

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

FORM 10-Q

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended March 31, 2014

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission file number: 000-54402

BIORESTORATIVE THERAPIES, INC.

(Exact name of registrant as specified in its charter)

Nevada
(State or Other Jurisdiction of
Incorporation or Organization)

91-1835664
(I.R.S. Employer
Identification No.)

555 Heritage Drive
Jupiter, Florida
(Address of Principal Executive Offices)

33458
(Zip Code)

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

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

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

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/> (Do not check if a smaller reporting company)	Smaller reporting company	<input checked="" type="checkbox"/>

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

As of May 12, 2014, there were 22,202,276 shares of the issuer's common stock outstanding.

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

Table of Contents

PART I	
FINANCIAL INFORMATION	
ITEM 1. Financial Statements.	
<u>Condensed Consolidated Balance Sheets as of March 31, 2014 (Unaudited) and December 31, 2013</u>	1
<u>Unaudited Condensed Consolidated Statements of Operations for the Three Months Ended March 31, 2014 and 2013 and for the Period from December 30, 2008 (Inception) to March 31, 2014</u>	2
<u>Unaudited Condensed Consolidated Statement of Changes in Stockholders' Deficiency for the Three Months Ended March 31, 2014</u>	3
<u>Unaudited Condensed Consolidated Statements of Cash Flows for the Three Months Ended March 31, 2014 and 2013 and for the Period from December 30, 2008 (Inception) to March 31, 2014</u>	4
<u>Notes to Unaudited Condensed Consolidated Financial Statements</u>	6
<u>ITEM 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.</u>	20
<u>ITEM 3. Quantitative and Qualitative Disclosures About Market Risk.</u>	25
<u>ITEM 4. Controls and Procedures.</u>	26
PART II	
OTHER INFORMATION	
<u>ITEM 1. Legal Proceedings.</u>	27
<u>ITEM 1A. Risk Factors.</u>	27
<u>ITEM 2. Unregistered Sales of Equity Securities and Use of Proceeds.</u>	27
<u>ITEM 3. Defaults Upon Senior Securities.</u>	28
<u>ITEM 4. Mine Safety Disclosures.</u>	28
<u>ITEM 5. Other Information.</u>	28
<u>ITEM 6. Exhibits.</u>	28
<u>Signatures.</u>	29

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

Condensed Consolidated Balance Sheets

	March 31, 2014 (unaudited)	December 31, 2013
Assets		
Current Assets:		
Cash	\$ 110,360	\$ 201,098
Inventories	17,904	17,965
Prepaid expenses and other current assets	9,053	20,739
Total Current Assets	<u>137,317</u>	<u>239,802</u>
Property and equipment, net	25,515	35,568
Intangible assets, net	1,090,092	1,107,545
Total Assets	<u><u>\$ 1,252,924</u></u>	<u><u>\$ 1,382,915</u></u>
Liabilities and Stockholders' Deficiency		
Current Liabilities:		
Accounts payable	\$ 1,203,090	\$ 1,269,970
Accrued expenses and other current liabilities	1,286,825	1,176,662
Accrued interest	97,139	65,909
Current portion of notes payable, net of debt discount of \$140,911 and \$237,381 at March 31, 2014 and December 31, 2013, respectively	5,189,589	4,990,009
Deferred revenues	150,000	-
Total Current Liabilities	<u>7,926,643</u>	<u>7,502,550</u>
Accrued interest, non-current portion	34,373	41,434
Notes payable, non-current portion, net of debt discount of \$0 and \$3,110 at March 31, 2014 and December 31, 2013, respectively	275,000	524,000
Total Liabilities	<u>8,236,016</u>	<u>8,067,984</u>
Commitments and contingencies		
Stockholders' Deficiency:		
Preferred stock, \$0.01 par value; Authorized, 1,000,000 shares; none issued and outstanding at March 31, 2014 and December 31, 2013	-	-
Common stock, \$0.001 par value; Authorized, 100,000,000 shares; Issued 22,391,635 and 19,633,173 shares at March 31, 2014 and December 31, 2013, respectively; Outstanding 21,833,014 and 19,074,552 shares at March 31, 2014 and December 31, 2013, respectively	22,392	19,633
Additional paid-in capital	14,508,606	13,139,712
Deficit accumulated during development stage	(21,482,090)	(19,812,414)
Treasury stock, at cost, 558,621 shares at March 31, 2014 and December 31, 2013	(32,000)	(32,000)
Total Stockholders' Deficiency	<u>(6,983,092)</u>	<u>(6,685,069)</u>
Total Liabilities and Stockholders' Deficiency	<u><u>\$ 1,252,924</u></u>	<u><u>\$ 1,382,915</u></u>

See Notes to these Condensed Consolidated Financial Statements

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

Condensed Consolidated Statements of Operations

(unaudited)

	For The Three Months Ended March 31,		Period from December 30, 2008 (Inception) to March 31,
	2014	2013	2014
Revenues	\$ 375	\$ 1,130	\$ 17,644
Cost of goods sold	60	162	1,575
Gross Profit	315	968	16,069
Operating Expenses			
Marketing and promotion	31,794	29,881	586,543
Consulting	267,198	230,116	5,000,136
Research and development	493,741	400,442	3,057,692
General and administrative	636,000	640,110	9,910,011
Total Operating Expenses	1,428,733	1,300,549	18,554,382
Loss From Operations	(1,428,418)	(1,299,581)	(18,538,313)
Other Income (Expense)			
Other income	-	-	11,457
Interest expense	(73,131)	(197,868)	(1,324,723)
Amortization of debt discount	(98,505)	(61,349)	(1,389,928)
Loss on extinguishment of notes payable, net	(49,094)	(7,200)	(126,002)
Warrant modification expense	(30,128)	-	(245,040)
Gain on settlement of note and payables, net	9,600	-	120,095
Total Other Expense	(241,258)	(266,417)	(2,954,141)
Net Loss	<u>\$ (1,669,676)</u>	<u>\$ (1,565,998)</u>	<u>\$ (21,492,454)</u>
Net Loss Per Share			
- Basic and Diluted	<u>\$ (0.08)</u>	<u>\$ (0.10)</u>	
Weighted Average Number of Common Shares Outstanding			
- Basic and Diluted	<u>20,237,689</u>	<u>15,307,958</u>	

See Notes to these Condensed Consolidated Financial Statements

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

Condensed Consolidated Statement of Changes in Stockholders' Deficiency
For the Three Months Ended March 31, 2014

(unaudited)

	Common Stock		Additional Paid-In Capital	Deficit Accumulated During Development Stage	Treasury Stock		Total
	Shares	Amount			Shares	Amount	
Balance - December 31, 2013	19,633,173	\$ 19,633	\$ 13,139,712	\$ (19,812,414)	(558,621)	\$ (32,000)	(6,685,069)
Shares and warrants issued for cash - (at \$0.35)	71,429	71	24,929	-	-	-	25,000
Shares and warrants issued for cash (at \$0.40)	1,275,000	1,275	508,725	-	-	-	510,000
Shares and warrants issued for cash (at \$0.45)	22,222	22	9,978	-	-	-	10,000
Shares issued for consulting services - (at \$0.64)	2,845	3	1,818	-	-	-	1,821
Shares issued for consulting services - (at \$0.65)	18,846	19	12,231	-	-	-	12,250
Exercise of warrants into common stock	266,667	267	79,733	-	-	-	80,000
Shares issued in exchange of note payable and accrued interest (at \$0.25)	754,689	755	225,651	-	-	-	226,406
Shares issued in exchange of note payable and accrued interest (at \$0.31)	123,097	123	36,807	-	-	-	36,930
Shares and warrants issued in exchange of note payable and accrued interest (at \$0.36)	223,667	224	79,466	-	-	-	79,690
Warrant modification	-	-	30,128	-	-	-	30,128
Stock-based compensation	-	-	359,428	-	-	-	359,428
Net loss	-	-	-	(1,669,676)	-	-	(1,669,676)
Balance - March 31, 2014	<u>22,391,635</u>	<u>\$ 22,392</u>	<u>\$ 14,508,606</u>	<u>\$ (21,482,090)</u>	<u>(558,621)</u>	<u>\$ (32,000)</u>	<u>\$ (6,983,092)</u>

See Notes to these Condensed Consolidated Financial Statements

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

Condensed Consolidated Statements of Cash Flows

(unaudited)

	For The Three Months Ended March 31,		Period From December 30, 2008 (Inception) to March 31,
	2014	2013	2014
Cash Flows From Operating Activities			
Net loss	\$ (1,669,676)	\$ (1,565,998)	\$ (21,492,454)
Adjustments to reconcile net loss to net cash used in operating activities:			
Amortization of debt discount	98,505	61,349	1,389,928
Depreciation and amortization	25,517	26,735	365,914
Loss on sale of property and equipment	1,009	-	22,623
Stock-based compensation	373,499	255,530	5,316,543
Loss on extinguishment of note and payables, net	49,094	7,200	126,002
Gain on settlement of note and payables, net	(9,600)	-	(120,095)
Warrant modification expense	30,128	-	245,040
Warrant issued in connection with note payable	-	-	9,400
Changes in operating assets and liabilities:			
Inventories	61	(1,338)	(17,904)
Prepaid expenses and other current assets	11,686	(35,000)	(9,053)
Accounts payable	(59,380)	1,840	1,157,079
Accrued interest, expenses and other current liabilities	192,429	477,909	2,450,568
Deferred revenues	150,000	-	150,000
Total Adjustments	862,948	794,225	11,086,045
Net Cash Used in Operating Activities	(806,728)	(771,773)	(10,406,409)
Cash Flows From Investing Activities			
Purchases of property and equipment	-	-	(176,936)
Proceeds from sale of property and equipment	980	-	32,980
Acquisition of intangible assets	-	-	(1,003,676)
Net Cash Provided by (Used in) Investing Activities	980	-	(1,147,632)
Cash Flows From Financing Activities			
Proceeds from notes payable	140,000	450,000	7,433,139
Repayments of notes payable	(25,000)	-	(590,722)
Advances from director and officer	-	59,940	293,343
Repayment of advances from director and officer	(24,990)	(59,940)	(293,343)
Proceeds from exercise of warrants	80,000	-	587,684
Repurchase of common stock	-	-	(32,000)
Sales of common stock and warrants for cash	545,000	820,000	4,266,300
Net Cash Provided by Financing Activities	715,010	1,270,000	11,664,401
Net (Decrease) Increase In Cash	(90,738)	498,227	110,360
Cash - Beginning	201,098	363	-
Cash - Ending	\$ 110,360	\$ 498,590	\$ 110,360

See Notes to these Condensed Consolidated Financial Statements

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

Condensed Consolidated Statements of Cash Flows -- Continued

(unaudited)

	For The Three Months Ended March 31,		Period from December 30, 2008 (Inception) to March 31,
	2014	2013	2014
Supplemental Disclosures of Cash Flow Information:			
Cash paid during the period for:			
Interest	\$ 16,804	\$ 16,091	\$ 680,967
Non-cash investing and financing activities:			
Shares and warrants issued in connection with issuance or extension of notes payable	\$ -	\$ 461,530	\$ 1,520,009
Shares issued in satisfaction of accrued interest	\$ -	\$ 213,000	\$ 213,000
Shares issued in connection with reverse recapitalization	\$ -	\$ -	\$ 362,000
Shares issued pursuant to reverse recapitalization and subsequently cancelled	\$ -	\$ -	\$ 146,195
Purchase of property and equipment for note payable	\$ -	\$ -	\$ 291,055
Purchase of property and equipment for account payable	\$ -	\$ -	\$ 60,000
Accrued payable for treasury shares repurchased	\$ -	\$ -	\$ 7,000
Shares reissued to former President	\$ -	\$ -	\$ 12,577
Property and equipment returned in connection with settlement of note payable, net	\$ -	\$ -	\$ 226,043
Shares and warrants issued in exchange of notes payable and accrued interest	\$ 343,026	\$ 119,700	\$ 1,584,915
Warrant issued as partial consideration for intangible asset	\$ -	\$ -	\$ 226,500
Reclassification of accrued interest in connection with note payable issuance	\$ -	\$ -	\$ 74,285
Waiver of previously accrued executive salary and bonus	\$ -	\$ -	\$ 565,000

See Notes to these Condensed Consolidated Financial Statements

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

Notes to Condensed Consolidated Financial Statements
(unaudited)

Note 1 – Business Organization, Nature of Operations, and Basis of Presentation

BioRestorative Therapies, Inc. (and including its subsidiaries, “BRT” or the “Company”) is a development stage enterprise whose primary activities since inception have been the development of its business plan, negotiating strategic alliances and other agreements, raising capital and the sponsorship of research and development activities. To date, the Company has not generated significant revenues from its operations.

BRT develops medical procedures using cell and tissue protocols, primarily involving adult stem cells designed for patients to undergo minimally invasive cellular-based treatments. BRT’s website is at www.biorestorative.com. BRT’s “brtxDISC™ Program” (Disc Implanted Stem Cells) is designed to offer a non-surgical cellular therapy for the treatment and relief of protruding, bulging and herniated discs. BRT’s “ThermoStem® Program” (Brown Fat Stem Cells) focuses on treatments for metabolic disorders, specifically targeting Type 2 diabetes and obesity by using brown fat stem cells. BRT has developed an ingredient derived from human adult stem cells, which can be used by third party companies in the development of their own skin care products. The ingredient was developed pursuant to BRT’s “brtx-C Cosmetic Program”. BRT’s Stem Pearls brand offers plant stem cell-based cosmetic skincare products that are available for purchase online at www.stempearls.com.

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) for interim financial information. Accordingly, they do not include all of the information and disclosures required by GAAP for annual financial statements. In the opinion of management, such statements include all adjustments (consisting only of normal recurring items) which are considered necessary for a fair presentation of the condensed consolidated financial statements of the Company as of March 31, 2014, for the three months ended March 31, 2014 and 2013 and for the period from December 30, 2008 (inception) to March 31, 2014. The results of operations for the three months ended March 31, 2014 are not necessarily indicative of the operating results for the full year ending December 31, 2014 or any other period. These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and related disclosures of the Company as of December 31, 2013 and for the year then ended, and for the period from December 30, 2008 (inception) to December 31, 2013, which were filed with the Securities and Exchange Commission on Form 10-K on April 11, 2014.

Note 2 – Going Concern and Management Plans

As of March 31, 2014, the Company had a working capital deficiency and a stockholders’ deficiency of \$7,789,326 and \$6,983,092, respectively. During the period from December 30, 2008 (inception) through March 31, 2014, the Company had not generated significant revenues and incurred net losses of \$21,492,454. These conditions raise substantial doubt about the Company’s ability to continue as a going concern.

The Company’s primary source of operating funds since inception has been equity and debt financings. The Company intends to continue to raise additional capital through debt and equity financings. The Company is currently a development stage company and there is no assurance that these funds will be sufficient to enable the Company to fully complete its development activities or attain profitable operations. If the Company is unable to obtain such additional financing on a timely basis and, notwithstanding any request the Company may make, the Company’s debt holders do not agree to convert their notes into equity or extend the maturity dates of their notes, the Company may have to curtail its development, marketing and promotional activities, which would have a material adverse effect on the Company’s business, financial condition and results of operations, and ultimately the Company could be forced to discontinue its operations and liquidate.

The accompanying unaudited condensed consolidated financial statements have been prepared in conformity with GAAP, which contemplate continuation of the Company as a going concern and the realization of assets and satisfaction of liabilities in the normal course of business. The carrying amounts of assets and liabilities presented in the financial statements do not necessarily purport to represent realizable or settlement values. The unaudited condensed consolidated financial statements do not include any adjustment that might result from the outcome of this uncertainty.

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

Notes to Condensed Consolidated Financial Statements
(unaudited)

Note 2 – Going Concern and Management Plans - Continued

Subsequent to March 31, 2014, the Company has raised an aggregate of \$530,000 through debt financing, has received research and development fee payments of \$250,000, has extended the due date for the repayment of \$652,500 of debt, has repaid \$25,000 and \$5,801 of debt and accrued interest, respectively, and \$25,000 and \$1,500 of debt and accrued interest, respectively, has been converted into common stock. As a result, the Company expects to be able to fund its operations through June 2014. While there can be no assurance that it will be successful, the Company is in active negotiations to raise additional capital. As of the filing date of this report, the Company has notes payable with an aggregate principal balance of \$251,750 which are either past due or payable on demand. The Company is currently in the process of negotiating extensions or discussing conversions to equity with respect to these notes. However, there can be no assurance that the Company will be successful in extending or converting these notes. See Note 8 – Subsequent Events for additional details.

