection herewith or therewith.

(l) Nothing in this Agreement shall be construed to subject Agent or any Secured Party to liability as a partner in Debtor or any if its direct or indirect subsidiaries that is a partnership or as a member in Debtor or any of its direct or indirect subsidiaries that is a limited liability company, nor shall Agent or any Secured Party be deemed to have assumed any obligations under any partnership agreement or limited liability company agreement, as applicable, of any the Debtor or any of its direct or indirect subsidiaries or otherwise, unless and until any such Secured Party exercises its right to be substituted for the Debtor as a partner or member, as applicable, pursuant hereto.

(m) To the extent that the grant of the security interest in the Collateral and the enforcement of the terms hereof require the consent, approval or action of any partner or member, as applicable, of Debtor or any direct or indirect subsidiary of Debtor or compliance with any provisions of any of the Organizational Documents, the Debtor hereby grants such consent and approval and waive any such noncompliance with the terms of said documents.

[signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Security Agreement to be duly executed on the day and year first above written.

BIORESTORATIVE THERAPIES, INC.

By: _____
Name: _____
Title: Chief Executive Officer

AGENT:

[INSERT NAME]

By: _____

Name:

Title:

Notice Address:

[ADDRESS]

[SIGNATURE PAGE OF SECURED PARTIES TO THE SECURITY AGREEMENT]

[ENTITY INVESTOR]

Name of Investing Entity: _____

Signature of Authorized Signatory of Investing entity: _____

Name of Authorized Signatory: _____

Title of Authorized Signatory: _____

Notice Address: _____

Email: _____

[SIGNATURE PAGE OF SECURED PARTIES TO THE SECURITY AGREEMENT]

[INDIVIDUAL INVESTOR]

Name of Investor: _____

Signature: _____

Notice Address: _____

Email: _____

Fill in this information to identify the case:Debtor name **BioRestorative Therapies, Inc.**United States Bankruptcy Court for the: **EASTERN DISTRICT OF NEW YORK**Case number (if known) **8-20-71757**☐ Check if this is an amended filing**Official Form 206A/B****Schedule A/B: Assets - Real and Personal Property**

12/15

Disclose all property, real and personal, which the debtor owns or in which the debtor has any other legal, equitable, or future interest. Include all property in which the debtor holds rights and powers exercisable for the debtor's own benefit. Also include assets and properties which have no book value, such as fully depreciated assets or assets that were not capitalized. In Schedule A/B, list any executory contracts or unexpired leases. Also list them on *Schedule G: Executory Contracts and Unexpired Leases* (Official Form 206G).

Be as complete and accurate as possible. If more space is needed, attach a separate sheet to this form. At the top of any pages added, write the debtor's name and case number (if known). Also identify the form and line number to which the additional information applies. If an additional sheet is attached, include the amounts from the attachment in the total for the pertinent part.

For Part 1 through Part 11, list each asset under the appropriate category or attach separate supporting schedules, such as a fixed asset schedule or depreciation schedule, that gives the details for each asset in a particular category. List each asset only once. In valuing the debtor's interest, do not deduct the value of secured claims. See the instructions to understand the terms used in this form.

Part 1: Cash and cash equivalents**1. Does the debtor have any cash or cash equivalents?**☐ No. Go to Part 2.☒ Yes Fill in the information below.**All cash or cash equivalents owned or controlled by the debtor****Current value of debtor's interest****3. Checking, savings, money market, or financial brokerage accounts (Identify all)**

Name of institution (bank or brokerage firm)

Type of account

Last 4 digits of account number

3.1. **Wells Fargo****Business Checking - Operations****2717****\$4,727.44**3.2. **Wells Fargo****Business Checking - Payroll****2709****\$82.73****4. Other cash equivalents (Identify all)****5. Total of Part 1.**

Add lines 2 through 4 (including amounts on any additional sheets). Copy the total to line 80.

\$4,810.17**Part 2: Deposits and Prepayments****6. Does the debtor have any deposits or prepayments?**☐ No. Go to Part 3.☒ Yes Fill in the information below.**7. Deposits, including security deposits and utility deposits**

Description, including name of holder of deposit

7.1. **Catherine Ross (Consultant)****\$900.00**7.2. **RIMCO (Landlord)****\$22,100.00**

Debtor BioRestorative Therapies, Inc.
Name

Case number (if known) 8-20-71757

8. **Prepayments, including prepayments on executory contracts, leases, insurance, taxes, and rent**
Description, including name of holder of prepayment

9. **Total of Part 2.**
Add lines 7 through 8. Copy the total to line 81.

\$23,000.00

Part 3: Accounts receivable

10. **Does the debtor have any accounts receivable?**

- ☒ No. Go to Part 4.
☐ Yes Fill in the information below.

Part 4: Investments

13. **Does the debtor own any investments?**

- ☐ No. Go to Part 5.
☒ Yes Fill in the information below.

	Valuation method used for current value	Current value of debtor's interest
14. Mutual funds or publicly traded stocks not included in Part 1 Name of fund or stock:		
15. Non-publicly traded stock and interests in incorporated and unincorporated businesses, including any interest in an LLC, partnership, or joint venture Name of entity: % of ownership		
15.1. Stern Pearls, LLC (not active)	100 %	Unknown

16. **Government bonds, corporate bonds, and other negotiable and non-negotiable instruments not included in Part 1**
Describe:

17. **Total of Part 4.**
Add lines 14 through 16. Copy the total to line 83.

\$0.00

Part 5: Inventory, excluding agriculture assets

18. **Does the debtor own any inventory (excluding agriculture assets)?**

- ☒ No. Go to Part 6.
☐ Yes Fill in the information below.

Part 6: Farming and fishing-related assets (other than titled motor vehicles and land)

27. **Does the debtor own or lease any farming and fishing-related assets (other than titled motor vehicles and land)?**

- ☒ No. Go to Part 7.
☐ Yes Fill in the information below.

Part 7: Office furniture, fixtures, and equipment; and collectibles

38. **Does the debtor own or lease any office furniture, fixtures, equipment, or collectibles?**

- ☐ No. Go to Part 8.
☒ Yes Fill in the information below.

Debtor **BioRestorative Therapies, Inc.**
Name

Case number (if known) **8-20-71757**

	General description	Net book value of debtor's interest (Where available)	Valuation method used for current value	Current value of debtor's interest
39.	Office furniture			
40.	Office fixtures			
41.	Office equipment, including all computer equipment and communication systems equipment and software Office furniture, computers, etc.	\$29,475.84		\$29,475.84

42. **Collectibles** *Examples:* Antiques and figurines; paintings, prints, or other artwork; books, pictures, or other art objects; china and crystal; stamp, coin, or baseball card collections; other collections, memorabilia, or collectibles

43. **Total of Part 7.**
Add lines 39 through 42. Copy the total to line 86.

\$29,475.84

44. **Is a depreciation schedule available for any of the property listed in Part 7?**
☐ No
☒ Yes

45. **Has any of the property listed in Part 7 been appraised by a professional within the last year?**
☒ No
☐ Yes

Part 8: Machinery, equipment, and vehicles

46. **Does the debtor own or lease any machinery, equipment, or vehicles?**

- ☐ No. Go to Part 9.
☒ Yes Fill in the information below.

	General description Include year, make, model, and identification numbers (i.e., VIN, HIN, or N-number)	Net book value of debtor's interest (Where available)	Valuation method used for current value	Current value of debtor's interest
47.	Automobiles, vans, trucks, motorcycles, trailers, and titled farm vehicles			
48.	Watercraft, trailers, motors, and related accessories <i>Examples:</i> Boats, trailers, motors, floating homes, personal watercraft, and fishing vessels			
49.	Aircraft and accessories			
50.	Other machinery, fixtures, and equipment (excluding farm machinery and equipment) Lab equipment, etc.	\$17,591.30		\$17,591.30

51. **Total of Part 8.**
Add lines 47 through 50. Copy the total to line 87.

\$17,591.30

52. **Is a depreciation schedule available for any of the property listed in Part 8?**
☐ No
☒ Yes

53. **Has any of the property listed in Part 8 been appraised by a professional within the last year?**
☒ No

Debtor **BioRestorative Therapies, Inc.**
Name

Case number (If known) **8-20-71757**

☐ Yes

Part 9: Real property

54. Does the debtor own or lease any real property?

- ☒ No. Go to Part 10.
☐ Yes Fill in the information below.

Part 10: Intangibles and intellectual property

59. Does the debtor have any interests in intangibles or intellectual property?

- ☐ No. Go to Part 11.
☒ Yes Fill in the information below.

	General description	Net book value of debtor's interest (Where available)	Valuation method used for current value	Current value of debtor's interest
60.	Patents, copyrights, trademarks, and trade secrets See attached Schedule attached hereto	\$724,185.00		\$724,185.00
61.	Internet domain names and websites See Schedule attached hereto	Unknown		\$0.00
62.	Licenses, franchises, and royalties January 27, 2012 license agreement between the Company and a stem cell treatment company of intellectual properties and special needle	Unknown		\$0.00

63. Customer lists, mailing lists, or other compilations

64. Other intangibles, or intellectual property

65. Goodwill

66. Total of Part 10.

Add lines 60 through 65. Copy the total to line 89.

\$724,185.00

67. Do your lists or records include personally identifiable information of customers (as defined in 11 U.S.C. §§ 101(41A) and 107?

- ☒ No
☐ Yes

68. Is there an amortization or other similar schedule available for any of the property listed in Part 10?

- ☐ No
☒ Yes

69. Has any of the property listed in Part 10 been appraised by a professional within the last year?

- ☒ No
☐ Yes

Part 11: All other assets

70. Does the debtor own any other assets that have not yet been reported on this form?

Include all interests in executory contracts and unexpired leases not previously reported on this form.

- ☐ No. Go to Part 12.

Debtor BioRestorative Therapies, Inc.
Name

Case number (if known) 8-20-71757

☐ Yes Fill in the information below.

Current value of
debtor's interest

71. **Notes receivable**
Description (include name of obligor)

72. **Tax refunds and unused net operating losses (NOLs)**
Description (for example, federal, state, local)
Federal Net Operating Losses as of December 31, 2018
totaling \$45,020,791.00 (may be subject to, among other
things, assignment restrictions and/or annual
limitations pursuant to Section 382 of the Internal
Revenue Code)

Tax year _____ **Unknown**

State Net Operating Losses as of December 31, 2018
totaling \$26,539,655.00 (may be subject to, among other
things, assignment restrictions and/or annual
limitations pursuant to New York tax law)

Tax year _____ **Unknown**

73. **Interests in insurance policies or annuities**

74. **Causes of action against third parties (whether or not a lawsuit
has been filed)**

75. **Other contingent and unliquidated claims or causes of action of
every nature, including counterclaims of the debtor and rights to
set off claims**

76. **Trusts, equitable or future interests in property**

77. **Other property of any kind not already listed** *Examples: Season tickets,
country club membership*
**In November, 2015, the Company and a stem cell
treatment company ("SCTC") entered into an
amendment to a January 27, 2012 license agreement
between them. Pursuant to the amendment, effective
November 30, 2015, the Company granted to the SCTC
(i) a non-exclusive sublicense to use certain of the
licensed intellectual property in one location outside the
United States and (ii) a non-exclusive sublicense to use,
and the right to sublicense to third parties the right to
use, in certain locations in the United States, certain of
the licensed intellectual property. In consideration of
the sublicenses, the SCTC has agreed to pay the
Company royalties on a per disc procedure basis.**

\$130,000.00

**Various populations of human cell lines. Located in (i)
Melville, NY; (ii) research partner's lab in Philadelphia,
PA (under Research Collaboration Agreement);
research partner's lab in Salt Lake City, UT (under
Service Agreement).**

Unknown

78. **Total of Part 11.**
Add lines 71 through 77. Copy the total to line 90.