Note 3 – Summary of Significant Accounting Policies

Principles of Consolidation

The unaudited condensed consolidated financial statements of the Company include the accounts of Stem Cell Cayman Ltd. (“Cayman”) and Stem Pearls, LLC. All significant intercompany transactions have been eliminated in the consolidation.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at dates of the financial statements and the reported amounts of revenue and expenses during the periods. The Company’s significant estimates and assumptions include the recoverability and useful lives of long-lived assets, the fair value of the Company’s stock, stock-based compensation, warrants issued in connection with notes payable and the valuation allowance related to the Company’s deferred tax assets. Certain of the Company’s estimates, including the carrying amount of the intangible assets, could be affected by external conditions, including those unique to the Company and general economic conditions. It is reasonably possible that these external factors could have an effect on the Company’s estimates and could cause actual results to differ from those estimates.

Concentrations and Credit Risk

As of March 31, 2014, approximately 71% of the face value of the Company’s outstanding notes payable were sourced from a single entity (the “Bermuda Lender”). See Note 5 – Notes Payable for additional discussion of the Bermuda Lender.

Revenue Recognition

Research and Development Agreements

The Company’s policy is to recognize research and development revenues on a straight-line basis over the term of the agreement, regardless of the payment structure, subject to potential acceleration upon achievement of contractually specified deliverables.

On March 19, 2014, the Company entered into a one-year agreement with a Japanese pharmaceutical company to perform specified research and development activities related to stem cells. The agreement may be terminated earlier or extended, as provided for in the agreement. Payment terms are (1) \$150,000 at commencement; (2) \$50,000 upon achievement of a specified deliverable; and (3) \$50,000 upon achievement of the final specified deliverable. As of March 31, 2014, the initial \$150,000 payment had been received and was recorded as deferred revenues on the condensed consolidated balance sheet.

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

Notes to Condensed Consolidated Financial Statements
(unaudited)

Note 3 – Summary of Significant Accounting Policies - Continued

Revenue Recognition – Continued

Research and Development Agreements – Continued

On March 24, 2014, the Company entered into a two-year agreement with a U.S. pharmaceutical company to perform specified research and development activities related to brown fat. The agreement may be terminated earlier or extended, as provided for in the agreement. Payment terms are (1) \$250,000 at commencement; (2) \$356,250 payable in four equal quarterly installments, subject to acceleration upon achieving a specified deliverable; and (3) \$168,750 payable in two equal bi-annual installments, subject to acceleration upon achieving a specified deliverable. As of March 31, 2014, the initial \$250,000 payment had not been received.

The Company did not recognize any revenue related to research and development agreements during the three months ended March 31, 2014 and 2013.

Other

The Company's policy is to recognize product sales when the risk of loss and title to the product transfers to the customer, after taking into account potential returns. The Company recognizes sublicensing and royalty revenue when all of the following have occurred: (i) persuasive evidence of an arrangement exists, (ii) the service is completed without further obligation, (iii) the sales price to the customer is fixed or determinable, and (iv) collectability is reasonably assured.

For the three months ended March 31, 2014 and 2013, the Company's revenue was attributable to sales of Stem Pearls® skincare products.

Net Loss Per Common Share

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

The following securities are excluded from the calculation of weighted average dilutive common shares because their inclusion would have been anti-dilutive:

	March 31,	
	2014	2013
Options	7,783,000	4,078,000
Warrants	5,325,751	4,217,800
Convertible instruments	1,519,015	-
Total potentially dilutive shares	14,627,766	8,295,800

Stock-Based Compensation

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

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

Notes to Condensed Consolidated Financial Statements
(unaudited)

Note 3 – Summary of Significant Accounting Policies - Continued

Convertible Instruments

GAAP requires companies to bifurcate conversion options from their host instruments and account for them as free standing derivative financial instruments according to certain criteria. The criteria include circumstances in which (a) the economic characteristics and risks of the embedded derivative instrument are not clearly and closely related to the economic characteristics and risks of the host contract, (b) the hybrid instrument that embodies both the embedded derivative instrument and the host contract is not re-measured at fair value under otherwise applicable generally accepted accounting principles with changes in fair value reported in earnings as they occur and (c) a separate instrument with the same terms as the embedded derivative instrument would be considered a derivative instrument. An exception to this rule is when the host instrument is deemed to be conventional, as that term is described under applicable GAAP.

When the Company has determined that the embedded conversion options should not be bifurcated from their host instruments, the Company records, when necessary, discounts to convertible notes for the intrinsic value of conversion options embedded in debt instruments based upon the differences between the fair value of the underlying common stock at the commitment date of the note transaction and the effective conversion price embedded in the note. Debt discounts under these arrangements are amortized over the term of the related debt to their stated date of redemption.

Reclassifications

Certain prior period amounts have been reclassified for comparative purposes to conform to the fiscal 2014 presentation. These reclassifications have no impact on the previously reported net loss.

Subsequent Events

The Company evaluates events that have occurred after the balance sheet date but before the financial statements are issued. Based upon the evaluation, the Company did not identify any recognized or non-recognized subsequent events that would have required adjustment or disclosure in the condensed consolidated financial statements, except as disclosed in Note 8.

Recently Issued Accounting Pronouncements

In July 2013, the FASB issued ASU No. 2013-11, "Income Taxes (Topic 740): Presentation of an Unrecognized Tax Benefit When a Net Operating Loss Carryforward, a Similar Tax Loss, or a Tax Credit Carryforward Exists." This ASU addresses the requirements regarding the financial statement presentation of an unrecognized tax benefit within ASC Topic 740 for the purpose of providing consistency between the financial reporting of U.S. GAAP entities. Generally, this ASU provides guidance for the preparation of financial statements and disclosures when a net operating loss carryforward, a similar tax loss, or a tax credit carryforward exists. This ASU is effective for periods beginning after December 15, 2013 and did not have a material impact on the Company's condensed consolidated financial statements or disclosures.

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

Notes to Condensed Consolidated Financial Statements
(unaudited)

Note 4 – Accrued Expenses and Other Current Liabilities

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

	March 31, 2014	December 31, 2013
Credit card payable	\$ 5,425	\$ 6,000
Accrued payroll and payroll taxes	677,499	672,535
Other accrued expenses	603,901	495,817
Deferred rent	-	2,310
Total	<u>\$ 1,286,825</u>	<u>\$ 1,176,662</u>

During the three months ended March 31, 2014, the Company made aggregate repayments to a director and a family member of an officer of \$27,199 of advances and accrued interest, such that the Company had no remaining liability at March 31, 2014. During the three months ended March 31, 2013, the Company received an aggregate of \$59,940 in non-interest bearing advances from an officer of the Company and made aggregate repayments of \$59,940 of advances.

Note 5 – Notes Payable

A summary of the notes payable activity during the three months ended March 31, 2014 is presented below:

	Bermuda Lender	Convertible Notes	Other Notes	Debt Discount	Total
Outstanding, December 31, 2013	\$ 4,000,000	\$ 281,000	\$ 1,473,500	\$ (240,491)	\$ 5,514,009
Issuances	-	145,000 [1]	-	-	145,000
Exchanges for equity	-	(71,000)	(203,000)	-	(274,000)
Repayments	-	-	(25,000)	-	(25,000)
Setup of debt discount	-	-	-	(5,000)	(5,000)
Amortization of debt discount	-	-	-	98,505	98,505
Accretion of interest expense	-	5,000 [2]	-	6,075 [1]	11,075
Outstanding, March 31, 2014	<u>\$ 4,000,000</u>	<u>\$ 360,000</u>	<u>\$ 1,245,500</u>	<u>\$ (140,911)</u>	<u>\$ 5,464,589</u>

[1] On March 10, 2014, a note with a principal amount of \$30,000 was issued for cash consideration of \$25,000 and bears no interest. The \$5,000 difference was recorded as debt discount and will be accreted as interest expense over the term of the note. During the three months ended March 31, 2014, the Company accreted interest expense of \$6,075 related to notes issued for cash consideration less than the principal amounts.

[2] On March 8, 2014, pursuant to the terms of a note payable with a maturity date of January 8, 2014, the principal balance of the note was increased from \$30,000 to \$35,000. The \$5,000 principal increase was accreted as interest expense.

Between January 17, 2014 and March 19, 2014, the Company issued Convertible Notes with an aggregate principal amount of \$145,000, in consideration for \$140,000 of new proceeds (a Convertible Note with a principal amount of \$30,000 bears no interest and was issued for cash consideration of \$25,000 and the \$5,000 difference was recorded as debt discount and will be accreted as interest over the term of the note resulting in a weighted average effective interest rate of 79%). Convertible Notes with an aggregate principal amount of \$115,000 bear interest at a rate of 12% per annum payable upon maturity. The Convertible Notes were initially payable 3-12 months from the date of issuance. Of the \$145,000 of Convertible Notes, \$115,000 is convertible into shares of the Company's common stock at the election of the Company during the period beginning five days prior to maturity and ending on the day immediately prior to maturity at the greater of (a) 55% of the fair value of the Company's stock or (b) \$0.05 per share. The remaining \$30,000 is convertible into shares of the Company's common stock at the election of the holder any time after September 10, 2014 at the lesser of (a) \$0.50 per share or (b) 65% of the fair value of the Company's common stock, but with a floor of \$0.05 per share.

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

Notes to Condensed Consolidated Financial Statements
(unaudited)

Note 5 – Notes Payable – Continued

During the three months ended March 31, 2014, the Company repaid a certain note payable with a principal balance of \$25,000 and accrued interest of \$5,000.

During the three months ended March 31, 2014, the Company and certain lenders agreed to exchange notes payable with an aggregate principal balance of \$274,000 and aggregate accrued interest of \$19,932 for an aggregate of 1,101,453 shares of common stock and an immediately vested, two-year warrant to purchase 100,000 shares of common stock at an exercise price of \$0.75 per share. The stock and warrants had an aggregate issuance date value of \$330,436 and \$12,590, respectively, and, as a result, the Company recorded a loss on extinguishment of \$49,094. The lenders received piggyback registration rights related to the stock and the stock issuable pursuant to the warrants.

During the three months ended March 31, 2014, the maturity date of a certain note payable with a principal balance of \$100,000 was extended from December 31, 2013 to March 1, 2014. In connection with the extension, the amount of interest due at maturity was increased to \$35,000 from \$20,000. As of the filing date of this report, the note was past due.

Note 6 – Commitments and Contingencies

Operating Lease

On February 4, 2014, the Company and the landlord agreed to the surrender of a portion of the Jupiter, Florida leased premises and also extended the term of the lease to July 31, 2014. The amended lease provides for a base rent of \$962 per month.

On February 11, 2014, the Company executed a Facility Use Agreement with a stem cell treatment company (“SCTC”) which permits the Company to utilize the SCTC’s laboratory facility and one office for research associated with its culturing and medical device license. Payment terms are \$3,750 through March 31, 2014 and \$100 per day for usage beyond that date.

Rent expense amounted to approximately \$11,000 and \$36,000 during the three months ended March 31, 2014, and 2013, respectively. Rent expense for the period from December 30, 2008 (inception) to March 31, 2014 was approximately \$344,000. Rent expense is reflected in general and administrative expenses in the condensed consolidated statements of operations.

Consulting Agreements

On February 20, 2014, the Company executed a two-year consulting agreement with the Physiatrist-In-Chief Emeritus for the Hospital for Special Surgery in New York City to become the Company’s Chief Medical Advisor for Spine Medicine whereby he would oversee the clinical aspects of the brtxDISC™ Program. The agreement may be terminated earlier or extended, as provided for in the agreement. Payments are scheduled to be \$10,000 per month, escalating to \$20,000 per month upon the FDA approval of the Company’s Investigational New Drug or Investigational Device Exemption application with respect to its brtxDISC™ Program. In addition, the Company granted the consultant a five-year option to purchase 300,000 shares of common stock at an exercise price of \$0.65 per share, pursuant to the Plan. The option vests ratably over three years on the grant date anniversaries and the grant date value of \$67,830 will be recognized proportionate to the vesting period.

On March 12, 2014, as additional compensation for consulting services, the Company granted to a consultant an immediately vested, five-year warrant to purchase 100,000 shares of common stock at an exercise price of \$0.53 per share. In addition, warrants to purchase an aggregate of 280,000 shares of common stock had their exercise prices reduced to \$0.53 per share from \$1.50 per share and such warrants, as well as a warrant to purchase 20,000 shares of common stock, had their term extended to March 12, 2019. The grant date value of the issued warrant of \$23,360 along with the incremental value related to the modification of the outstanding warrants of \$30,366 has been recognized during the three months ended March 31, 2014 as stock-based compensation expense, which is reflected as consulting expense in the condensed consolidated statements of operations.

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

Notes to Condensed Consolidated Financial Statements
(unaudited)

Note 6 – Commitments and Contingencies – Continued

Consulting Agreements – Continued

On March 14, 2014, the Company executed an agreement, which will continue until terminated by either party, appointing a new Scientific Advisory Board member. Pursuant to the agreement, the Company immediately granted the new Advisor a five-year option to purchase 25,000 shares of common stock at an exercise price of \$0.50 per share, pursuant to the Plan. The shares vest as follows: (i) 12,500 shares immediately and (ii) 12,500 shares on the first anniversary of the grant date. In addition, on each annual anniversary date of the agreement, the Advisor is entitled to a new five-year option to purchase 5,000 shares of the Company's common stock at an exercise price equal to the then fair market value of the common stock. The option grant date value of \$5,860 will be recognized proportionate to the vesting period.

During the three months ended March 31, 2014, the Company issued an aggregate of 21,691 shares of common stock valued at \$14,071 to consultants pursuant to consulting agreements.

Claims

In November 2013, an action was commenced in the Circuit Court of Palm Beach County, Florida by an alleged former consultant against the Company. The action is associated with an alleged loan made in 2009 and an alleged consulting/employment agreement entered into with the Company effective in 2009. Pursuant to the action, the plaintiff is seeking to recover an unspecified amount of damages but at least approximately \$193,000 of cash and warrants for the purchase of 80,000 shares of the Company's common stock. During March 2014, the Company filed its answer to the complaint wherein it denied the allegations and entered thirteen affirmative defenses. Procedural hearings are scheduled to commence in July 2014. The Company has not accrued for a loss associated with this matter as it believes that the claims are without merit and it intends to vigorously defend this matter.

The Company records legal costs associated with loss contingencies as incurred and accrues for all probable and estimable settlements.

Note 7 – Stockholders' Deficiency

2010 Equity Participation Plan

On February 18, 2014, the Board of Directors of the Company approved an increase in the number of shares of common stock authorized to be issued pursuant to the Plan from 6,000,000 to 12,000,000.

Common Stock Issuances

During the three months ended March 31, 2014, the Company issued an aggregate of 1,368,651 shares of common stock at prices ranging from \$0.35 to \$0.45 per unit to investors for aggregate gross proceeds of \$545,000. In connection with the purchases, the Company issued warrants to purchase an aggregate of 329,861 shares of common stock at an exercise price of \$0.75 per share. The warrants have terms ranging from two to five years.

See Note 5 – Notes Payable for details associated with common stock issued in conjunction with the exchange of notes payable.

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

Notes to Condensed Consolidated Financial Statements
(unaudited)

Note 7 – Stockholders’ Deficiency - Continued

Warrant and Option Valuation

The Company has computed the fair value of warrants and options granted using the Black-Scholes option pricing model. Option forfeitures are estimated at the time of valuation and reduce expense ratably over the vesting period. This estimate will be adjusted periodically based on the extent to which actual option forfeitures differ, or are expected to differ, from the previous estimate, when it is material. The Company estimated forfeitures related to option grants at an annual rate of 0% for options granted during the three months ended March 31, 2014. The expected term used for warrants and options issued to non-employees is the contractual life and the expected term used for options issued to employees is the estimated period of time that options granted are expected to be outstanding. The Company utilizes the “simplified” method to develop an estimate of the expected term of “plain vanilla” employee option grants. Since the Company’s stock has not been publicly traded for a sufficiently long period of time, the Company is utilizing an expected volatility figure based on a review of the historical volatilities, over a period of time, equivalent to the expected life of the instrument being valued, of similarly positioned public companies within its industry. The risk-free interest rate was determined from the implied yields from U.S. Treasury zero-coupon bonds with a remaining term consistent with the expected term of the instrument being valued.

Warrant Exercise and Reload Program

On November 27, 2013, the Company initiated a limited time program (the “Warrant Exercise and Reload Program”) which, at the election of any warrant holder, would permit them to immediately exercise their outstanding exercisable warrants at an exercise price of \$0.30 per share. In connection with the exercise of the warrant, in addition to having received the number of shares pursuant to such exercise, each holder would receive a new warrant for the same number of shares purchased with an exercise price of \$0.75 per share and an expiration date of December 31, 2015. The terms of the newly issued warrant permit the Company to redeem 100% of the shares underlying the new warrant for a total of \$1.00 if the common stock of the Company trades above \$1.25 for five consecutive trading days. Under the Warrant Exercise and Reload Program, warrants to purchase an aggregate of 266,667 shares of common stock were exercised during the three months ended March 31, 2014 for aggregate gross proceeds of \$80,000. The Company recognized a \$30,128 warrant modification charge during the three months ended March 31, 2014, which represents the incremental value of the modified warrant and new warrant combined, as compared to the original warrant value, all valued as of the respective modification dates.

Stock Warrants

See Note 5 – Notes Payable for details associated with the issuance of warrants in connection with note issuances and the exchange of notes payable. See Note 6 – Commitments and Contingencies for details associated with the issuance of warrants as compensation. See Note 7 – Stockholders’ Deficiency – Common Stock Issuances for details associated with the issuance of warrants in connection with common stock issuances.

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

	For The Three Months Ended	
	March 31,	
	2014	2013
Risk free interest rate	1.46%	0.79%
Expected term (years)	4.37	4.98
Expected volatility	121%	135%
Expected dividends	0.00%	0.00%

The weighted average estimated fair value of the warrants granted during the three months ended March 31, 2014 and 2013 was \$0.22 and \$0.61 per share, respectively.

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

Notes to Condensed Consolidated Financial Statements
(unaudited)

Note 7 – Stockholders’ Deficiency – Continued

Stock Warrants – Continued

The Company recorded stock-based compensation expense of \$53,726 and \$24,200 during the three months ended March 31, 2014 and 2013, respectively, and \$627,757 during the period from December 30, 2008 (inception) to March 31, 2014, related to stock warrants issued as compensation, which is reflected as consulting expense in the condensed consolidated statements of operations. As of March 31, 2014, there was no unrecognized stock-based compensation expense related to stock warrants.

A summary of the stock warrant activity during the three months ended March 31, 2014 is presented below:

	Number of Warrants	Weighted Average Exercise Price	Weighted Average Remaining Life In Years	Intrinsic Value
Outstanding, December 31, 2013	4,795,890	\$ 1.39		
Granted	796,528	0.72		
Exercised	(266,667)	0.30 [1]		
Forfeited	-	-		
Outstanding, March 31, 2014	<u>5,325,751</u>	<u>\$ 1.24</u>	<u>3.0</u>	<u>\$ -</u>
Exercisable, March 31, 2014	<u>4,625,751</u>	<u>\$ 1.20</u>	<u>2.8</u>	<u>\$ -</u>

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

Notes to Condensed Consolidated Financial Statements
(unaudited)

Note 7 – Stockholders’ Deficiency – Continued

Stock Warrants – Continued

The following table presents information related to stock warrants at March 31, 2014:

Warrants Outstanding		Warrants Exercisable	
Exercise Price	Number of Warrants	Weighted Average Remaining Life In Years	Exercisable Number of Warrants
\$ 0.50	40,000	0.3	40,000
0.53	100,000	1.8	100,000
0.75	2,382,557	2.3	2,382,557
0.94	50,000	4.7	50,000
1.00	90,000	3.7	90,000
1.50	1,502,800	3.2	1,502,800
1.75	70,000	3.8	70,000
2.00	123,530	4.6	123,530
2.50	60,000	3.2	60,000
3.00	36,864	4.1	36,864
\$ 4.00	170,000	3.8	170,000
Variable [2]	700,000	-	-
	5,325,751	2.8	4,625,751

[1] Warrants to purchase an aggregate of 266,667 shares of common stock had their exercise prices reduced to \$0.30 per share pursuant to the Warrant Exercise and Reload Program. The warrants previously had exercise prices that ranged from \$1.50 to \$4.00 per share. See Note 7 – Stockholders’ Deficiency – Warrant Exercise and Reload Program.

[2] Warrants to purchase 700,000 shares of common stock have an exercise price which is the greater of \$1.50 per share or the fair market value of the common stock on the date certain performance criteria are met. Exercisability of warrants is subject to satisfaction of certain performance criteria which did not occur during the quarter ended March 31, 2014.

Stock Options

See Note 6 – Commitments and Contingencies for details associated with the issuance of options in connection with consulting agreements.

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

	For the Three Months Ended	
	March 31,	
	2014	2013
Risk free interest rate	1.50%	1.87%
Expected term (years)	5.43	10.00
Expected volatility	121%	135%
Expected dividends	0.00%	0.00%

The weighted average estimated fair value of the options granted during the three months ended March 31, 2014 and 2013 was \$0.23 and \$0.77 per share, respectively.

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

Notes to Condensed Consolidated Financial Statements
(unaudited)

Note 7 – Stockholders’ Deficiency – Continued

Stock Options – Continued

Between February 18, 2014 and March 12, 2014, the Company granted ten-year options to employees and directors to purchase an aggregate of 2,415,000 shares of common stock at exercise prices ranging from \$0.53 to \$0.65 per share, pursuant to the Plan. The shares vest as follows: (i) 831,669 shares immediately and (ii) 1,589,331 shares ratably over two years on the grant date anniversaries. The aggregate grant date value of \$566,483 will be recognized proportionate to the vesting period.

The following table presents information related to stock option expense:

	For The Three Months Ended March 31,		Period From December 30, 2008 (Inception) to March 31,	Unrecognized at March 31,	Weighted Average Amortization Period
	2014	2013	2014	2014	(Years)
Consulting	\$ 100,613	\$ 45,125	\$ 912,599	\$ 172,444	1.7
Research and development	121,390	83,732	583,284	127,533 [1]	1.6
General and administrative	83,699	53,750	1,228,483	181,993	2.3
	<u>\$ 305,702</u>	<u>\$ 182,607</u>	<u>\$ 2,724,366</u>	<u>\$ 481,970</u>	1.8

[1] Contains \$11,867 of unrecognized expense that is subject to non-employee mark-to-market adjustments.

A summary of the stock option activity during the three months ended March 31, 2014 is presented below:

	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Life In Years	Intrinsic Value
Outstanding, December 31, 2013	5,043,000	\$ 1.03		
Granted	2,740,000	0.65		
Exercised	-	-		
Forfeited	-	-		
Outstanding, March 31, 2014	<u>7,783,000</u>	<u>\$ 0.90</u>	<u>8.4</u>	<u>\$ -</u>
Exercisable, March 31, 2014	<u>5,147,167</u>	<u>\$ 0.89</u>	<u>6.7</u>	<u>\$ -</u>

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

Notes to Condensed Consolidated Financial Statements
(unaudited)

Note 7 – Stockholders’ Deficiency – Continued

Stock Options – Continued

The following table presents information related to stock options at March 31, 2014:

Options Outstanding		Options Exercisable	
Exercise Price	Outstanding Number of Options	Weighted Average Remaining Life In Years	Exercisable Number of Options
\$ 0.50	345,000	5.6	332,500
0.53	40,000	9.9	40,000
0.60	980,000	9.5	490,000
0.65	2,675,000	5.7	791,667
1.00	135,000	8.3	85,000
1.05	2,280,000	7.9	2,280,000
1.10	5,000	3.2	5,000
1.20	10,000	2.2	10,000
1.25	43,000	2.6	43,000
1.40	350,000	5.6	150,000
\$ 1.50	920,000	8.7	920,000
	<u>7,783,000</u>	<u>6.7</u>	<u>5,147,167</u>

Common Stock Awards

The following table presents information related to common stock award expense:

	For The Three Months March 31,		Period From December 30, 2008 (Inception) to March 31,	Unrecognized at March 31,
	2014	2013	2014	2014
Consulting	\$ 10,000	\$ 48,000	\$ 1,809,746	\$ -
Research and development	4,071	723	30,775	-
General and administrative	-	-	123,900	-
	<u>\$ 14,071</u>	<u>\$ 48,723</u>	<u>\$ 1,964,421</u>	<u>\$ -</u>

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

Notes to Condensed Consolidated Financial Statements
(unaudited)

Note 7 – Stockholders’ Deficiency – Continued

Common Stock Awards – Continued

A summary of common stock award activity for the three months ended March 31, 2014 is presented below:

	Number of Shares	Weighted Average Grant Date Fair Value	Total Grant Date Fair Value
Non-vested, December 31, 2013	-	\$ -	\$ -
Granted	21,691	0.65	14,071
Vested	(21,691)	0.65	(14,071)
Forfeited	-	-	-
Non-vested, March 31, 2014	-	\$ -	\$ -

Note 8 – Subsequent Events

Business Advisory Services

On April 21, 2014, the Company entered into a three-month agreement with a consultant to provide business advisory services pursuant to which the consultant was issued an aggregate of 250,000 shares of common stock.

Research Agreement

On May 9, 2014, the Company entered into an amendment to its Research Agreement, dated June 15, 2012, with the University of Utah (the “University”) (the “Utah Agreement”). Pursuant to the amendment, the parties agreed that (i) no fees are payable by the Company to the University pursuant to the Utah Agreement for the five month period ending May 15, 2014, (ii) effective with the payment due on June 15, 2014, the monthly fee payable by the Company to the University pursuant to the Utah Agreement will be reduced from \$41,667 to \$20,000 and (iii) the scope of the work to be performed by the University pursuant to the Utah Agreement will be reduced. The Utah Agreement is scheduled to expire on June 14, 2015. Concurrently with the execution of the amendment, the Company paid \$323,336 to the University, representing the balance of all fees payable by the Company to date pursuant to the Utah Agreement.

Notes Payable

On April 1, 2014, the maturity dates of certain notes payable with aggregate principal balance of \$652,500 and interest rates ranging from 8% to 15% were extended to various dates between October 1, 2014 and April 1, 2015. In connection with the extensions, (a) aggregate accrued interest of \$73,058 was converted into the principal amount, (b) immediately vested, five-year warrants to purchase an aggregate of 100,000 shares of common stock at an exercise price of \$0.75 per share were issued to the lenders, (c) previously outstanding warrants to purchase an aggregate of 90,000 shares of common stock had their exercise prices reduced to \$0.75 per share from exercise prices ranging from \$1.75 to \$2.50 per share and (d) in the event a certain note is not paid in full on or before maturity, the Company will issue to the lender a five-year warrant to purchase 50,000 shares of common stock at an exercise price equal to 175% of the then fair market value of the Company’s common stock.

On April 14, 2014, the Company repaid a certain note payable with a principal balance of \$25,000 and accrued interest of \$5,801.

On April 21, 2014, a convertible note payable with a maturity of April 21, 2014 in the principal amount of \$25,000 along with accrued deferred interest in the amount of \$1,500 was converted into 119,262 shares of the Company’s common stock at a price of \$0.22 per share.

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

Notes to Condensed Consolidated Financial Statements
(unaudited)

Note 8 – Subsequent Events – Continued

Notes Payable – Continued

On May 2, 2014, the Company issued a lender a six-month convertible note payable in the principal amount of \$30,000 which bears interest at a rate of 12% per annum payable at maturity. The note is convertible into shares of the Company's common stock at the election of the Company during the period beginning five days prior to maturity and ending on the day immediately prior to maturity at the greater of (a) 60% of the fair value of the Company's stock or (b) \$0.05 per share.

On May 8, 2014, Cayman issued the Bermuda Lender a one-year note payable in the principal amount of \$500,000 which bears interest at 15% per annum payable at maturity. The note also provides for the mandatory prepayment of the principal amount to the extent of any monies received by the Company pursuant to the Research and Development Agreements discussed in Note 3 – Summary of Significant Accounting Policies – Revenue Recognition – Research and Development Agreements. Interest on the entire principal amount of the note is payable until such time as the principal amount is paid in full. As of the filing date of this report, 73% of the face value of the Company's outstanding notes payable were sourced from the Bermuda Lender and the maturity dates associated with these notes ranges from July 31, 2014 to May 7, 2015.

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

The following discussion and analysis of the results of operations and financial condition of BioRestorative Therapies, Inc. (and including its subsidiaries, "BRT" or the "Company") as of March 31, 2014 and December 31, 2013 and for the three months ended March 31, 2014 and 2013 should be read in conjunction with our financial statements and the notes to those financial statements that are included elsewhere in this Quarterly Report on Form 10-Q. References in this Management's Discussion and Analysis of Financial Condition and Results of Operations to "us," "we," "our," and similar terms refer to BRT. This Quarterly Report contains forward-looking statements as that term is defined in the federal securities laws. The events described in forward-looking statements contained in this Quarterly Report may not occur. Generally these statements relate to business plans or strategies, projected or anticipated benefits or other consequences of our plans or strategies, projected or anticipated benefits from acquisitions to be made by us, or projections involving anticipated revenues, earnings or other aspects of our operating results. The words "may," "will," "expect," "believe," "anticipate," "project," "plan," "intend," "estimate," and "continue," and their opposites and similar expressions, are intended to identify forward-looking statements. We caution you that these statements are not guarantees of future performance or events and are subject to a number of uncertainties, risks and other influences, many of which are beyond our control, which may influence the accuracy of the statements and the projections upon which the statements are based. Factors that may affect our results include, but are not limited to, the risks and uncertainties discussed in Item 7 ("Management's Discussion and Analysis of Financial Condition and Results of Operations – Factors That May Affect Results and Financial Condition") of our Annual Report on Form 10-K for the year ended December 31, 2013 filed with the Securities and Exchange Commission (the "SEC") on April 11, 2014.

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

Overview

We are a development stage enterprise whose primary activities since inception have been the development of our business plan, negotiating strategic alliances and other agreements, raising capital and the sponsorship of research and development activities.

Our goal is to develop technology using cell and tissue regenerative therapy protocols, primarily involving adult stem cells, allowing patients to undergo cellular-based treatments. As more and more cellular therapies become standard of care, we intend to focus on the unity of medical and scientific explanations for future clinical procedures and outcomes and the provision of adult stem cells for future personal medical applications. Among the initiatives that we are currently pursuing is our brtxDISC™ (Disc Implanted Stem Cells) Program. We have obtained a license that permits us to use technology for adult stem cell treatment of disc and spine conditions, including protruding, bulging and herniated discs. The technology is an advanced stem cell injection procedure that may offer relief from lower back pain, buttock and leg pain, and numbness and tingling in the legs and feet. Another technology we are developing is our ThermoStem® Program. This pre-clinical program involves the use of brown fat in connection with the cell-based treatment of type 2 diabetes and obesity as well as hypertension, other metabolic disorders and cardiac deficiencies.

We also offer stem cell derived cosmetic and skin care products. Pursuant to our brtx-C Cosmetic Program, we have developed an ingredient derived from human adult stem cells which can be used by third party companies in the development of their own skin care products. Separately, through our wholly-owned subsidiary, Stem Pearls, LLC, we offer facial creams and other skin care products with certain ingredients that may include plant stem cells and/or other plant derived stem cell optimization or regenerative compounds.

We currently are seeking to establish a new laboratory facility and increase our capabilities for the further development of possible cellular-based treatment protocols, stem cell-related intellectual property and research applications.

Since inception, we have incurred substantial losses. As of March 31, 2014, the deficit accumulated during the development stage was \$21,482,090, our stockholders' deficiency was \$6,983,092 and our working capital deficiency was \$7,789,326. We have not generated significant revenues and our losses have principally been operating expenses incurred in development, marketing and promotional activities in order to commercialize our products and services, plus costs associated with meeting the requirements of being a public company. We expect to continue to incur substantial costs for these activities over at least the next year.