\$130,000.00

79. **Has any of the property listed in Part 11 been appraised by a professional within the last year?**

Debtor BioRestorative Therapies, Inc.
Name

Case number (If known) 8-20-71757

☒ No
☐ Yes

Debtor **BioRestorative Therapies, Inc.**
Name

Case number (if known) **8-20-71757**

Part 12: Summary

In Part 12 copy all of the totals from the earlier parts of the form

Type of property	Current value of personal property	Current value of real property
80. Cash, cash equivalents, and financial assets. <i>Copy line 5, Part 1</i>	\$4,810.17	
81. Deposits and prepayments. <i>Copy line 9, Part 2.</i>	\$23,000.00	
82. Accounts receivable. <i>Copy line 12, Part 3.</i>	\$0.00	
83. Investments. <i>Copy line 17, Part 4.</i>	\$0.00	
84. Inventory. <i>Copy line 23, Part 5.</i>	\$0.00	
85. Farming and fishing-related assets. <i>Copy line 33, Part 6.</i>	\$0.00	
86. Office furniture, fixtures, and equipment; and collectibles. <i>Copy line 43, Part 7.</i>	\$29,475.84	
87. Machinery, equipment, and vehicles. <i>Copy line 51, Part 8.</i>	\$17,591.30	
88. Real property. <i>Copy line 56, Part 9.....></i>		\$0.00
89. Intangibles and intellectual property. <i>Copy line 66, Part 10.</i>	\$724,185.00	
90. All other assets. <i>Copy line 78, Part 11.</i>	\$130,000.00	
91. Total. Add lines 80 through 90 for each column	\$929,062.31	\$0.00
92. Total of all property on Schedule A/B. Add lines 91a+91b=92		\$929,062.31

Fill in this information to identify the case:Debtor name **BioRestorative Therapies, Inc.**United States Bankruptcy Court for the: **EASTERN DISTRICT OF NEW YORK**Case number (if known) **8-20-71757**☐ Check if this is an amended filing

Official Form 206D

Schedule D: Creditors Who Have Claims Secured by Property

12/15

Be as complete and accurate as possible.

1. Do any creditors have claims secured by debtor's property?

- ☐ No. Check this box and submit page 1 of this form to the court with debtor's other schedules. Debtor has nothing else to report on this form.
- ☒ Yes. Fill in all of the information below.

Part 1: List Creditors Who Have Secured Claims

2. List in alphabetical order all creditors who have secured claims. If a creditor has more than one secured claim, list the creditor separately for each claim.

		Column A Amount of claim Do not deduct the value of collateral.	Column B Value of collateral that supports this claim
2.1	John Desmarais Creditor's Name 26 Deer Creek Lane Mount Kisco, NY 10549 Creditor's mailing address Creditor's email address, if known Date debt was incurred July 2017 Last 4 digits of account number Do multiple creditors have an interest in the same property? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Specify each creditor, including this creditor and its relative priority.	Describe debtor's property that is subject to a lien IP and equipment (Claim amount includes interest as of Petition Date) Describe the lien Second Priority Lien Is the creditor an insider or related party? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes Is anyone else liable on this claim? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Fill out <i>Schedule H: Creditors</i> (Official Form 206H) As of the petition filing date, the claim is: Check all that apply <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed	\$245,191.78 \$0.00
2.2	John Desmarais Creditor's Name 26 Deer Creek Lane Mount Kisco, NY 10549 Creditor's mailing address Creditor's email address, if known Date debt was incurred February 20, 2020 Last 4 digits of account number Do multiple creditors have an interest in the same property? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes. Specify each creditor, including this creditor and its relative priority.	Describe debtor's property that is subject to a lien All assets, including IP (Claim amount includes interest as of Petition Date) Describe the lien Blanket Lien Is the creditor an insider or related party? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes Is anyone else liable on this claim? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Fill out <i>Schedule H: Creditors</i> (Official Form 206H) As of the petition filing date, the claim is: Check all that apply	\$323,042.82 \$0.00

Official Form 206D

Schedule D: Creditors Who Have Claims Secured by Property

page 1 of 3

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Best Case Bankruptcy

Name

☒ No
☐ Yes. Specify each creditor, including this creditor and its relative priority.

☐ Contingent
☐ Unliquidated
☐ Disputed

2.3	<div>John Desmarais</div> <div>Creditor's Name</div> <div>26 Deer Creek Lane Mount Kisco, NY 10549</div> <div>Creditor's mailing address</div> <div>Creditor's email address, if known</div> <div>Date debt was incurred February 26/2020 Last 4 digits of account number</div> <div>Do multiple creditors have an interest in the same property? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Specify each creditor, including this creditor and its relative priority.</div>	<div>Describe debtor's property that is subject to a lien All assets including IP (Claim amount includes interest as of Petition Date)</div> <div>Describe the lien Blanket Lien Is the creditor an insider or related party? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes Is anyone else liable on this claim? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Fill out <i>Schedule H: Codebtors</i> (Official Form 206H)</div> <div>As of the petition filing date, the claim is: Check all that apply <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed</div>	\$33,793.21	\$0.00
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2.4	<div>Tuxis Trust</div> <div>Creditor's Name</div> <div>26 Deer Creek Lane Mount Kisco, NY 10549</div> <div>Creditor's mailing address</div> <div>Creditor's email address, if known</div> <div>Date debt was incurred June 2016 Last 4 digits of account number</div> <div>Do multiple creditors have an interest in the same property? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Specify each creditor, including this creditor and its relative priority.</div>	<div>Describe debtor's property that is subject to a lien IP and Equipment (Claim amount includes interest as of Petition Date)</div> <div>Describe the lien First Priority Lien Is the creditor an insider or related party? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes Is anyone else liable on this claim? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes. Fill out <i>Schedule H: Codebtors</i> (Official Form 206H)</div> <div>As of the petition filing date, the claim is: Check all that apply <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed</div>	\$753,835.62	\$0.00
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3.	Total of the dollar amounts from Part 1, Column A, including the amounts from the Additional Page, if any.	\$1,355,863.43
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Part 2: List Others to Be Notified for a Debt Already Listed in Part 1

List in alphabetical order any others who must be notified for a debt already listed in Part 1. Examples of entities that may be listed are collection agencies, assignees of claims listed above, and attorneys for secured creditors.

If no others need to notified for the debts listed in Part 1, do not fill out or submit this page. If additional pages are needed, copy this page.

Debtor	BioRestorative Therapies, Inc.	Case number (if known)	8-20-71757
	<small>Name</small>		
	<small>Name and address</small>	<small>On which line in Part 1 did you enter the related creditor?</small>	<small>Last 4 digits of account number for this entity</small>
	Pryor & Mandelup, L.L.P. 675 Old Country Road Attn: A. Scott Mandelup Westbury, NY 11590	Line <u>2.1</u>	
	Ropes & Gray LLP 1211 Avenue of Americas Attn: Jonathan Gill, Esq New York, NY 10036-8704	Line <u>2.1</u>	

Fill in this information to identify the case:Debtor name **BioRestorative Therapies, Inc.**United States Bankruptcy Court for the: **EASTERN DISTRICT OF NEW YORK**Case number (if known) **8-20-71757**
☐ Check if this is an
amended filing
Official Form 206Sum**Summary of Assets and Liabilities for Non-Individuals**

12/15

Part 1: Summary of Assets**1. Schedule A/B: Assets-Real and Personal Property** (Official Form 206A/B)

1a. Real property: Copy line 88 from <i>Schedule A/B</i>	\$	0.00
1b. Total personal property: Copy line 91A from <i>Schedule A/B</i>	\$	929,062.31
1c. Total of all property: Copy line 92 from <i>Schedule A/B</i>	\$	929,062.31

Part 2: Summary of Liabilities

2. Schedule D: Creditors Who Have Claims Secured by Property (Official Form 206D) Copy the total dollar amount listed in Column A, <i>Amount of claim</i> , from line 3 of <i>Schedule D</i>	\$	1,355,863.43
3. Schedule E/F: Creditors Who Have Unsecured Claims (Official Form 206E/F)		
3a. Total claim amounts of priority unsecured claims: Copy the total claims from Part 1 from line 5a of <i>Schedule E/F</i>	\$	466,540.46
3b. Total amount of claims of nonpriority amount of unsecured claims: Copy the total of the amount of claims from Part 2 from line 5b of <i>Schedule E/F</i>	+\$	13,436,145.00
4. Total liabilities Lines 2 + 3a + 3b	\$	15,258,548.89

Fill in this information to identify the case:Debtor name BioRestorative Therapies, Inc.United States Bankruptcy Court for the: EASTERN DISTRICT OF NEW YORKCase number (if known) 8-20-71757
☐ Check if this is an amended filing
Official Form 206E/F**Schedule E/F: Creditors Who Have Unsecured Claims**

12/15

Be as complete and accurate as possible. Use Part 1 for creditors with PRIORITY unsecured claims and Part 2 for creditors with NONPRIORITY unsecured claims. List the other party to any executory contracts or unexpired leases that could result in a claim. Also list executory contracts on *Schedule A/B: Assets - Real and Personal Property* (Official Form 206A/B) and on *Schedule G: Executory Contracts and Unexpired Leases* (Official Form 206G). Number the entries in Parts 1 and 2 in the boxes on the left. If more space is needed for Part 1 or Part 2, fill out and attach the Additional Page of that Part included in this form.

Part 1: List All Creditors with PRIORITY Unsecured Claims

1. Do any creditors have priority unsecured claims? (See 11 U.S.C. § 507).

☐ No. Go to Part 2.

☒ Yes. Go to line 2.

2. List in alphabetical order all creditors who have unsecured claims that are entitled to priority in whole or in part. If the debtor has more than 3 creditors with priority unsecured claims, fill out and attach the Additional Page of Part 1.

		Total claim	Priority amount	
2.1	Priority creditor's name and mailing address Francisco Silva 22 Dale Road Huntington, NY 11743 Date or dates debt was incurred Last 4 digits of account number Specify Code subsection of PRIORITY unsecured claim: 11 U.S.C. § 507(a) (4)	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: Expense Reimbursement and Unused Vacation, Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$45,401.23	\$13,650.00
2.2	Priority creditor's name and mailing address James Liu 32 Knoll Road Tenafly, NJ 07670 Date or dates debt was incurred Last 4 digits of account number Specify Code subsection of PRIORITY unsecured claim: 11 U.S.C. § 507(a) (4)	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: Expense Reimbursement and Unused Vacation Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$15,956.68	\$11,858.92

Debtor BioRestorative Therapies, Inc.		Case number (if known) 8-20-71757	
Name			
2.3	Priority creditor's name and mailing address Lance Alstodt 1 Woodedge Lane Brookville, NY 11545	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed	\$200,266.66 \$13,650.00
Date or dates debt was incurred		Basis for the claim: Unpaid wages; Severance claim	
Last 4 digits of account number		Is the claim subject to offset?	
Specify Code subsection of PRIORITY unsecured claim: 11 U.S.C. § 507(a) (4)		<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	
2.4	Priority creditor's name and mailing address Mandy Clyde 1422 Townline Road Nesconset, NY 11767	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed	\$51,556.94 \$13,650.00
Date or dates debt was incurred		Basis for the claim: Expense Reimbursement, Bonus, Unused Vacation	
Last 4 digits of account number		Is the claim subject to offset?	
Specify Code subsection of PRIORITY unsecured claim: 11 U.S.C. § 507(a) (4)		<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	
2.5	Priority creditor's name and mailing address Mark Weinreb 72 Lincoln Blvd Merrick, NY 11566	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed	\$105,170.50 \$13,650.00
Date or dates debt was incurred		Basis for the claim: Expense Reimbursement, Unpaid Payroll, Unused Vacation and Short Term Advance	
Last 4 digits of account number		Is the claim subject to offset?	
Specify Code subsection of PRIORITY unsecured claim: 11 U.S.C. § 507(a) (4)		<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	
2.6	Priority creditor's name and mailing address Ram Sharma 11 Arthur Place Montville, NJ 07045-5000	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed	\$12,354.91 \$10,079.65
Date or dates debt was incurred		Basis for the claim: Expense Reimbursement, Unused Vacation	
Last 4 digits of account number		Is the claim subject to offset?	
Specify Code subsection of PRIORITY unsecured claim: 11 U.S.C. § 507(a) (4)		<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	

Debtor	BioRestorative Therapies, Inc. <small>Name</small>	Case number (if known)	8-20-71757
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2.7	Priority creditor's name and mailing address Robert Paccasassi 14 Debbie Trail Hampton Bays, NY 11946	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed	\$27,736.39	\$13,650.00
Date or dates debt was incurred _____ Last 4 digits of account number _____ Specify Code subsection of PRIORITY unsecured claim: 11 U.S.C. § 507(a) (4)		Basis for the claim: Unused Vacation Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes		

2.8	Priority creditor's name and mailing address Zack Li 8605 60th Road, Apt 1C Elmhurst, NY 11373	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed	\$8,097.15	\$8,097.15
Date or dates debt was incurred _____ Last 4 digits of account number _____ Specify Code subsection of PRIORITY unsecured claim: 11 U.S.C. § 507(a) (4)		Basis for the claim: Unused Vacation Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes		

Part 2: List All Creditors with NONPRIORITY Unsecured Claims

3. List in alphabetical order all of the creditors with nonpriority unsecured claims. If the debtor has more than 6 creditors with nonpriority unsecured claims, fill out and attach the Additional Page of Part 2.