Based upon our working capital deficiency as of March 31, 2014 and our forecast for continued operating losses, we require equity and/or debt financing to continue our operations. Between December 2008 and March 31, 2014, we raised an aggregate of \$6,842,417 in net debt financing and \$4,821,984 in net equity financing, including proceeds received from the exercise of common stock purchase warrants. As of March 31, 2014, our outstanding debt of \$5,605,500, together with interest at stated rates ranging between 8% and 15% per annum, was due on various dates through February 2015. Subsequent to March 31, 2014 and through May 14, 2014, we have received aggregate debt financing of \$530,000, we have received research and development fee payments of \$250,000, the due date for the repayment of \$652,500 of debt has been extended, \$25,000 and \$5,801 of debt and accrued interest, respectively, has been repaid and \$25,000 and \$1,500 of debt and accrued interest, respectively, has been exchanged for common stock. Giving effect to the above actions, we currently have notes payable aggregating \$251,750 which are either past due or payable on demand. Based upon our working capital deficiency and outstanding debt, we expect to be able to fund our operations through June 2014. We are currently in the process of negotiating extensions or discussing conversions to equity with respect to these notes. We are currently considering several different financing alternatives to support our operations thereafter. If we are unable to obtain such additional financing on a timely basis and, notwithstanding any request we may make, our debt holders do not agree to convert their notes into equity or extend the maturity dates of their notes, we may have to curtail our development, marketing and promotional activities, which would have a material adverse effect on our business, financial condition and results of operations, and ultimately we could be forced to discontinue our operations and liquidate. See “Liquidity and Capital Resources” below.

Recent Developments

Research and Development Agreements

On March 19, 2014, we entered into a one-year research and development agreement with a Japanese pharmaceutical company. Pursuant to the agreement, we have been engaged to provide research and development services with regard to stem cells. The agreement provides for an initial payment to us of \$150,000 (which was received in March 2014) and the payment of up to an additional \$100,000, subject to the achievement of specified deliverables.

On March 24, 2014, we entered into a research agreement with a U.S. pharmaceutical company. Pursuant to the agreement, we have been engaged to provide research and development services with regard to brown fat. The agreement provides for an initial payment to us of \$250,000 (which was received in April 2014) and the payment of up to an additional \$525,000 during the two year term of the agreement.

Medical and Scientific Advisory

On February 20, 2014, we executed a two-year consulting agreement with the Physiatrist-In-Chief Emeritus for the Hospital for Special Surgery in New York City to become our Chief Medical Advisor for Spine Medicine whereby he would assume responsibility for the clinical aspects of the brtxDISC™ Program. The agreement may be terminated earlier or extended, as provided for in the agreement. Payments are scheduled to be \$10,000 per month, escalating to \$20,000 per month upon the FDA approval of our Investigational New Drug or Investigational Device Exemption application with respect to our brtxDISC™ Program. In addition, we granted a five-year option to purchase 300,000 shares of common stock at an exercise price of \$0.65 per share, pursuant to the Plan. The option vests ratably over three years on the grant date anniversaries.

On March 14, 2014, we executed an agreement, which will continue until terminated by either party, appointing a new Scientific Advisory Board member. Pursuant to the agreement, we immediately granted the new Advisor a five-year option to purchase 25,000 shares of common stock at an exercise price of \$0.50 per share, pursuant to the Plan. The shares vest as follows: (i) 12,500 shares immediately and (ii) 12,500 shares on the first anniversary of the grant date. In addition, on each annual anniversary date of the agreement, the Advisor is entitled to a new five-year option to purchase 5,000 shares of our common stock at an exercise price equal to the then fair market value of the common stock.

Consolidated Results of Operations

Three Months Ended March 31, 2014 Compared With Three Months Ended March 31, 2013

The following table presents selected items in our unaudited condensed consolidated statements of operations for the three months ended March 31, 2014 and 2013, respectively:

	For The Three Months Ended March 31,	
	2014	2013
Revenues	\$ 375	\$ 1,130
Cost of goods sold	60	162
Gross Profit	315	968
Operating Expenses:		
Marketing and promotion	31,794	29,881
Consulting	267,198	230,116
Research and development	493,741	400,442
General and administrative	636,000	640,110
Total Operating Expenses	1,428,733	1,300,549
Loss From Operations	(1,428,418)	(1,299,581)
Other Income (Expense):		
Interest expense	(73,131)	(197,868)
Amortization of debt discount	(98,505)	(61,349)
Loss on extinguishment of notes payable, net	(49,094)	(7,200)
Warrant modification expense	(30,128)	-
Gain on settlement of note and payables, net	9,600	-
Total Other Expense	(241,258)	(266,417)
Net Loss	\$ (1,669,676)	\$ (1,565,998)

Gross profit

Revenues consisted of sales of Stem Pearls® skincare products. For the three months ended March 31, 2014, revenues were \$375 as compared to \$1,130 for the three months ended March 31, 2013.

Cost of goods sold consisted of the costs of the underlying products. For the three months ended March 31, 2014, cost of goods sold was \$60 as compared to \$162 for the three months ended March 31, 2013.

Marketing and promotion

Marketing and promotion expenses include advertising and promotion, marketing and seminars, meals, and entertainment and travel expenses. For the three months ended March 31, 2014, marketing and promotion expenses increased by \$1,913, or 6%, to \$31,794 from \$29,881 in the comparable 2013 period.

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

Consulting

Consulting expenses consist of consulting fees and stock-based compensation to consultants. For the three months ended March 31, 2014, consulting expenses increased \$37,082, or 16%, to \$267,198 from \$230,116 in the comparable 2013 period. The increase is primarily due to an approximate \$46,000 increase in non-cash stock-based compensation to directors, consultants and advisors.

Research and development

Research and development expenses include cash and non-cash compensation of (a) our Chief Executive Officer (in part); (b) our Vice President of Research and Development; and (c) our Scientific Advisory Board members, and costs related to our brown fat and disc/spine initiatives. Research and development expenses are expensed as they are incurred. For the three months ended March 31, 2014, research and development expenses increased by \$93,299, or 23%, to \$493,741 from \$400,442 in the comparable 2013 period. The increase is primarily related to cash and non-cash compensation of our Vice President of Research and Development and our Scientific Advisory Board members of approximately \$67,000 and costs of approximately \$29,000 related to our brown fat and disc/spine initiatives.

We expect that our research and development expenses will continue to increase with the continuation of the aforementioned initiatives.

General and administrative

General and administrative expenses consist primarily of salaries, bonuses, payroll taxes, severance costs and stock-based compensation to employees (excluding any cash or non-cash compensation of (a) our Chief Executive Officer attributable to research and development and (b) our Vice President of Research and Development) as well as corporate support expenses such as legal and professional fees, investor relations and occupancy related expenses. For the three months ended March 31, 2014, general and administrative expenses decreased by \$4,110, or 1%, to \$636,000 from \$640,110 in the comparable 2013 period.

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

Interest expense

For the three months ended March 31, 2014, interest expense decreased \$124,737, or 63%, to \$73,131 from \$197,868 in the comparable 2013 period. The decrease was due to a reduction in interest-bearing outstanding short-term borrowings as compared to the first quarter of 2013.

Amortization of debt discount

For the three months ended March 31, 2014, amortization of debt discount increased by \$37,156, or 61%, to \$98,505 from \$61,349 in the comparable 2013 period. The increase was primarily due the timing of the recognition of the debt discount expense.

Loss on extinguishment of notes payable, net

For the three months ended March 31, 2014, we recorded a loss on extinguishment of notes payable, net of \$49,094, which is associated with investors' conversion of debt into equity securities, as compared to a loss on extinguishment of notes payable of \$7,200 for the three months ended March 31, 2013.

Warrant modification expense

For the three months ended March 31, 2014, we recorded expense of \$30,128 related to the modification of outstanding investor warrants.

Liquidity and Capital Resources

Liquidity

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

	March 31, 2014	December 31, 2013
Cash	\$ 110,360	\$ 201,098
Working Capital Deficiency	\$ (7,789,326)	\$ (7,262,748)
Notes Payable (Gross - Current)	\$ 5,330,500	\$ 5,754,500

Availability of Additional Funds

Based upon our working capital deficiency and stockholders' deficiency of \$7,789,326 and \$6,983,092, respectively, as of March 31, 2014 and the relative insignificance of the revenues from inception to March 31, 2014, we require additional equity and/or debt financing to continue our operations. These conditions raise substantial doubt about our ability to continue as a going concern.

Between December 2008 and March 31, 2014, we raised an aggregate of \$6,842,417 in net debt financing and \$4,821,984 in net equity financing. As of March 31, 2014, our outstanding debt of \$5,605,500, together with interest at stated rates ranging between 8% and 15% per annum, was due on various dates through February 2015. Subsequent to March 31, 2014 and through May 14, 2014, we have received aggregate debt financing of \$530,000, we have received research and development fee payments of \$250,000, the due date for the repayment of \$652,500 of debt has been extended, \$25,000 and \$5,801 of debt and accrued interest, respectively, has been repaid and \$25,000 and \$1,500 of debt and accrued interest, respectively, has been exchanged for common stock. Giving effect to the above actions, we currently have notes payable aggregating \$251,750 which are either past due or payable on demand. As of the date of filing, our outstanding debt was as follows:

Maturity Date	Principal Amount
Past Due/On Demand	\$ 251,750
QE 6/30/14	81,250
QE 9/30/14	4,325,000
QE 12/31/14	672,685
QE 3/31/15	50,000
QE 6/30/15	783,873
	\$ 6,164,558

Based upon our working capital deficiency, outstanding debt and forecast for continued operating losses we expect that the cash we currently have available will fund our operations through June 2014. Thereafter, we will need to raise further capital, through the sale of additional equity or debt securities, to support our future operations and to repay our debt (unless, if requested, the debt holders agree to convert their notes into equity or extend the maturity dates of their notes). Our operating needs include the planned costs to operate our business, including amounts required to fund working capital and capital expenditures. Our future capital requirements and the adequacy of our available funds will depend on many factors, including our ability to successfully commercialize our products and services, competing technological and market developments, and the need to enter into collaborations with other companies or acquire other companies or technologies to enhance or complement our product and service offerings.

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

Our condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q have been prepared in conformity with accounting principles generally accepted in the United States of America, which contemplate our continuation as a going concern and the realization of assets and satisfaction of liabilities in the normal course of business. The carrying amounts of assets and liabilities presented in the financial statements do not necessarily purport to represent realizable or settlement values. The financial statements do not include any adjustment that might result from the outcome of this uncertainty.

During the three months ended March 31, 2014, our sources and uses of cash were as follows:

Net Cash Used in Operating Activities

We experienced negative cash flow from operating activities for the three months ended March 31, 2014 and 2013 in the amounts of \$806,728 and \$771,773, respectively. The net cash used in operating activities for the three months ended March 31, 2014 was primarily due to cash used to fund a net loss of \$1,669,676, adjusted for non-cash expenses in the aggregate amount of \$568,152, partially offset by \$294,796 of net cash provided by changes in the levels of operating assets and liabilities, primarily as a result of extending payments to vendors due to cash constraints during the period. The net cash used in operating activities for the three months ended March 31, 2013 was primarily due to cash used to fund a net loss of \$1,565,998, adjusted for non-cash expenses in the aggregate amount of \$350,091, partially offset by \$443,411 of cash provided by changes in the levels of operating assets and liabilities, primarily as a result of extending payments to vendors, due to cash constraints during the period.

Net Cash Provided by Investing Activities

During the three months ended March 31, 2014, \$980 of cash was provided by investing activities due to the proceeds received from the sale of fixed assets. During the three months ended March 31, 2013, no cash was provided by or used in investing activities.

Net Cash Provided by Financing Activities

Net cash provided by financing activities during the three months ended March 31, 2014 and 2013 was \$715,010 and \$1,270,000, respectively. During the three months ended March 31, 2014, \$90,010 of net proceeds were from debt financings and \$625,000 of proceeds were from equity financings (including proceeds received in connection with the exercise of common stock purchase warrants). During the three months ended March 31, 2013, \$820,000 of proceeds were from equity financings and \$450,000 of proceeds were from debt financings.

Critical Accounting Policies and Estimates

There are no material changes from the critical accounting policies set forth in “Management’s Discussion and Analysis of Financial Condition and Results of Operations” of our Form 10-K for the year ended December 31, 2013 filed with the Securities and Exchange Commission on April 11, 2014. Please refer to that document for disclosures regarding the critical accounting policies related to our business.

Off-Balance Sheet Arrangements

None.

Item 3: Quantitative and Qualitative Disclosures About Market Risk

Not applicable.

Item 4: Controls and Procedures

Disclosure Controls and Procedures

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

In connection with the preparation of this Quarterly Report on Form 10-Q for the quarter ended March 31, 2014, management, with the participation of our Principal Executive and Financial Officer, has evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e) and 15d-15(e)). Based upon that evaluation, our Principal Executive and Financial Officer concluded that, as of the end of the period covered by this Quarterly Report on Form 10-Q, our disclosure controls and procedures were effective.

Changes in Internal Controls

There were no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) and 15d-15(f)) during the quarter ended March 31, 2014 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Limitations of the Effectiveness of Control

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

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

Not applicable.

Item 1A. Risk Factors.

Not applicable. See, however, Item 7 (“Management’s Discussion and Analysis of Financial Condition and Results of Operations - Factors That May Affect Future Results and Financial Condition”) of our Annual Report on Form 10-K for the year ended December 31, 2013, filed with the Securities and Exchange Commission on April 11, 2014.

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

During the three months ended March 31, 2014, we issued the following securities in transactions not involving any public offering. For each of the following transactions, we relied upon Section 4(2) of the Securities Act of 1933, as amended, as transactions by an issuer not involving any public offering. For each such transaction, we did not use general solicitation or advertising to market the securities, the securities were offered to a limited number of persons, the investors had access to information regarding us (including information contained in our Annual Report on Form 10-K for the year ended December 31, 2012, Quarterly Reports on Form 10-Q for the periods ended March 31, 2013, June 30, 2013 and September 30, 2013, and Current Reports on Form 8-K filed with the Securities and Exchange Commission and press releases made by us), and we were available to answer questions from prospective investors. We reasonably believe that each of the investors is an accredited investor. The proceeds were used to reduce our working capital deficit.

Date Issued	Common Stock	Warrants			Purchaser(s)	Consideration (1)
		Shares	Exercise Price	Term (Years)		
1/7/14-1/13/14	266,667	266,667	\$ 0.75	2	(5)	\$ 80,000 (2)
1/14/14	22,222	11,111	\$ 0.75	2	(5)	\$ 10,000
1/23/14	100,000	100,000	\$ 0.75	2	(5)	\$ 30,000 (3)
1/30/14	2,845	-	\$ -	-	(6)	\$ 1,821 (4)
1/31/14-2/19/14	18,846	-	\$ -	-	(6)	\$ 12,250 (4)
2/6/14	123,097	-	\$ -	-	(5)	\$ 38,160 (3)
2/11/14	71,429	-	\$ -	-	(5)	\$ 25,000
2/12/14-2/25/14	754,689	-	\$ -	-	(5)	\$ 188,672 (3)
2/19/14	123,667	-	\$ -	-	(5)	\$ 37,100 (3)
2/28/14-3/10/14	1,275,000	318,750	\$ 0.75	5	(5)	\$ 510,000

(1) The value of the non-cash consideration was estimated to be the fair value of our restricted common stock. Since our shares are thinly traded in the open market, the fair value of our equity instruments was estimated by management based on observations of the cash sales prices of both restricted shares and freely tradable shares.

(2) Issued pursuant to the exercise of warrants.

(3) Issued in connection with the exchange of notes payable.

(4) Issued in consideration of consulting services.

(5) Accredited investor.

(6) Consultant.

Item 3. Defaults Upon Senior Securities.

See “Liquidity and Capital Resources” within “Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

On May 8, 2014, Stem Cell Cayman Ltd, one of our wholly-owned subsidiaries, borrowed \$500,000 from Westbury (Bermuda) Ltd., one of our principal shareholders. The promissory note evidencing the loan (the “Note”) provides for the payment of the principal amount, together with interest at the rate of 15% per annum, on May 7, 2015. The Note also provides for the mandatory prepayment of the principal amount to the extent of any monies received by us pursuant to the Research and Development Agreement, dated as of March 19, 2014, between Rohto Pharmaceutical Co., Ltd. and us and/or the Research Agreement, dated as of March 24, 2014, between Pfizer Inc. and us. Interest on the entire principal amount of the Note is payable until such time as the principal amount is paid in full.