			Amount of claim	
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3.1	Nonpriority creditor's name and mailing address 50 Republic Road LLC 116 Gristmill Lane Great Neck, NY 11023	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed	\$50,686.00	
Date(s) debt was incurred _____ Last 4 digits of account number _____		Basis for the claim: <u>Unpaid Rent</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes		

3.2	Nonpriority creditor's name and mailing address Adar Alef, LLC. 38 Olympia Lane Monsey, NY 10952	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed	\$117,753.00	
Date(s) debt was incurred _____ Last 4 digits of account number _____		Basis for the claim: <u>Convertible Promissory Note Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes		

3.3	Nonpriority creditor's name and mailing address Aegis Capital Corp. 510 Broadhollow Road Suite 104 Melville, NY 11747	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed	\$12,500.00	
Date(s) debt was incurred _____ Last 4 digits of account number _____		Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes		

Debtor BioRestorative Therapies, Inc.		Case number (if known) 8-20-71757
Name		

3.4	Nonpriority creditor's name and mailing address Alfred & Mary Angiola 27 Ridge Road Southampton, NY 11968 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Convertible Promissory Note Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$21,499.00
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3.5	Nonpriority creditor's name and mailing address All Action Alarm 40 Oser Avenue #5 Hauppauge, NY 11788 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$294.00
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3.6	Nonpriority creditor's name and mailing address American Type Culture Collection, Historic Dist 10801 University Blvd Manassas, VA 20110 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$1,252.00
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3.7	Nonpriority creditor's name and mailing address Andrew Crabtree 225 Broadhollow Road Suite 303 Melville, NY 11747 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Legal Services</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$4,973.00
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3.8	Nonpriority creditor's name and mailing address Aon Hewitt/Radford 2570 North First Street Suite 500 San Jose, CA 95131 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$5,500.00
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3.9	Nonpriority creditor's name and mailing address Auctus Fund, LLC. 545 Boylston Street 2nd Floor Boston, MA 02116 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Convertible Promissory Note Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$3,261,819.00
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3.10	Nonpriority creditor's name and mailing address Axe Creatives 6268 Jericho Turnpike Suite 9 Commack, NY 11725 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$2,163.00
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Debtor BioRestorative Therapies, Inc.		Case number (if known) 8-20-71757
Name		

3.11	Nonpriority creditor's name and mailing address Bernice C. Cole 102 Ardmore Avenue Providence, RI 02908 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Convertible Promissory Note Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$5,399.00
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3.12	Nonpriority creditor's name and mailing address Broadridge 5 Dakota Drive, Suite 300 Lake Success, NY 11042 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$72,678.00
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3.13	Nonpriority creditor's name and mailing address Cardiovascular Research Foundation 1700 Broadway New York, NY 10019 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input checked="" type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	Unknown
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3.14	Nonpriority creditor's name and mailing address Cayman Chemical Company 1180 E. Ellsworth Road Ann Arbor, MI 48108 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$1,699.00
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3.15	Nonpriority creditor's name and mailing address Certilman Balin Adler & Hyman, LLP. 90 Merrick Avenue East Meadow, NY 11554 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Legal Services</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$894,500.00
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3.16	Nonpriority creditor's name and mailing address Charles Ryan 1742 Stuart Road West Princeton, NJ 08540 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Director Fees</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$96,667.00
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3.17	Nonpriority creditor's name and mailing address CORE IR 377 Oak Street, Concourse 2 Garden City, NY 11530 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input checked="" type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	Unknown
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Debtor BioRestorative Therapies, Inc.		Case number (if known) 8-20-71757	
Name			

3.18	Nonpriority creditor's name and mailing address Coventry Enterprises, LLC c/o Yakou Bodenstein 18977 W. 10 Mile Road Southfield, MI 48075 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$252,543.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Convertible Promissory Note Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
<hr/>		
3.19	Nonpriority creditor's name and mailing address Crossover Capital Fund I 365 Ericksen Avenue NE #315 Bainbridge Island, WA 98110 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$101,412.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Convertible Promissory Note Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
<hr/>		
3.20	Nonpriority creditor's name and mailing address Crown Bridge Partners LLC 1773 A 2nd Avenue Suite 126 New York, NY 10065 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$266,076.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Convertible Promissory Note Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
<hr/>		
3.21	Nonpriority creditor's name and mailing address CTI Clinical Trial & Consulting 100 E. RiverCenter Blvd Covington, KY 41011 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$1,767.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
<hr/>		
3.22	Nonpriority creditor's name and mailing address Dexterity, Inc. 6229 Emigration Canyon Rd Salt Lake City, UT 84108 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> Unknown <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input checked="" type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
<hr/>		
3.23	Nonpriority creditor's name and mailing address Dolly Casper 1224 Cove Park Circle Bsmf Murray, UT 84123 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> Unknown <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input checked="" type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
<hr/>		
3.24	Nonpriority creditor's name and mailing address Doty/Scott Enterprises 12707 High Bluff Drive Suite 200 San Diego, CA 92130 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$7,644.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes

Debtor BioRestorative Therapies, Inc.		Case number (if known) 8-20-71757
Name _____		

3.25	Nonpriority creditor's name and mailing address Dr. Wayne Marasco 43 Rice Street Wellesley Hills, MA 02481 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$550,000.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Professional Services</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
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3.26	Nonpriority creditor's name and mailing address Eagle Equities, LLC 525 Norton Parkway New Haven, CT 06511 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$394,875.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Convertible Promissory Note Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
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3.27	Nonpriority creditor's name and mailing address EMA Financial, LLC 40 Wall Street, Ste. 1700 New York, NY 10005 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$211,377.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Convertible Promissory Note Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
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3.28	Nonpriority creditor's name and mailing address EMD Millipore 400 Summit Drive Burlington, MA 01803 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$543.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
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3.29	Nonpriority creditor's name and mailing address Evoqua Water Technologies 210 Sixth Avenue Suite 3300 Pittsburgh, PA 15222 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$614.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
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3.30	Nonpriority creditor's name and mailing address Firstfire Global Opportunities Fund LLC 1040 1st Avenue Suite 190 New York, NY 10022 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$58,844.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input checked="" type="checkbox"/> Disputed Basis for the claim: <u>Convertible Promissory Note Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
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3.31	Nonpriority creditor's name and mailing address Fisher Scientific 81 Wyman Street Waltham, MA 02451 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$7,443.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
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Debtor BioRestorative Therapies, Inc.		Case number (if known) 8-20-71757
Name		