Effective May 9, 2014, we entered into an amendment to our Research Agreement, dated June 15, 2012, with the University of Utah (the “University”) (the “Utah Agreement”). Pursuant to the amendment, the parties agreed that (i) no fees are payable by us to the University pursuant to the Utah Agreement for the five month period ending May 15, 2014, (ii) effective with the payment due on June 15, 2014, the monthly fee payable by us to the University pursuant to the Utah Agreement will be reduced from \$41,667 to \$20,000 and (iii) the scope of the work to be performed by the University pursuant to the Utah Agreement will be reduced. The Utah Agreement is scheduled to expire on June 14, 2015. Concurrently with the execution of the amendment, we paid \$323,336 to the University, representing the balance of all fees payable by us to date pursuant to the Utah Agreement.

Item 6. Exhibits.

Exhibit	Description
10.1	Research and Development Agreement, dated as of March 19, 2014, between BioRestorative Therapies, Inc. and Rohto Pharmaceutical Co., Ltd *
10.2	Research Agreement, dated as of March 24, 2014 between Pfizer Inc. and BioRestorative Therapies, Inc. *
10.3	Promissory Note, dated May 7, 2014, issued by Stem Cell Cayman Ltd. in the principal amount of \$500,000 **
10.4	Amendment No. One, dated as of May 9, 2014, to Research Agreement, dated June 15, 2012, between BioRestorative Therapies, Inc. and the University of Utah **
31.1	Chief Executive Officer Certification **
31.2	Chief Financial Officer Certification **
32	Section 1350 Certification ***
101.INS	XBRL Instance Document ***
101.SCH	XBRL Schema Document ***
101.CAL	XBRL Calculation Linkbase Document ***
101.DEF	XBRL Definition Linkbase Document ***
101.LAB	XBRL Label Linkbase Document ***
101.PRE	XBRL Presentation Linkbase Document ***
*	Certain portions of this exhibit have been omitted by redacting a portion of the text (indicated by asterisks in the text). This exhibit has been filed separately with the Securities and Exchange Commission pursuant to a request for confidential treatment.
**	Filed herewith
***	Furnished herewith

SIGNATURES

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

Date: May 14, 2014

BIORESTORATIVE THERAPIES, INC.

By: /s/ Mark Weinreb

Mark Weinreb

Chief Executive Officer

(Principal Executive and Financial Officer)

[Pursuant to 17 C.F.R. 240.24b-2, confidential information has been omitted in places marked "[...***...]" and has been filed separately with the Securities and Exchange Commission pursuant to a Confidential Treatment Application.]

RESEARCH AND DEVELOPMENT AGREEMENT

THIS RESEARCH AND DEVELOPMENT AGREEMENT (this "Agreement"), dated as of March __, 2014 (the "Effective Date"), is made and entered into by and between BioRestorative Therapies, Inc., a Nevada corporation ("BRT"), and Rohto Pharmaceutical Co., Ltd., a Japanese corporation ("Rohto") (collectively the "Parties" or individually a "Party").

PRELIMINARY STATEMENTS

1. BRT has expertise in the field of stem cell biotechnology, and in particular with regard to [...***...].
2. Rohto is a well known pharmaceutical company in Japan which develops new technology at medical and cosmetic businesses and [...***...] and seeks to use such materials for development of stem cell biotechnology.
3. Rohto desires to engage BRT to examine and research [...***...] owned by BRT, to develop [...***...] for use by Rohto and to produce [...***...] BRT agrees to perform such services, subject to the terms and conditions hereof, and provide to Rohto [...***...].

NOW, THEREFORE, in consideration of the various promises and undertakings set forth herein, the Parties agree as follows:

ARTICLE I

OBJECTIVE AND ENGAGEMENT

1.01 Objective. The objective of Rohto's engagement of BRT in this Agreement is, subject to the terms and conditions hereof, to develop [...***...] to be derived from [...***...]. The Parties agree that the goal of this Agreement is, subject to the terms and conditions hereof, to [...***...] derived from each of [...***...] provided by BRT or Rohto for such purposes.

1.02 Engagement. Subject to the terms and conditions of this Agreement, Rohto agrees to engage BRT to conduct the Research Program (as defined hereinafter), and BRT agrees to conduct the Research Program.

[...***...] Confidential information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

ARTICLE II

RESEARCH PROGRAM

2.01 **Rohto's Supply of Materials.** Rohto shall provide to BRT [...] in amounts as reasonably necessary to conduct the Research Program and as required by BRT from time to time. [...] will be provided [...] to BRT.

2.02 **BRT's Responsibility.** (a) BRT shall examine and research [...] (as defined in this Section 2.02) with the goal of [...] obtained from each of [...] (for clarity, only [...] and only [...] is to be supplied to Rohto) supplied by BRT using [...], and determining whether [...]. It is understood that [...] presently used by BRT [...] Thereupon, BRT shall seek to develop [...] for the above purpose [...], if necessary, and develop a [...] (the "Research Program"). BRT shall provide [...] during the Term (as hereinafter defined) [...] to Rohto. The Research Program is detailed in Exhibit A attached hereto. BRT agrees that, except as otherwise provided for in this Agreement, it will [...] only for the Research Program and not for any other purpose.

(b) With respect to the shipping of biological material between BRT and Rohto, each Party that ships biological material will do so in accordance with applicable international law and the respective laws of the jurisdictions from which and to which the materials are shipped. The cost of shipping and insurance will be the responsibility of the shipper.

2.03 **Rohto's Responsibility.** Rohto shall pay BRT two hundred fifty thousand United States dollars (US \$250,000) as the fee for the Research Program (the "Fee"). The Fee will be paid by wire as follows:

(a) one hundred fifty thousand United States dollars (US \$150,000) on the Effective Date;

(b) fifty thousand United States dollars (US \$50,000) within ten (10) days following the completion of Workstream 1 (as detailed in the Research Program) and the commencement of Item 2 of Workstream 2 of the Research Program [...]; and

(c) fifty thousand United States dollars (US \$50,000) (the "Final Installment") within ten (10) days following Rohto's receipt of the final written report by BRT regarding the outcome of the Research Program (the "Final Report").

2.04 **Periodic Meetings.** The Parties agree to meet by telephone or other electronic means on a quarterly basis and for BRT to report in writing to Rohto on the progress of the Research Program in a timely manner. The Parties will meet in such manner more frequently as needed. In the event that BRT makes a discovery during the Research Program that it considers to be a breakthrough in research, it shall call for a meeting with Rohto by telephone or other electronic means to discuss such findings immediately and after the meeting BRT shall report the breakthrough and discussion between the Parties in writing in a timely manner. In the event the Parties determine that the details of the Research Program are to be amended, the Parties will make such amendment in written form and attach it to this Agreement as an amended Exhibit A and will modify the Fee to reflect any additional services to be provided by BRT. Any travel expenses for any meetings in the United States with regard to the training of Rohto employees will be borne by Rohto; provided, however, BRT shall obtain the prior written consent by Rohto for such expense.

[...] Confidential information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

ARTICLE III

EXCHANGE OF INFORMATION, CONFIDENTIALITY, AND OUTCOME

3.01 Exchange of Information. The Parties shall exchange all information as follows:

- (a) BRT shall disclose to Rohto [...] to Rohto and will provide to Rohto [...] within thirty (30) days from the Effective Date.
- (b) Rohto shall disclose to BRT [...] and will provide to BRT [...] within thirty (30) days from the Effective Date.

3.02 Final Report. (a) The Final Report shall include, without limitation, the following: [...] and other pertinent information in detail, and [...].

(b) BRT shall deliver the Final Report to Rohto during the Term. If BRT determines that a certain extension of the Term is necessary in order to deliver the Final Report, it shall make a request to Rohto for such extension of the Term at least thirty (30) days before the expiration of the Term. Rohto shall respond to BRT's request within seven (7) days of its receipt of BRT's request. Rohto's determination with regard to an extension of the Term shall not be unreasonably withheld. In the event that Rohto agrees to such extension, BRT may deliver the Final Report within such extended Term. If Rohto does not agree to such extension, BRT shall deliver the Final Report within the Term.

3.03 Confidentiality. The provisions of the Mutual Nondisclosure Agreement, of even date, attached hereto as Exhibit B, between the Parties (the "Nondisclosure Agreement") shall continue in full force and effect during the Term and for a period of [...] thereafter.

ARTICLE IV

TERM; TERMINATION

4.01 Term. This Agreement shall commence as of the Effective Date and, unless sooner terminated or extended as provided hereunder, shall end one (1) year from the Effective Date (the "Term"). The Term and the scope of this Agreement may be extended and expanded by mutual written agreement.

4.02 Breach. The failure by either Party to comply with any of the material obligations contained in this Agreement shall entitle the other Party to give to the defaulting Party a default notice specifying the nature of the default and requiring it to cure such default. If such default is not cured within thirty (30) days after the receipt of such notice (or, if such default cannot be cured within such thirty (30) day period, or if the Party in default does not commence and diligently continue actions to cure such default), the notifying Party shall be entitled to terminate this Agreement immediately by written notice. Rohto agrees that the obligation to pay each installment of the Fee when due is a material obligation. Any termination by BRT of this Agreement as a result of a breach by Rohto, as provided for above, shall not release Rohto of its obligations to pay the Final Installment, which installment shall be due and payable upon such termination subject to the delivery of a report which reflects BRT's progress with regard to the Research Program until the date on which Rohto's breach occurred.

[...] Confidential information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

- 4.03 Surviving Rights. The Parties' obligations under the Nondisclosure Agreement shall survive the expiration or termination of this Agreement.

ARTICLE V

INVENTIONS AND TECHNOLOGIES

- 5.01 Ownership of Outcome. [...***...].

- 5.02 License. (a) [...***...].

(b) [...***...].

ARTICLE VI

REPRESENTATIONS, WARRANTIES AND COVENANTS

- 6.01 Representations, Warranties and Covenants. Each Party hereby represents and warrants to, and covenants with, the other Party as follows:

(a) It is a company or corporation duly organized, validly existing and in good standing under the laws of the jurisdiction in which it is incorporated, and has full corporate power and authority and the legal right to own and operate its property and assets and to carry on its business as it is now being conducted and as contemplated in this Agreement.

(b) As of the Effective Date, (i) it has the corporate power and authority and the legal right to enter into this Agreement and perform its obligations hereunder; (ii) it has taken all necessary corporate action on its part required to authorize the execution and delivery of this Agreement and the performance of its obligations hereunder; and (iii) this Agreement has been duly executed and delivered on behalf of such Party, and constitutes a legal, valid and binding obligation of such Party that is enforceable against it in accordance with its terms.

(c) It has not entered, and shall not enter, into any agreement with any third party that is in conflict with the rights granted to the other Party under this Agreement, and has not taken and shall not take any action that would in any way prevent it from granting the rights granted to the other Party under this Agreement, or that would otherwise materially conflict with or adversely affect the rights granted to the other Party under this Agreement. Its performance and execution of this Agreement does not and will not result in a breach of any other contract to which it is a party.

[...***...] Confidential information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

ARTICLE VII

MISCELLANEOUS PROVISIONS

7.01 Relationship of Parties. Nothing in this Agreement is intended or shall be deemed to constitute a partnership, agency, employer-employee or joint venture relationship between the Parties. Neither Party shall incur any debts or make any commitments for the other, except to the extent, if at all, specifically provided herein.

7.02 Assignment. Except as otherwise provided herein, neither this Agreement nor any interest hereunder shall be assignable by either Party without the prior written consent of the other Party.

7.03 Publication. BRT may not publish or otherwise publicly disclose (including, without limitation, in abstracts, presentations, meetings or seminars), either in writing or orally, the results of studies on materials obtained from, or produced in collaboration with, Rohto unless Rohto, in its sole discretion, agrees in writing to such publication and the content thereof. Rohto may publish or otherwise publicly disclose (including, without limitation, in abstracts, presentations, meetings or seminars), either in writing or orally, the results of studies on materials obtained from, or produced in collaboration with BRT, without any consent of BRT unless any BRT confidential, proprietary or patentable information is included in the publication with BRT. If Rohto's publication or disclosure includes any BRT confidential, proprietary or patentable information, Rohto shall not publish or otherwise publicly disclose any such information without the prior written consent of BRT. At least thirty (30) days prior to any such proposed publication or disclosure, Rohto will provide to BRT a copy of the proposed document for publication or disclosure so that BRT may determine that no BRT confidential, proprietary or patentable information is included.

7.04 Announcements. Neither Party shall have the right to make any public announcement or other disclosure with respect to this Agreement, nor disclose the terms of this Agreement, without the prior written consent of the other Party, except as follows:

(a) each Party may disclose the terms of this Agreement to the extent such disclosure is required by law (including without limitation by the rules and regulations of the Securities and Exchange Commission, any securities exchange or NASDAQ) or to defend or prosecute litigation or arbitration; provided, that, prior to such disclosure, to the extent permitted by law or such rules and regulations, such disclosing Party notifies the other Party of such requirement and the disclosing Party furnishes only those terms of this Agreement that the disclosing Party is legally required to furnish.

(b) each Party may disclose this Agreement to its (i) then-current and potential third party licensees and sublicensees, and (ii) then-current and potential directors, investors, lenders and acquirers; provided, that such persons are bound to maintain the confidentiality of this Agreement to the same extent as if they were parties hereto.

(c) each Party shall have the right to issue a press release in the form of Exhibit C attached hereto upon the signing of this Agreement.

[...***...] Confidential information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

7.05 Arbitration. In the event of any controversy or claim arising out of or relating to this Agreement, or the performance or breach thereof, which the Parties cannot amicably resolve, the Parties agree to submit the matter for resolution under the Rules of Arbitration of the International Chamber of Commerce to be decided by one or more arbitrators appointed in accordance with the said Rules. Said arbitration will be held in New York, New York. The award of the arbitrator(s) shall be final and judgment upon such an award may be entered in any competent court or application may be made to any competent court for juridical acceptance of such an award and order of enforcement.

7.06 Sharing of Information. BRT and Rohto shall keep each other currently informed of relevant progress, plans and information concerning the development, manufacture, and use of cell lines, components and processes to the extent that they directly arise from the Research Program during the Term.

7.07 No Trademark Rights. Except as otherwise provided herein, no right, express or implied, is granted by this Agreement to use in any manner the name “BRT” or “Rohto” or any other trade name or trademark of the other Party in connection with the performance of this Agreement.

7.08 Notices. All notices and other communications hereunder shall be in writing, in English, and shall be deemed given if delivered personally or by facsimile transmission (receipt verified), telexed, mailed by registered or certified mail (return receipt requested), postage prepaid, or sent by an international express courier service of similar stature, to the Parties at the following addresses (or at such other address for a Party as shall be specified by like notice; provided, that notices of a change or address shall be effective only upon receipt thereof):

If to BRT addressed to:

555 Heritage Drive
Jupiter, Florida 33458
United States
Attention: Mark Weinreb, CEO

If to Rohto, addressed to:

Rohto Pharmaceutical Co., Ltd
1-8-1, Tatsumi-nishi, Ikuno-ku,
Osaka 544-8666, Japan
Attention: Tetsumasa Yamada

7.09 Amendment. No amendment, modification or supplement of any provision of this Agreement shall be valid or effective unless made in writing and signed by a duly authorized officer of each Party.

[...***...] Confidential information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

7.10 Waiver. No provision of this Agreement shall be waived by any act, omission or knowledge of a Party or its agents or employees except by an instrument in writing expressly waiving such provision and signed by the waiving Party.

7.11 Counterparts. This Agreement may be executed simultaneously in two counterparts, either one of which need not contain the signature of more than one Party but both such counterparts taken together shall constitute one and the same agreement.

7.12 Descriptive Headings. The descriptive headings of this Agreement are for convenience only, and shall be of no force or effect in construing or interpreting any of the provisions of this Agreement.

7.13 Governing Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of New York, applicable to contracts executed and performed wholly within the State of New York.