3.32	Nonpriority creditor's name and mailing address Francisco Silva 22 Dale Road Huntington, NY 11743 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$52,005.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Convertible Promissory Note Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
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3.33	Nonpriority creditor's name and mailing address Fross Zelnick Lehrman & Zissu, P.C. 151 West 42nd Street 17th Floor New York, NY 10036 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$2,615.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Professional Services</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
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3.34	Nonpriority creditor's name and mailing address Galaxie Coffee 110 Sea Lane Farmingdale, NY 11735 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$300.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input checked="" type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
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3.35	Nonpriority creditor's name and mailing address Gene M. Bernstein 31 South Hill Street Southampton, NY 11968 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$163,660.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Convertible Promissory Note Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
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3.36	Nonpriority creditor's name and mailing address General Welding Supply Co 600 Shames Drive #1 Westbury, NY 11590 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$1,230.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
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3.37	Nonpriority creditor's name and mailing address Gladstone Corporation 1521 Westbranch Drive Suite 100 Mc Lean, VA 22102 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$368,250.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Promissory Note Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
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3.38	Nonpriority creditor's name and mailing address Gladstone Corporation 1521 Westbranch Drive Suite 100 Mc Lean, VA 22102 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$3,450.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Professional Services</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
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Debtor BioRestorative Therapies, Inc.		Case number (if known) 8-20-71757
Name _____		
3.39	Nonpriority creditor's name and mailing address GlobeNews Wire 2321 Rosecrans Avenue Suite 2200 El Segundo, CA 90245 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: Check all that apply. \$12,230.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
3.40	Nonpriority creditor's name and mailing address Greenspoon Marder 590 Madison Avenue Suite 1800 El Segundo, CA 90245 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: Check all that apply. \$875.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
3.41	Nonpriority creditor's name and mailing address Gregory Lutz 62 East 88th Street New York, NY 10128 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: Check all that apply. Unknown <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input checked="" type="checkbox"/> Disputed Basis for the claim: <u>Professional Services</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
3.42	Nonpriority creditor's name and mailing address GS Capital Partners, LLC 30 Washington Street Apt. 5L Brooklyn, NY 11201 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: Check all that apply. \$649,580.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Convertible Promissory Note Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
3.43	Nonpriority creditor's name and mailing address GW Holdings, LLC 137 Montague Street Suite 291 Brooklyn, NY 11201 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: Check all that apply. \$187,390.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Convertible Promissory Note Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
3.44	Nonpriority creditor's name and mailing address Harvey & Melody Alstodt 224 Grande Point Drive Palm Beach Gardens, FL 33418 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: Check all that apply. \$172,630.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Convertible Promissory Note Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
3.45	Nonpriority creditor's name and mailing address HRW Legacy LLC 15140 Sutton Street Sherman Oaks, CA 91403 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: Check all that apply. \$233,381.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Convertible Promissory Note Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes

Debtor BioRestorative Therapies, Inc.		Case number (if known) 8-20-71757
Name		

3.46	Nonpriority creditor's name and mailing address Internal Revenue Service P.O. Box 7346 Philadelphia, PA 19101-7346 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: Check all that apply. <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>NOTICE PARTY ONLY</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$0.00
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3.47	Nonpriority creditor's name and mailing address Jeff Radov 8 Walworth Avenue Scarsdale, NY 10583 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: Check all that apply. <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Director Fees</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$169,167.00
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3.48	Nonpriority creditor's name and mailing address John Coghlan 177 Southard Avenue Rockville Centre, NY 11570 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: Check all that apply. <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Convertible Promissory Note Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$133,589.00
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3.49	Nonpriority creditor's name and mailing address Joseph Swiader 16 Beech Farm Lane Garrison, NY 10524 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: Check all that apply. <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Director Fees</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$20,000.00
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3.50	Nonpriority creditor's name and mailing address JSJ Investments, Inc. 2665 Villa Creek Drive Suite 214 Dallas, TX 75234 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: Check all that apply. <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Convertible Promissory Note Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$210,058.00
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3.51	Nonpriority creditor's name and mailing address K&L Gates, LLP. 210 Sixth Avenue Pittsburgh, PA 15222 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: Check all that apply. <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Legal Services</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$706,155.00
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3.52	Nonpriority creditor's name and mailing address KCSA Strategic Comm. 420 Fifth Avenue #3 New York, NY 10018 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: Check all that apply. <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$4,192.00
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Debtor BioRestorative Therapies, Inc.		Case number (if known) 8-20-71757
Name		

3.53	Nonpriority creditor's name and mailing address Labrys Fund LP 48 Parker Road Wellesley, MA 02482 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Convertible Promissory Note Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$274,752.00
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3.54	Nonpriority creditor's name and mailing address Lampire Biological Labs P.O. Box 270 Pipersville, PA 18947 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$3,582.00
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3.55	Nonpriority creditor's name and mailing address Leica Microsystems 1700 Leider Lane Buffalo Grove, IL 60089 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$2,504.00
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3.56	Nonpriority creditor's name and mailing address LG Capital Funding, LLC 1218 Union Street, Ste. 2 Brooklyn, NY 11225 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Convertible Promissory Note Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$266,651.00
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3.57	Nonpriority creditor's name and mailing address Life Technologies Corp. 5791 Van Allen Way Carlsbad, CA 92008 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$4,706.00
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3.58	Nonpriority creditor's name and mailing address Lippert/Heilshorn 800 Third Avenue, 17th FL New York, NY 10022 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input checked="" type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	Unknown
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3.59	Nonpriority creditor's name and mailing address Lowenstein Sandler 1 Lowenstein Drive Roseland, NJ 07068 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Legal Services</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$5,010.00
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Debtor	BioRestorative Therapies, Inc.		Case number (if known)	8-20-71757
	Name			

3.60	Nonpriority creditor's name and mailing address M2 Compliance 74075 El Paseo B3 Palm Desert, CA 92260 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$6,660.00
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3.61	Nonpriority creditor's name and mailing address Marcum LLP 10 Melville Park Drive Melville, NY 11747 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Accounting Services</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$70,797.00
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3.62	Nonpriority creditor's name and mailing address Mediant Communications 400 Regency Forest Drive Suite 200 Cary, NC 27518 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$479.00
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3.63	Nonpriority creditor's name and mailing address MethodSense 1 Copely Parkway Morrisville, NC 27560 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$1,500.00
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3.64	Nonpriority creditor's name and mailing address Morningview Financial LLC 401 Park Avenue South 10th Floor New York, NY 10016 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Convertible Promissory Note Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$78,009.00
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3.65	Nonpriority creditor's name and mailing address National Grid P.O. Box 11791 Newark, NJ 07101 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Utilities Service</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$582.00
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3.66	Nonpriority creditor's name and mailing address NYS Dept. of Tax & Financ POB 5300 Bankruptcy Unit Albany, NY 12205-0300 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>NOTICE PARTY ONLY</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$0.00
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Debtor BioRestorative Therapies, Inc.		Case number (if known) 8-20-71757
Name		

3.67	Nonpriority creditor's name and mailing address NYS Dept. of Taxation Bankruptcy Unit-TCD Building 8, Room 455 WA Harriman State Campus Albany, NY 12227 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>NOTICE PARTY ONLY</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$0.00
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3.68	Nonpriority creditor's name and mailing address Odyssey Capital Funding 1249 Broadway, Suite #103 Hewlett, NY 11557 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Convertible Promissory Note Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$423,012.00
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3.69	Nonpriority creditor's name and mailing address One Beacon Insurance 605 Highway 169 North Suite 800 Plymouth, MN 55441 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input checked="" type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	Unknown
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3.70	Nonpriority creditor's name and mailing address Optimum 1111 Stewart Avenue Bethpage, NY 11714 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Internet and Phone Services</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$807.00
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3.71	Nonpriority creditor's name and mailing address Oxford Health Plans 136-02 Roosevelt Avenue Flushing, NY 11354 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$23,162.00
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3.72	Nonpriority creditor's name and mailing address Paley Advisors, LLC 115 E. 57th Street New York, NY 10022 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$30,000.00
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3.73	Nonpriority creditor's name and mailing address Paul Jude Tonna 69 Chichester Road Huntington, NY 11743 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Director Fees</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$91,667.00
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Debtor BioRestorative Therapies, Inc.		Case number (if known) 8-20-71757
Name		
3.74	Nonpriority creditor's name and mailing address Peckar & Abramson 1325 Ave of the Americas 10th Floor New York, NY 10019 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: Check all that apply. \$7,500.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Legal Services</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
3.75	Nonpriority creditor's name and mailing address Perkin Elmer 80 Ruland Road Melville, NY 11747 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: Check all that apply. \$1,902.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
3.76	Nonpriority creditor's name and mailing address Pharos Advisors 299 Market Street Saddle Brook, NJ 07763 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: Check all that apply. \$1,200,000.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Financial and Accounting Services</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
3.77	Nonpriority creditor's name and mailing address Pharpoint Research 1001 Military Cutoff #301 Wilmington, NC 28405 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: Check all that apply. \$1,950.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
3.78	Nonpriority creditor's name and mailing address Phil Triolo & Associates 86 Skycrest Lane Salt Lake City, UT 84108 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: Check all that apply. Unknown <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input checked="" type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
3.79	Nonpriority creditor's name and mailing address Power Up Lending Group 111 Great Neck Road Suite 216 Great Neck, NY 11021 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: Check all that apply. \$123,812.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Convertible Promissory Note Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
3.80	Nonpriority creditor's name and mailing address Professional Research Consulting Inc. 11326 P Street Omaha, NE 68137 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: Check all that apply. \$4,414.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes

Debtor BioRestorative Therapies, Inc.		Case number (if known) 8-20-71757
Name _____		
3.81	Nonpriority creditor's name and mailing address Qiagen, Inc. 19300 Germantown Road Germantown, MD 20874 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: Check all that apply. \$2,551.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
3.82	Nonpriority creditor's name and mailing address RedDiamond Partners, LLC 156 W. Saddle River Road Saddle River, NJ 07458 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: Check all that apply. \$70,468.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Convertible Promissory Note Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
3.83	Nonpriority creditor's name and mailing address Regal Consulting 575 Route 28 Suite 204 Raritan, NJ 08869 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: Check all that apply. Unknown <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input checked="" type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
3.84	Nonpriority creditor's name and mailing address Robert B. Catell 62 Osborne Road Garden City, NY 11530 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: Check all that apply. \$104,537.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Convertible Promissory Note Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
3.85	Nonpriority creditor's name and mailing address Robert B. Catell 62 Osborne Road Garden City, NY 11530 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: Check all that apply. \$106,667.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Director Fees</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
3.86	Nonpriority creditor's name and mailing address Robert W. Meyer, Jr. 4099 Tamiami Trail North Suite 201 Naples, FL 34103 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: Check all that apply. \$112,800.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Promissory Note Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
3.87	Nonpriority creditor's name and mailing address Sandra Ann Tramontano 9 Justin Drive South Easton, MA 02376 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: Check all that apply. \$5,388.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Convertible Promissory Note Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes

Debtor BioRestorative Therapies, Inc.		Case number (if known) 8-20-71757
Name		

3.88	Nonpriority creditor's name and mailing address SBI Investments LLC 369 Lexington Avenue 2nd Floor New York, NY 10017 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$326,701.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Convertible Promissory Note Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
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3.89	Nonpriority creditor's name and mailing address SCG Capital LLC 21200 NE 38th Avenue Apt. 2601 ventura, FL 33180 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$64,658.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Convertible Promissory Note Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
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3.90	Nonpriority creditor's name and mailing address Seth Newman 25 Oriole Drive Roslyn, NY 11576 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$118,397.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Convertible Promissory Note Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
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3.91	Nonpriority creditor's name and mailing address Shore Office Systems 60 Enter Lane Islandia, NY 11749 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$253.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
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3.92	Nonpriority creditor's name and mailing address Staples, Inc. 500 Staples Drive Framingham, MA 01702 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> Unknown <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input checked="" type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
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3.93	Nonpriority creditor's name and mailing address Stericycle 4010 Commercial Avenue Northbrook, IL 60062 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$6,451.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
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3.94	Nonpriority creditor's name and mailing address Sterling Talent Solution 1 State Street Plaza #24 New York, NY 10004 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$300.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
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Debtor BioRestorative Therapies, Inc.		Case number (if known) 8-20-71757
Name		