7.14 Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable law, such provision will be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of this Agreement.

7.15 Entire Agreement of the Parties. This Agreement, together with the Nondisclosure Agreement, constitutes and contains the entire understanding and agreement of the Parties and cancels and supersedes any and all prior negotiations, correspondence, understandings and agreements, whether oral or written, between the Parties respecting the subject matter hereof.

7.16 Uncontrollable Forces. Neither Party shall be considered to be in default of this Agreement if delays in or failure of performance shall be due to uncontrollable forces the effect of which, by the exercise of reasonable diligence, such Party could not avoid. The term "uncontrollable forces" shall mean any event which results in the prevention or delay of performance by BRT of its obligations under this Agreement and which is beyond the control of such Party. It includes, but is not limited to, fire, flood, earthquakes, storms, lightning, epidemic, war, riot, civil disturbance, sabotage, inability to procure permits, licenses, or authorizations from any state, local, or federal agency or person for any of the supplies, materials, accesses, or services required to be provided by either Rohto or BRT under this Agreement, strikes, work slowdowns or other labor disturbances, and judicial restraint.

7.17 Facsimile or Email Signatures. Signatures hereon which are transmitted via facsimile or email shall be deemed original signatures

[Remainder of page intentionally left blank. Signature page follows.]

[...***...] Confidential information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed by its duly authorized officer as of the day and year first above written.

BIORESTORATIVE THERAPIES, INC.

By: _____

ROHTO PHARMACEUTICAL CO., LTD

By: _____

[...***...] Confidential information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

Exhibit A

Research Program

[...***...]

[...***...] Confidential information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

Exhibit B

Mutual Nondisclosure Agreement

MUTUAL NONDISCLOSURE AGREEMENT

AGREEMENT, made this ___ day of March, 2014, between **BIORESTORATIVE THERAPIES, INC.**, a Nevada corporation, and **ROHTO PHARMACEUTICAL CO., LTD.**, a Japanese corporation.

WHEREAS, the above parties are engaged in discussions concerning a possible business transaction between them; and

WHEREAS, in order to facilitate such discussions, certain Confidential Information (as hereinafter defined) may be disclosed between the parties.

NOW, THEREFORE, it is agreed:

1. **Obligations.** This Agreement will confirm the understanding between the parties concerning the mutual obligations of confidentiality with respect to Confidential Information furnished pursuant to this Agreement.

2. **Definition of Confidential Information.** As used in this Agreement, the term "Confidential Information" shall mean all communications, documents and other information, whether in written, oral, printed, electronic, machine readable, or other form, which a disclosing party furnishes to a receiving party with respect to itself and/or its subsidiaries and affiliates, regardless of the manner in which it is furnished and shall include all information acquired by observation or otherwise during any site visit at a disclosing party's facility. "Confidential Information" shall include, but not be limited to, product plans, designs, market research and analysis, costs, customer and supplier lists, strategies, forecasts, computer programs, technical data, know-how, trade secrets, discoveries, inventions and any other intellectual property (whether or not patented), all other information disclosed by one party to the other pursuant to this Agreement, and any and all analyses, compilations and other materials prepared by the receiving party or any of its officers, directors, employees, representatives or agents (collectively, "Representatives") containing or based in whole or in part on any such information furnished by the disclosing party or its Representatives or otherwise obtained by the receiving party or its Representatives.

3. **Confidentiality.** The parties acknowledge that each party considers the Confidential Information it discloses to be proprietary and confidential. The Confidential Information will be kept confidential, will be used solely in connection with the evaluation of the proposed business transaction and will not, without the prior written consent of the disclosing party, be used or disclosed, directly or indirectly, in any manner whatsoever, in whole or in part. The receiving party agrees to exercise the same degree of care, but not less than a reasonable degree of care, to preserve the confidentiality of the Confidential Information that it exercises with respect to its own confidential information. Without limiting the generality of the foregoing, the receiving party shall not use any Confidential Information for the purpose of effectuating a purchase or sale of the securities of the disclosing party. In addition, neither party will disclose to any person or entity the fact that this Agreement has been entered into, that Confidential Information has been provided under this Agreement, that discussions or negotiations are taking place or have taken place concerning a possible transaction between the parties, or any of the terms, conditions or other facts with respect to any such discussions or possible transaction, including the status thereof, except as required by law or regulation.

[...***...] Confidential information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

4. Disclosure to Representatives. Each party agrees that a receiving party may disclose Confidential Information or portions thereof to those of its Representatives who need to know such Confidential Information for the purpose of evaluating a possible transaction between the parties. Prior to disclosing any Confidential Information to any Representative, the receiving party will inform such Representative of the confidential nature of the Confidential Information. The receiving party agrees to be responsible for any breach of this Agreement by its Representatives.

5. Protective Order. Notwithstanding any provision in this Agreement to the contrary, a receiving party may disclose Confidential Information or portions thereof to the extent required to comply with an order issued by a court or governmental agency of competent jurisdiction; provided, however, that, prior to disclosing any Confidential Information pursuant to an order of such court or governmental agency, the receiving party shall give the disclosing party prompt notice so that it may seek, in its sole discretion, a protective order or other appropriate remedy. In the event that such protective order or other remedy is not obtained, or the disclosing party waives compliance with the provisions of this Agreement, only that portion of the Confidential Information which is legally required to be disclosed will be furnished.

6. Exceptions. The obligations imposed upon the parties herein shall not apply to information:

- a. which is publicly available prior to the date hereof; or
- b. which hereafter becomes available to the public through no wrongful act of the receiving party; or
- c. which was already in the possession of the receiving party at the time of disclosure and not subject to an existing agreement of confidence between the parties; or
- d. which is received from a third party without restriction, not in violation of an agreement of confidence and without breach of this Agreement.

[...***...] Confidential information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

7. Ownership of Confidential Information and Derivatives. All Confidential Information and any Derivatives (as hereinafter defined) thereof remain the property of the party which created the Confidential Information and no license or other rights to Confidential Information is granted or implied hereby. For purposes of this Agreement, "Derivatives" shall mean: (i) for copyrightable or copyrighted material, any translation, abridgment, revision or other form in which an existing work may be recast, transformed or adapted; (ii) for patentable or patented material, any improvement thereon; and (iii) for material which is protected by trade secret, any new material derived from such existing trade secret material, including new material which may be protected by copyright, patent and/or trade secret.

8. No Warranties or Representations as to Confidential Information. Each of the parties acknowledges that neither makes any express or implied representation or warranty as to the accuracy or completeness of the Confidential Information, and neither party shall have any liability to the other party or any of its Representatives relating to or arising from its or their use of any Confidential Information or for any errors therein or omissions therefrom.

9. Return of Information. All Confidential Information furnished by one party to the other is considered loaned for use solely in connection with the proposed business transaction, and shall be returned by the receiving party to the disclosing party upon request by the disclosing party. The receiving party shall certify that it has destroyed or returned all copies of the Confidential Information in its possession.

10. Need for Definitive Agreement. Each of the parties agrees that, unless and until a definitive written agreement between the parties with respect to a business transaction has been executed and delivered, neither party will be under any obligation of any kind whatsoever with respect thereto by virtue of this or any written or oral expression concerning such a transaction, except, in the case of this Agreement, for the matters specifically agreed to herein.

11. Equitable Relief. Each party acknowledges and agrees that, in the event of any breach or threatened breach of any provision of this Agreement, the disclosing party will be without an adequate remedy at law and, accordingly, shall be entitled to enforce such provisions by temporary or permanent injunctive or mandatory relief obtained in an action or proceeding instituted in any court of competent jurisdiction without the necessity of proving damages or posting any bond or other security and without prejudice to any other rights or remedies which it may have at law or in equity.

12. Applicable Law. This Agreement shall be construed and interpreted in accordance with the laws of the State of New York, applicable to agreements performed solely within the State of New York.

13. Arbitration. In the event of any controversy or claim arising out of or relating to this Agreement, or the performance or breach thereof, which the parties cannot amicably resolve, the parties agree to submit the matter for resolution under the Rules of Arbitration of the International Chamber of Commerce to be decided by one or more arbitrators appointed in accordance with the said Rules. Said arbitration will be held in New York, New York. The award of the arbitrator(s) shall be final and judgment upon such an award may be entered in any competent court or application may be made to any competent court for juridical acceptance of such an award and order of enforcement.

14. Entire Agreement. This Agreement sets forth the entire agreement and understanding of the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements, arrangements and understandings relating thereto.

[...***...] Confidential information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

15. Amendments; Waivers. This Agreement may be amended only by a written instrument executed by each party or, in the case of a waiver, by the disclosing party. The failure of the disclosing party at any time or times to require performance of any provision hereof shall in no manner affect its right at a later time to enforce such provision or any other provision. No waiver by the disclosing party of the breach of any term contained herein, whether by conduct or otherwise, in any one or more instances, shall be deemed to be or construed as a further or continuing waiver of any such breach or the breach of any other term of this Agreement.

16. Notices. Any notices sent to the parties pursuant to the terms of this Agreement shall be hand delivered, transmitted by fax to the number set forth on the signature page hereof or mailed by certified mail, return receipt requested, or overnight courier to the address set forth on the signature page hereof, to the attention of the undersigned Representative of the party.

17. Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties hereto.

18. Severability. Any term or provision of this Agreement which is prohibited or held invalid or unenforceable in any jurisdiction shall, as to such jurisdiction only, be ineffective only to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

19. Counterparts; Facsimile and Email Signatures. This Agreement may be executed in separate counterparts, each of which counterparts shall be deemed an original and all of which counterparts shall together constitute one and the same agreement. Facsimile and email signatures shall be deemed to be original signatures.

20. Communications. Each party agrees that any and all communications by it or its Representatives regarding the provision of or access to Confidential Information, and any and all discussions by it or its Representatives with respect to the proposed business transaction, shall be conducted solely with the undersigned Representative of the other party, unless otherwise authorized by such person on behalf of such other party.

21. Representation by Counsel; Interpretation. The parties acknowledge that they have been represented by counsel, or afforded the opportunity to be represented by counsel, in connection with this Agreement. Accordingly, any rule or law or any legal decision that would require the interpretation of any claimed ambiguities in this Agreement against the party that drafted it has no application and is expressly waived by the parties. The provisions of this Agreement shall be interpreted in a reasonable manner to give effect to the intent of the parties hereto.

{Remainder of page intentionally left blank. Signature page follows.}

[...***...] Confidential information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

BIORESTORATIVE THERAPIES, INC.

By: _____

Mark Weinreb
Chief Executive Officer

555 Heritage Drive, Suite 130
Jupiter, Florida 33458
Fax Number: (561) 429-5684

ROHTO PHARMACEUTICAL CO., LTD.

By: _____

Name: Tetsumasa Yamada
Title: Head of Regenerative Medicine
Research and Planning Division

1-8-1, Tatsumi-nishi, Ikuno-ku,
Osaka 544-8666, Japan
Fax Number: (813)-6832-6024

[...***...] Confidential information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

Exhibit C

Press Release

[to be finalized by the Parties]

[...***...] Confidential information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

[Pursuant to 17 C.F.R. 240.24b-2, confidential information has been omitted in places marked “[...***...]” and has been filed separately with the Securities and Exchange Commission pursuant to a Confidential Treatment Application.]

RESEARCH AGREEMENT

(“Agreement”)

Pfizer Inc., a Delaware corporation with an address at 235 East 42nd Street, New York, New York 10017 (“**PFIZER**”), and **BioRestorative Therapies, Inc.**, a Nevada corporation with an address at 555 Heritage Drive, Jupiter, Florida 33458 (“**BRT**”), enter into this Agreement for the conduct of studies entitled “*Development and Validation of a Human Brown Adipose Cell Model*” as set forth in the research plan attached as Exhibit A (“**Research Plan**”).

1. DEFINITION:

- 1.1. “Affiliate” means any corporation, firm, partnership or other entity which directly or indirectly controls, is controlled by, or is under common control with a particular party.
- 1.2. “Applicable Law” means any statute, law, treaty, rule, code, ordinance, regulation, permit, interpretation, certificate or order of a Governmental Authority, or any judgment, decision, decree, injunction, writ, order, subpoena, or like action of any court, arbitrator or other government entity related to the collection, retention, security and use of the Material, as the same are promulgated and applied as of the effective date of this Agreement and at all times thereafter.
- 1.3. “BRT Material” means all materials or samples (including, without limitation, [...***...]) provided by or on behalf of or otherwise made available by or on behalf of BRT to PFIZER pursuant to or otherwise in connection with this Agreement.
- 1.4. “BRT Results” means and includes all technology, materials, intellectual property and technical information that are developed by BRT employees, technicians or others working solely on behalf of BRT (excluding any PFIZER employees or contractors) in performance of the Research Plan.
- 1.5. “Donor” means the donor of the Donor Material or of the original tissues from which the Donor Material was derived.
- 1.6. “Donor Material” means cells, cell cultures, blood, fluids, tissues, genetic information (including data or results derived from human brown and white adipose cell lines).
- 1.7. “Governmental Authority” means any federal, state, local or foreign government entity, authority, agency, instrumentality, court, tribunal, regulatory commission or other body, whether legislative, judicial, administrative or executive (or a combination or permutation thereof), and any arbitrator to whom a dispute has been presented under government rule or by agreement of the parties with an interest in such dispute.
- 1.8. “HIPAA” means the Health Insurance Portability and Accountability Act of 1996, as codified at 42 USC § 1320(d) and all regulations promulgated thereunder.

[...***...] Confidential information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

- 1.9. “**Patient Identifiable Information**” means any information (whether or not key coded) that identifies, or could identify, the Donor and/or any individually identifiable, or potentially individually identifiable, health information of that Donor, including, without limitation, Protected Health Information (as defined in 45 CFR § 164.501) or Individually Identifiable Health Information (as defined in 42 USC § 1320(d)) and other information protected by data protection and/or privacy legislation in any and all applicable territories.
- 1.10. “**PFIZER Material**” means all materials or samples (including, without limitation, [...***...]) provided by or on behalf of or otherwise made available by or on behalf of PFIZER to BRT pursuant to or otherwise in connection with this Agreement.
- 1.11. “**PFIZER Results**” means and includes all technology, materials, intellectual property and technical information that are developed by PFIZER employees, technicians or others working solely on behalf of PFIZER (excluding any BRT employees or contractors) in performance of the Research Plan.
- 1.12. “**Privacy Board**” means a review body that is established to act upon requests for a waiver or an alteration of the authorization requirement under the privacy rule for uses and disclosures of Patient Identifiable Information for the relevant research study.
2. **SCOPE OF WORK:** BRT, under the direction of principal investigator, Francisco Silva, Vice President, Research & Development (“**Principal Investigator**”), will perform the studies and provide to PFIZER the data and reports described in the Research Plan.
3. **TERM:** The term of this Agreement is effective as of March 24th, 2014 (“**Effective Date**”) and unless earlier terminated or extended, continues for two (2) years until March 23rd, 2016 (the “Expiration Date”), or until the completion of the work described in the Research Plan, whichever comes first.
4. **PAYMENT:** PFIZER will pay BRT up to the sum of \$775,000 (Seven Hundred and Seventy Five Thousand Dollars) during the term of this Agreement according to the following payment schedule:
- The sum of \$250,000 (Two Hundred Fifty Thousand Dollars) (the “**Initial Payment**”) – *which represents technology access fee, upfront costs, and Q1 labor costs associated with Workstream #1* — will be payable concurrently with the execution of this Agreement.
 - The sum of \$356,250 (Three Hundred Fifty-Six Thousand Two Hundred Fifty Dollars) (the “**Second Installment**”) will be payable in four (4) equal quarterly installments (of \$89,062.50 for Q2, Q3, Q4, and Q5) commencing on the three (3) month anniversary of the Effective Date and continuing every three (3) months thereafter (each, a “**Quarterly Period**”); provided, however, that, in the event of the achievement of Workstream #1 Deliverable #1 — *Delivery from BRT to PFE of [...***...]*, the balance of the Second Installment shall be due and payable.
 - The sum of \$168,750 (One Hundred Sixty-Eight Thousand Seven Hundred Fifty Dollars) (the “**Third Installment**”) will be payable in two (2) equal bi-annual installments (of \$84,375) following the Second Installment and continuing every six (6) months thereafter (each, a “**Bi-Annual Period**”); provided, however, that, in the event of achievement of Workstream #2 Deliverable #2 — *analysis of [...***...]* and delivery of the final report to PFIZER, the balance of the Third Installment shall be due and payable.

[...***...] Confidential information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

Payments under this Agreement will be due within thirty (30) days following PFIZER's receipt of an invoice from BRT (except that the Initial Payment shall be paid concurrently with the execution of this Agreement).

All invoices shall be delivered to PFIZER c/o: PFIZER INC. GFSS – AMERICAS, PO Box 34600, Bartlett, TN 38184-0600, United States. To receive payment from your purchase order (PO), mail a document clearly marked 'INVOICE' to the address above (or email apinvoices@pfizer.com) with the following information clearly listed: Description of research conducted, and/or goods provided, PO number, amount owed and name and address payment is to be sent to. This will help facilitate a quick payment to BRT for research conducted. BRTs enrolled in PFIZER's e-Invoicing programs (ASN or OB10) can ignore this PO Note. All invoice or billing related questions should be referred to PFIZER's Accounting Department at 800.601.1357 or go to the Accounts Payable Inquiry Tool (APIQ) at www.pfizeraccountspayable.com.

In addition, a copy of each invoice will be mailed and emailed to:

Michael Rukstalis, Principal Scientist

CVMED Research Unit

Pfizer Worldwide Research & Development

Cambridge Laboratories

610 Main St

Cambridge, MA 02139

with an electronic copy to:

Michael Rukstalis at: michael.rukstalis@pfizer.com

[...***...] Confidential information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

5. **PFIZER & BRT MATERIAL:**

- 5.1.1. **Ownership, Delivery and Handling.** BRT acknowledges and agrees that, as between the parties, PFIZER is and shall at all times remain the sole and exclusive owner of the PFIZER Material and all intellectual property rights therein. PFIZER acknowledges and agrees that, as between the parties, BRT is and shall at all times remain the sole and exclusive owner of the BRT Material and all intellectual property rights therein. PFIZER will supply BRT with such quantities and types of the PFIZER Material as PFIZER in its sole discretion determines is appropriate under the Research Plan, and BRT will supply PFIZER with such quantities and types of the BRT Material as BRT in its sole discretion determines is appropriate under the Research Plan. Upon the sooner of the expiration or termination of this Agreement or upon the request of PFIZER, BRT shall, in accordance with PFIZER's instructions, return to PFIZER, or destroy at PFIZER's option with written certification of such destruction sent to PFIZER, all unused PFIZER Material. Upon the sooner of the expiration or termination of this Agreement or upon the request of BRT, PFIZER shall, in accordance with BRT's instructions, destroy with written certification of such destruction sent to BRT, all stem cell lines in PFIZER's possession that were developed by BRT during the performance of the Research Plan and were not selected by PFIZER pursuant to the Workstream 1 Deliverables set forth in the Research Plan for further analysis in Workstream 2.
- 5.1.2. **Experimental Materials.** BRT acknowledges that the PFIZER Material comprises experimental materials and BRT will comply with all laws and regulations applicable to handling and use of such materials. BRT will not use the PFIZER Material for testing in or treatment of human subjects. PFIZER acknowledges that the BRT Material comprises experimental materials and PFIZER will comply with all laws and regulations applicable to handling and use of such materials. PFIZER will not use the BRT Material for testing in or treatment of human subjects.
- 5.1.3. **NO WARRANTY.** THE PFIZER MATERIAL AND BRT MATERIAL ARE PROVIDED TO THE OTHER PARTY AS-IS AND WITHOUT WARRANTY, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY, NONINFRINGEMENT, TITLE, OR FITNESS FOR A PARTICULAR PURPOSE.
- 5.1.4. **Transfer of Material.** BRT will not transfer, disclose, make available, or sell any of the PFIZER Material to any third party. BRT shall not modify or use the PFIZER Material other than as expressly permitted under the Research Plan. PFIZER will not transfer, disclose, make available, or sell any of the BRT Material to any third party except as permitted under Section 6(a).
- 5.1.5. **Use of Material.** BRT will use the PFIZER Material solely for the purpose of performing the Research Plan. BRT shall not analyze the PFIZER Material or attempt in any way to discover the identity, structure, mechanism of action, or composition of the PFIZER Material other than as expressly permitted under the Research Plan. Notwithstanding any provision in this Agreement to the contrary, PFIZER shall not be obligated at any time to disclose to BRT the identity, structure, composition of, or other information concerning, the PFIZER Material.

6. **INTELLECTUAL PROPERTY:**

(a) BRT Materials; BRT Results. [...***...]

(b) PFIZER Related IP. [...***...]

[...***...] Confidential information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

(c) PFIZER Materials; PFIZER Results. [...***...]

(d) [...***...]

7. **INFORMATION:** For purposes of this Agreement, the term “**Information**” means all written information relating to the studies described in the Research Plan, including but not limited to data, know-how, materials, compound samples and compound specifications which PFIZER shall deliver to BRT, or BRT shall deliver to PFIZER, pursuant to this Agreement, stamped “Confidential,” or disclosed to BRT or PFIZER, as the case may be, orally declaring same to be confidential and confirming such declaration in writing within thirty (30) days of disclosure.
8. **CONFIDENTIALITY:** Each party agrees to maintain the Information in confidence with the same degree of care it holds its own confidential information. Neither party will use the Information except for the studies described in the Research Plan or as otherwise permitted herein to practice the rights granted herein. Each party will disclose the Information only to its officers, directors, employees and consultants directly concerned with the studies, but will neither disclose information to any third party nor use the Information for any other purpose.
9. **EXCEPTIONS TO CONFIDENTIALITY:** Each party’s obligation of nondisclosure and the limitations upon the right to use the Information shall not apply to the extent that such party can demonstrate that the Information: (a) was in the possession of such party prior to the time of disclosure; or (b) is or becomes public knowledge through no fault or omission of such party; or (c) is obtained by such party from a third party under no obligation of confidentiality to the other party.

In the event a party is legally required to disclose any of the Information, such party shall provide prompt prior written notice of such requirement to the other party, afford the other party an opportunity to secure confidential treatment for such disclosure, and if the other party is unsuccessful, furnish only that portion of the Information which such party is legally required to disclose.

10. **SURVIVAL OF CONFIDENTIALITY OBLIGATIONS:** All obligations relating to confidentiality of the parties under this Agreement shall survive the termination of this Agreement for a period of [...***...].
11. **DONOR MATERIAL:** BRT represents that the Donor Material used in, provided to PFIZER, pursuant to this Agreement will conform to the overall description, features, function and specifications set forth in the Research Plan. Furthermore, BRT represents and warrants the following:
- 11.1. BRT will not provide to PFIZER any medical information or Patient Identifiable Information about any Donor.
 - 11.2. BRT will comply with all Applicable Laws and obtain all required governmental permits, licenses and authorizations in the collection and handling of the Donor Material.
 - 11.3. Collection of the Donor Material has been approved by an Institutional Review Board (“IRB”) that complies with all Applicable Laws for such a body.
 - 11.4. An IRB-approved informed consent form (“ICF”) compliant with all Applicable Laws, will be signed by and obtained from each Donor (or Donor’s representative in the event that the Donor is incapacitated) prior to donation in respect of each Donor Material (or the tissue from which the Material was derived) (“Informed Consent”).

[...***...] Confidential information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

- 11.5. BRT has legal right and title to the Donor Material and has the required Donor consent to transfer the Donor Material to PFIZER.
- 11.6. Uses of the Donor Material described in the Research Plan are within the scope of and consistent with BRT's ethical approval policies, if any, the Informed Consent, and the IRB's approval.
12. **REPORTS:** BRT shall cause the Principal Investigator to furnish to PFIZER a comprehensive report within thirty (30) days of the one year anniversary of the Effective Date, describing in reasonable detail the work accomplished on the studies described in the Research Plan.
13. **DISCLOSURE OF FEES:** As part of any disclosure policy that may be implemented from time-to-time by a party regarding payments made to members of the medical or scientific community, or in accordance with applicable laws or regulations, such party shall have the right to disclose any terms related to this Agreement, including the Principal Investigator's name and the fees provided to BRT hereunder.
14. **HANDLING OF PATIENT INFORMATION:**
- 14.1. BRT and PFIZER will each comply in all material respects with all Applicable Law regarding the privacy of Patient Identifiable Information (including during collection, use, storage, and disclosure), including, but not limited to, HIPAA and any current and future regulations promulgated thereunder including without limitation the federal privacy regulations contained in 45 CFR Parts 160 and 164, the federal security standards contained in 45 CFR Parts 106 and 162, all collectively referred to herein as "HIPAA Requirements").
- 14.2. BRT agrees to collect, use, store, and disclose Patient Identifiable Information collected or provided as part of the Research Plan and for the purpose of complying with applicable law, provided that all such uses are disclosed in the ICF.
- 14.3. BRT will ensure that that ICF provides PFIZER may use the Donor Material for any research, development and regulatory purpose.
- 14.4. BRT agrees that it will not disclose to PFIZER any Patient Identifiable Information of any Donor and PFIZER will not attempt to identify any Donor.
- 14.5. If PFIZER inadvertently receives Patient Identifiable Information from BRT, PFIZER will take appropriate measures to protect the privacy and confidentiality of such information and to ensure that PFIZER's collaborators take similar measures.
15. **ENTIRE AGREEMENT:** This Agreement sets forth the entire agreement between PFIZER and BRT as to its subject matter. None of the terms of this Agreement shall be amended except in writing signed by both parties.
16. **BREACH AND TERMINATION:** If either party breaches this Agreement in any material respect, the other party may terminate it if the breaching party does not cure the breach within thirty (30) days of written notice of the same (a "**Breach Termination**"). PFIZER may terminate this Agreement [...***...] by giving thirty (30) days notice to BRT in writing. [...***...] The right of termination shall be an addition to any other rights the terminating party may have, at law or equity, pursuant to this Agreement. Sections 1, 5, 6, 8, 9, 10, 15 and 18 shall survive any termination of this Agreement, whether due to a breach or otherwise.

[...***...] Confidential information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

17. **COMPLIANCE WITH LAWS:** Both PFIZER and BRT shall comply in all material respects with the requirements of all Applicable Laws, rules, regulations and orders of any government authority including laws related to animal welfare. BRT will comply with Pfizer's animal care and use policy — http://www.pfizer.com/research/research_clinical_trials/laboratory_animal_care .. BRT will procure all Donor Material in accordance with all Applicable Laws. Additionally, PFIZER agrees to use the Donor Material in compliance with all Applicable Laws. BRT shall not use services of any BRT employees that have been or are currently debarred or otherwise disqualified by the United States Food and Drug Administration or other regulatory or certification authority.
- 17.1. Regulatory. BRT is solely responsible for any and all safety reporting and regulatory obligations associated with the procurement of the Donor Material.
- 17.2. Standards. BRT will procure the Donor Material in accordance with International Conference on Harmonization Good Clinical Practice ("ICH GCP") guidelines (to the extent applicable), and all Applicable Laws. BRT will comply with all IRB requirements relating to the procurement of Donor Materials.
- 17.3. IRB Approval. If required, BRT will ensure that the procurement of the Donor Material is approved by and subject to continuing oversight by an appropriate IRB.
- 17.4. Informed Consent. As required, BRT will obtain Informed Consent from each Donor in accordance with Applicable Law (including without limitation 21 Code of Federal Regulations Part 50), ensure that Informed Consent that covers the research to be conducted has already been obtained, or obtain a waiver of Informed Consent for procurement of the Donor Material from an appropriate IRB. If an Informed Consent is used, BRT will inform Donors that Pfizer is providing support for procurement of the Donor Material. Pfizer has no obligation to participate in the development of, or to review or comment on, an ICF, authorization, or waiver request.

18. **CHOICE OF LAW:** This Agreement shall be construed in accordance with the laws of the State of New York, excluding choice of law principles thereof.

[Remainder of page intentionally left blank. Signature page follows.]

[...***...] Confidential information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

IN WITNESS WHEREOF, duly-authorized representatives of the parties have signed as of the dates written below.

BioRestorative Therapies, Inc.

Pfizer Inc.

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

(Duly authorized)

(Duly authorized)

[...***...] Confidential information has been omitted and filed separately with the Securities and Exchange Commission. Confidential treatment has been requested with respect to this omitted information.

EXHIBIT A
RESEARCH PLAN

[...***...]

STEM CELL CAYMAN LTD.

MAY 7, 2014

PROMISSORY NOTE

DUE MAY 7, 2015

STEM CELL CAYMAN LTD., a Cayman Islands corporation (the “Company”), for value received, hereby promises to pay to **WESTBURY (BERMUDA) LTD.** or order (the “Holder”) on May 7, 2015 (the “Maturity Date”) at the offices of the Company, c/o Campbells, 4th Floor, Scotia Centre, Albert Panton Street, George Town, Grand Cayman, Cayman Islands, the principal sum of **FIVE HUNDRED THOUSAND UNITED STATES DOLLARS (US\$500,000)** (the “Principal Sum”) and to pay interest on the entire Principal Sum at the rate of fifteen percent (15%) per annum through the Maturity Date. Interest on the entire Principal Sum from the date hereof shall be payable on the Maturity Date notwithstanding any partial prepayments of the Principal Sum; provided, however, that, in the event the entire Principal Sum is prepaid in full prior to the Maturity Date, then interest on the entire Principal Sum shall only be payable through such final prepayment date.

1. **Registered Owner.** The Company may consider and treat the person in whose name this Note shall be registered as the absolute owner thereof for all purposes whatsoever (whether or not this Note shall be overdue) and the Company shall not be affected by any notice to the contrary. Subject to the provisions hereof, the registered owner of this Note shall have the right to transfer it by assignment and the transferee thereof, upon its registration as owner of this Note, shall become vested with all the powers and rights of the transferor. Registration of any new owner shall take place upon presentation of this Note to the Company at its offices together with the Note Assignment Form attached hereto duly executed. In case of transfers by operation of law, the transferee shall notify the Company of such transfer and of its address, and shall submit appropriate evidence regarding the transfer so that this Note may be registered in the name of the transferee. This Note is transferable only on the books of the Company by the Holder on the surrender hereof, duly endorsed. Communications sent to any registered owner shall be effective as against all holders or transferees of this Note not registered at the time of sending the communication.

2. **Prepayment Right.** The Company may, at its option, at any time and from time to time, prepay all or any part of the Principal Sum, without penalty or premium, provided that, concurrently with any prepayment of the remaining balance of the Principal Sum, the Company shall pay interest on the entire Principal Sum to the date of such final prepayment.

3. **Prepayment Obligation.** In the event that, after the date hereof and prior to the Maturity Date, the Company’s parent, BioRestorative Therapies, Inc. (“BRT”), receives any monies from (a) Rohto Pharmaceutical Co., Ltd. (“Rohto”) pursuant to that certain Research and Development Agreement, dated as of March 19, 2014, between Rohto and BRT and/or (b) Pfizer Inc. (“Pfizer”) pursuant to that certain Research Agreement, dated as of March 24, 2014, between Pfizer and BRT, then, the Company shall be obligated to prepay the Principal Sum on a dollar-for-dollar basis to the extent of such monies so received from Rohto and/or Pfizer, but not to exceed the outstanding principal balance of this Note. In the event the entire outstanding principal balance of this Note is so prepaid, any monies so received from Rohto and/or Pfizer in excess of that required to pay the remaining principal balance shall be applied to the Company’s interest obligation hereunder. Any remaining interest obligation as of such final prepayment date shall be due and payable on the Maturity Date.

4. **Events of Default.** If the Company shall (i) fail to make any payment due hereunder and such failure shall continue unremedied for a period of fifteen (15) days following receipt of written notice thereof from the Holder; (ii) admit in writing its inability to pay its debts generally as they mature; (iii) make a general assignment for the benefit of creditors; (iv) be adjudicated a bankrupt or insolvent; (v) file a voluntary petition in bankruptcy or a petition or an answer seeking an arrangement with creditors; (vi) take advantage of any bankruptcy, insolvency or readjustment of debt law or statute or file an answer admitting the material allegations of a petition filed against it in any proceeding under any such law; (vii) apply for or consent to the appointment of a receiver, trustee or liquidator for all or substantially all of its assets; or (viii) have an involuntary case commenced against it under any bankruptcy law, which case is not dismissed or stayed within sixty (60) days (each an “Event of Default”), then, at any time thereafter and unless such Event of Default shall have been cured or shall have been waived in writing by the Holder, the Holder may, by written notice to the Company, declare the entire unpaid principal amount of this Note then outstanding, together with accrued interest thereon, to be forthwith due and payable, whereupon the same shall become forthwith due and payable.