3.95	Nonpriority creditor's name and mailing address Streetwise Reports LLC 755 Baywood Drive, 2nd Fl Petaluma, CA 94954 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$12,500.00
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3.96	Nonpriority creditor's name and mailing address Suffolk County IDA H. Lee Dennison Bldg FL 3 100 Veterans Memorial Hwy P.O. Box 6100 Hauppauge, NY 11788 Date(s) debt was incurred <u>2015</u> Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input checked="" type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Tax break incentives</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	Unknown
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3.97	Nonpriority creditor's name and mailing address Swanson & Bratschun LLC 8210 Southpart Terrace Littleton, CO 80120 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$1,725.00
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3.98	Nonpriority creditor's name and mailing address TDA Consulting 333 Las Olas Way Suite 1506 Fort Lauderdale, FL 33301 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Professional Services</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$27,500.00
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3.99	Nonpriority creditor's name and mailing address Techmed Incorporated 1330 1st Avenue Suite 709 New York, NY 10021 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	\$3,950.00
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3.100	Nonpriority creditor's name and mailing address Telecorp Communcations 1535 Gateway Boulevard West Deptford, NJ 08096 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input checked="" type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	Unknown
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3.101	Nonpriority creditor's name and mailing address The Hartford 1 Griffin Road N Windsor, CT 06095 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	Unknown
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Debtor BioRestorative Therapies, Inc.		Case number (if known) 8-20-71757	
Name			

3.102	Nonpriority creditor's name and mailing address The Neil Michael Solomon Group, Inc. 9 Park Place Great Neck, NY 11021 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$14,000.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Professional Services</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
3.103	Nonpriority creditor's name and mailing address The Westerman 2004 Irrevocable Trust 414 Centre Island Road Oyster Bay, NY 11771 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$37,808.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Convertible Promissory Note Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
3.104	Nonpriority creditor's name and mailing address Thomas Scientific 1654 High Hill Road Swedesboro, NJ 08085 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> Unknown <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input checked="" type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
3.105	Nonpriority creditor's name and mailing address Trinity Partners 230 3rd Avenue Prospect Place Waltham, MA 02451 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$12,429.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
3.106	Nonpriority creditor's name and mailing address U.S. Attorney's Office EDNY - Attn: Long Island Bankruptcy Processing 610 Federal Plaza, 5th Fl Central Islip, NY 11722-4454 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$0.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>NOTICE PARTY ONLY</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
3.107	Nonpriority creditor's name and mailing address U.S. Securities & Exchang NY Region Attn:Bankruptcy Brookfield Place 200 Vesey Street, Ste 400 New York, NY 10281 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$0.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>NOTICE PARTY ONLY</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
3.108	Nonpriority creditor's name and mailing address UniFirst Corporation 68 Jonspin Road Wilmington, MA 01887 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$523.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes

Debtor BioRestorative Therapies, Inc.		Case number (if known) 8-20-71757
Name		

3.109	Nonpriority creditor's name and mailing address University of Utah Grant/Contract Accounting 201 President's Circle Room 406 Salt Lake City, UT 84113-9020 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$30,000.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input checked="" type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt - Manufacturing Agreement</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
<hr/>		
3.110	Nonpriority creditor's name and mailing address University of Utah Grant/Contract Accounting 201 President's Circle Room 406 Salt Lake City, UT 84114-0020 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$111,875.00 <input type="checkbox"/> Contingent <input checked="" type="checkbox"/> Unliquidated <input checked="" type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt - Research Agreement</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
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3.111	Nonpriority creditor's name and mailing address University of Utah Grant/Contract Accounting 201 President's Circle Room 406 Salt Lake City, UT 84112-9020 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$15,409.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt - Service Agreement</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
<hr/>		
3.112	Nonpriority creditor's name and mailing address VWR 100 Matsonford Road Building 1, Suite 1 Radnor, PA 19087 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$1,845.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
<hr/>		
3.113	Nonpriority creditor's name and mailing address Wall Street Transcript 622 Third Avenue 34th Floor New York, NY 10017 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$675.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Trade Debt</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
<hr/>		
3.114	Nonpriority creditor's name and mailing address Wayne Olan 9320 Glen Road Potomac, MD 20854 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$70,000.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Professional Services</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
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3.115	Nonpriority creditor's name and mailing address Wet Earth Partners 355 Lexington Avenue 20th Floor New York, NY 10017 Date(s) debt was incurred ____ Last 4 digits of account number ____	As of the petition filing date, the claim is: <i>Check all that apply.</i> \$60,000.00 <input type="checkbox"/> Contingent <input type="checkbox"/> Unliquidated <input type="checkbox"/> Disputed Basis for the claim: <u>Professional Services</u> Is the claim subject to offset? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes

Debtor **BioRestorative Therapies, Inc.**
NameCase number (if known) **8-20-71757****Part 3: List Others to Be Notified About Unsecured Claims**

4. List in alphabetical order any others who must be notified for claims listed in Parts 1 and 2. Examples of entities that may be listed are collection agencies, assignees of claims listed above, and attorneys for unsecured creditors.

If no others need to be notified for the debts listed in Parts 1 and 2, do not fill out or submit this page. If additional pages are needed, copy the next page.

	Name and mailing address	On which line in Part 1 or Part 2 is the related creditor (if any) listed?	Last 4 digits of account number, if any
4.1	Bernard S. Feldman, P.C. 111 Great Neck Road Suite 214 Attn: Bernard S. Feldman Great Neck, NY 11201	Line <u>3.79</u> <input type="checkbox"/> Not listed. Explain _____	—
4.2	Giordano & Company, P.C. 47 Winter Street Suite 800 Attn: Philip Giordano Boston, MA 02108-4774	Line <u>3.9</u> <input type="checkbox"/> Not listed. Explain _____	—
4.3	Jeffrey Fleischmann 150 Broadway Suite 900 New York, NY 10038	Line <u>3.26</u> <input type="checkbox"/> Not listed. Explain _____	—
4.4	Jeffrey Fleischmann 150 Broadway, Suite 900 New York, NY 10038	Line <u>3.27</u> <input type="checkbox"/> Not listed. Explain _____	—
4.5	Naidich Wurman Birnbaum 111 Great Neck Road Suite 214 Attn: Robert P. Johnson Great Neck, NY 11021	Line <u>3.79</u> <input type="checkbox"/> Not listed. Explain _____	—
4.6	Vishnick McGovern Milizio Attn: Avrohom Y. Gefen 300 Marcus Avenue Suite 1E9 New Hyde Park, NY 11042	Line <u>3.18</u> <input type="checkbox"/> Not listed. Explain _____	—

Part 4: Total Amounts of the Priority and Nonpriority Unsecured Claims

5. Add the amounts of priority and nonpriority unsecured claims.

5a. Total claims from Part 1

5b. Total claims from Part 2

5c. Total of Parts 1 and 2
Lines 5a + 5b = 5c.

Total of claim amounts	
5a. \$	466,540.46
5b. + \$	13,436,145.00
5c. \$	13,902,685.46