5. **Applicable Law.** This Note is issued under and shall for all purposes be governed by and construed in accordance with the laws of the Cayman Islands, excluding choice of law rules thereof.

6. **Notices.** Any notice required or permitted to be given pursuant to this Note shall be deemed to have been duly given when delivered by hand or sent by certified or registered mail, return receipt requested and postage prepaid, overnight mail or telecopier as follows:

If to the Holder:

Victoria Hall
11 Victoria Street
PO Box HM 1065
Hamilton HM EX
Bermuda

If to the Company:

c/o Campbells
4th Floor, Scotia Centre
Albert Panton Street
George Town, Grand Cayman
Cayman Islands
Attn: John Wolf
Facsimile No.: (345) 949-8613

With a copy to

c/o Campbells
4th Floor, Scotia Centre
Albert Panton Street
George Town, Grand Cayman
Cayman Islands
Attn: John Wolf
Facsimile No.: (345) 949-8613

or at such other address as the Holder or the Company shall designate by notice to the other given in accordance with this Section 6.

7. **Miscellaneous.** This Note evidences the entire obligation of the Company with respect to the payment of the Principal Sum and interest and the other matters provided for herein. No provision of this Note may be modified except by an instrument in writing signed by the Company and the Holder. Payment of principal and interest due under this Note prior to the Maturity Date or the final prepayment date, as the case may be, shall be made to the registered Holder of this Note. Payment of principal and interest due on the Maturity Date or the final prepayment date, as the case may be, shall be made to the registered Holder of this Note on or after the Maturity Date contemporaneous with and upon presentation of this Note for payment. No interest shall be due on this Note for such period of time that may elapse between the Maturity Date or the final prepayment date, as the case may be, and its presentation for payment.

[Remainder of page intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF, the Company has caused this Note to be signed on its behalf, in its corporate name, by its duly authorized officer, all as of the day and year first above written.

STEM CELL CAYMAN LTD.

By: _____

STEM CELL CAYMAN LTD.

PROMISSORY NOTE

DUE MAY 7, 2015

NOTE ASSIGNMENT FORM

FOR VALUE RECEIVED

The undersigned _____ (please print or typewrite name of assignor) hereby sells, assigns and transfers unto _____ (please print or typewrite name, address and social security or taxpayer identification number, if any, of assignee) the within Promissory Note of Stem Cell Cayman Ltd., dated May 7, 2014, in the original principal amount of US\$500,000 and hereby authorizes the Company to transfer this Note on its books.

If the Holder is an individual:

Name(s) of Holder

Signature of Holder

Signature, if jointly held

Date

If the Holder is not an individual:

Name of Holder

By: _____
Signature of Authorized Representative

Name and Title of Authorized Representative

Date

(Signature(s) guaranteed)

**RESEARCH AGREEMENT
NO. 10028857
AMENDMENT NO. ONE**

**BY AND BETWEEN
BIORESTORATIVE THERAPIES, INC.
AND
THE UNIVERSITY OF UTAH**

This Research Agreement Amendment Number One ("Amendment") is entered into and effective as of May 9, 2014 by and between BioRestorative Therapies, Inc., a Nevada corporation (Tax ID #91-1835664), having its principal place of business at 555 Heritage Drive, Jupiter, FL 33458 ("Sponsor"), and the University of Utah, a body politic and corporate of the state of Utah ("University").

RECITALS

Whereas, Sponsor and University entered into a Research Agreement No. 10028857 ("Agreement") dated June 15, 2012. The principal investigator for the University is Amit Patel, of the School of Medicine.

Whereas all the terms and conditions agreed upon in the Agreement shall remain in full force and effect, and enforceable in accordance with its terms, with the exception of the amendments provided herein.

AGREEMENT

NOW, THEREFORE, the parties amend the Agreement as follows:

1. **Section 1. Scope of Work.** The parties agree that Appendix A (Scope of Work) to the Agreement is hereby amended to delete therefrom the last two paragraphs thereof (Pre-Clinical Animal Models and IND Filing with the FDA for a Phase I Clinical Trial).
2. **Section 3.1 Compensation.** This section of the Agreement is hereby amended and added to with the following:

The parties acknowledge Compensation due the University from the Sponsor under this Agreement for Research performed through December 14, 2013, in the amount of Three Hundred and Twenty Three Thousand, Three Hundred and Thirty Six U.S. Dollars (\$323,336.00) is past due (2013 Past Due Compensation). Sponsor agrees to immediately pay in full this amount.

Compensation due under the Agreement in the amount of Two Hundred and Eight Thousand, Three Hundred and Thirty-Five U.S. Dollars (\$208,335.00) will not be paid to University by Sponsor. This amount covers payments that were to be paid by Sponsor on January 15, 2014, February 15, 2014, March 15, 2014, April 15, 2014 and May 15, 2014. This amount will not be paid as the Research was placed on hold by University during this period.

In addition, commencing May 15, 2014, and continuing monthly until this Agreement is completed or otherwise terminated in accordance with its terms, the amount of Compensation that is to be paid to the University each month will be reduced from the original monthly payment of Forty One Thousand, Six Hundred and Sixty Seven U.S. Dollars (\$41,667.00) to a monthly payment of Twenty Thousand U.S. Dollars (\$20,000.00).

Section 3.2 Payment. This section of the Agreement is hereby amended and added to with the following:

Sponsor will pay the full past due amount of \$323,336.00, on the date that this amendment is signed by both parties, without an additional invoice.

Commencing June 15, 2014 (for Research services from May 15, 2014 through June 14, 2014), Sponsor will make a monthly payment in the amount of \$20,000.00; this amount will be due on the 15th day of each month without additional invoicing.

The amount of non-payment and the monthly payment amounts will be paid by wire transfer to the following University account:

Account Name:	University of Utah General Depository
Account No.	051-0808017
Bank Name:	Wells Fargo Bank, NA
	Wire Room Headquarters
	420 Montgomery Street
	San Francisco, CA 94104
ABA Routing No.:	121000248

3. Section 7.1 Publication. This section is amended and added to with the following:

(d) In addition University acknowledges and agrees that, in connection with any and all publications and grant applications that cover any research results that University creates under this Agreement (including in any recognitions indicated therein), it will designate (a) Sponsor as a corporate contributor and (b) each employee and/or consultant of Sponsor who worked on or contributed to the research, including, without limitation, the person designated pursuant to Section 4.1 of the Agreement, as being a Sponsor employee or consultant, as the case may be.

4. Section 10 Patents and Inventions. This section is amended and added to with the following:

10.3 (a) Concurrently herewith, (a) each of Dr. Amit Patel and Dr. David Bull is delivering to Sponsor an executed Assignment with respect to Application No. 61/632,122 filed in the U.S. Patent and Trademark Office on January 18, 2012 in the form of Exhibit A annexed hereto and (b) Dr. Patel is delivering to Sponsor an executed Assignment with respect to Application No. 61/632,516 filed in the U.S. Patent and Trademark Office on January 25, 2012 in the form of Exhibit B annexed hereto.

(b) University agrees that, with respect to any and all other Assigned IP, it shall cause its faculty members and/or employees who are listed inventors thereof to execute and deliver to Sponsor, within thirty (30) days of a request therefor from Sponsor, an assignment of all their right, title and interest in and to the Assigned IP.

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed by their duly authorized representatives effective as of the day and year first written above.

BIORESTORTIVE THERAPIES, INC.
"Sponsor"

UNIVERSITY OF UTAH
"University"

By: _____
(Signature)

Name: Mark Weinreb
Title: Chief Executive Officer

Date: _____

By: _____
(Signature)

Name: Todd Nilsen
Title: Associate Director,
Sponsored Projects

Date: _____

EXHIBIT A

Assignment
(61/632,122)

■

ASSIGNMENT

WHEREAS, We, Amit N. Patel and David A. Bull, have invented one or more inventions described in an application (or provisional application) for Letters Patent of the United States entitled:

METHODS OF DERIVATION & ISOLATION OF HUMAN BROWN FAT CELL LINES

and identified by Application No. 61/632,122 filed in the U.S. Patent and Trademark Office on January 18, 2012; and

WHEREAS, the University of Utah Research Foundation (hereinafter "ASSIGNEE"), a corporation organized and existing under the laws of the State of Utah, and having a usual place of business at 615 Arapleen Drive, Suite 310, Salt Lake City, Utah 84108, desires to acquire an interest therein, in accordance with agreements duly entered into with me;

NOW, THEREFORE, to all whom it may concern be it known that for and in consideration of said agreements and of other good and valuable consideration, the receipt of which is hereby acknowledged, we have sold, assigned and transferred and do hereby sell, assign and transfer unto said ASSIGNEE, its successors, assigns and legal representatives, at least as early as the filing date of said application, my entire right, title and interest in and throughout the United States of America, its territories and all foreign countries, in and to the invention(s) described in said application, together with my entire right, title and interest in and to said application, and such Letters Patent that may issue thereon and applications that claim priority thereto under United States law or international convention, and such Letters Patent that may issue thereon, including but not limited to non-U.S., international, non-provisional, continuation, divisional, reissue, reexamination, extension, and substitution applications of said application and such Letters Patent, and any right, title and interest we may have in provisional applications to which said application claims priority; said invention(s), applications and Letters Patent to be held and enjoyed by said ASSIGNEE for its own use and behalf and for its successors, assigns and legal representatives, to the full end of the term for which said Letters Patent may be granted as fully and entirely as the same would have been held by me had this assignment and sale not been made; we hereby convey all of my rights arising under or pursuant to any and all United States laws and international agreements, treaties or laws relating to the protection of industrial property by filing any such applications for Letters Patent, including but not limited to any cause(s) of action and damages accruing prior to this assignment. We hereby acknowledge that this assignment, being of my entire right, title and interest in and to said invention(s), carries with it the right in ASSIGNEE to apply for and obtain from competent authorities in all countries of the world any and all Letters Patent by attorneys and agents of ASSIGNEE's selection and the right to procure the grant of all Letters Patent to ASSIGNEE in its own name as assignee of my entire right, title and interest therein;

AND, we hereby further agree for myself and my executors and administrators to execute upon request any other lawful documents and likewise to perform any other lawful acts which may be deemed necessary to secure fully the aforesaid invention(s) to said ASSIGNEE, its successors, assigns and legal representatives, but at its or their expense and charges, including the execution of papers for filing of non-provisional, substitution, continuation, divisional, reissue, reexamination, and corresponding foreign and international patent applications;

AND, we hereby further agree to provide statements or testimony in any interference or other proceeding in which said invention(s) or any application or patent directed thereto may be involved;

AND, we hereby authorize ASSIGNEE or its attorneys or agents to insert the correct serial number and filing date into this assignment, if none is indicated on the date of my execution of this assignment;

AND, we do hereby authorize and request the Director of the United States Patent and Trademark Office and the empowered officials of all other governments to issue such Letters Patent as shall be granted upon said application, or applications based thereon, to said ASSIGNEE, its successors, assigns or legal representatives.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my seal on the date set forth below.

Inventor: _____
Amit N. Patel

State of _____)
County of _____) ss

On this ____ day of _____, 2014, before me, the undersigned Notary Public, personally appeared Amit N. Patel, proved to me through satisfactory evidence of identification, which was/were _____, to be the person whose name is signed on the preceding or attached document, and who swore or affirmed to me that the contents of the document are truthful and accurate to the best of his/her knowledge and belief.

Signature of Notary

(Seal)

My Commission Expires: _____

Inventor: _____
David A. Bull

State of _____)
County of _____) ss

On this ____ day of _____, 2014, before me, the undersigned Notary Public, personally appeared David A. Bull, proved to me through satisfactory evidence of identification, which was/were _____, to be the person whose name is signed on the preceding or attached document, and who swore or affirmed to me that the contents of the document are truthful and accurate to the best of his/her knowledge and belief.

Signature of Notary

(Seal)

My Commission Expires: _____

EXHIBIT B

Assignment
(61/632,516)

ASSIGNMENT

WHEREAS, I, Amit N. Patel, have invented one or more inventions described in an application (or provisional application) for Letters Patent of the United States entitled:

METHODS OF DERIVATION AND ISOLATION OF HUMAN BROWN FAT CELL LINES

and identified by Application No. 61/632,516 filed in the U.S. Patent and Trademark Office on January 25, 2012; and

WHEREAS, the University of Utah Research Foundation (hereinafter "ASSIGNEE"), a corporation organized and existing under the laws of the State of Utah, and having a usual place of business at 615 Arapleen Drive, Suite 310, Salt Lake City, Utah 84108, desires to acquire an interest therein, in accordance with agreements duly entered into with me;

NOW, THEREFORE, to all whom it may concern be it known that for and in consideration of said agreements and of other good and valuable consideration, the receipt of which is hereby acknowledged, I have sold, assigned and transferred and do hereby sell, assign and transfer unto said ASSIGNEE, its successors, assigns and legal representatives, at least as early as the filing date of said application, my entire right, title and interest in and throughout the United States of America, its territories and all foreign countries, in and to the invention(s) described in said application, together with my entire right, title and interest in and to said application, and such Letters Patent that may issue thereon and applications that claim priority thereto under United States law or international convention, and such Letters Patent that may issue thereon, including but not limited to non-U.S., international, non-provisional, continuation, divisional, reissue, reexamination, extension, and substitution applications of said application and such Letters Patent, and any right, title and interest I may have in applications to which said application claims priority; said invention(s), applications and Letters Patent to be held and enjoyed by said ASSIGNEE for its own use and behalf and for its successors, assigns and legal representatives, to the full end of the term for which said Letters Patent may be granted as fully and entirely as the same would have been held by me had this assignment and sale not been made; I hereby convey all of my rights arising under or pursuant to any and all United States laws and international agreements, treaties or laws relating to the protection of industrial property by filing any such applications for Letters Patent, including but not limited to any cause(s) of action and damages accruing prior to this assignment. I hereby acknowledge that this assignment, being of my entire right, title and interest in and to said invention(s), carries with it the right in ASSIGNEE to apply for and obtain from competent authorities in all countries of the world any and all Letters Patent by attorneys and agents of ASSIGNEE's selection and the right to procure the grant of all Letters Patent to ASSIGNEE in its own name as assignee of my entire right, title and interest therein;

AND, I hereby further agree for myself and my executors and administrators to execute upon request any other lawful documents and likewise to perform any other lawful acts which

may be deemed necessary to secure fully the aforesaid invention(s) to said ASSIGNEE, its successors, assigns and legal representatives, but at its or their expense and charges, including the execution of papers for filing of non-provisional, substitution, continuation, divisional, reissue, reexamination, and corresponding foreign and international patent applications;

AND, I hereby further agree to provide statements or testimony in any interference or other proceeding in which said invention(s) or any application or patent directed thereto may be involved;

AND, I hereby authorize ASSIGNEE or its attorneys or agents to insert the correct serial number and filing date into this assignment, if none is indicated on the date of my execution of this assignment;

AND, I do hereby authorize and request the Director of the United States Patent and Trademark Office and the empowered officials of all other governments to issue such Letters Patent as shall be granted upon said application, or applications based thereon, to said ASSIGNEE, its successors, assigns or legal representatives.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my seal on the date set forth below.

Inventor: _____
Amit N. Patel

State of _____)
County of _____) ss

On this ____ day of _____, 2014, before me, the undersigned Notary Public, personally appeared Amit N. Patel, proved to me through satisfactory evidence of identification, which was/were _____, to be the person whose name is signed on the preceding or attached document, and who swore or affirmed to me that the contents of the document are truthful and accurate to the best of his/her knowledge and belief.

Signature of Notary

(Seal)

My Commission Expires: _____

SECTION 302 CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER

I, Mark Weinreb, certify that:

- 1) I have reviewed this quarterly report on Form 10-Q of BioRestorative Therapies, Inc.;
- 2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- 4) The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- 5) The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 14, 2014

/s/ Mark Weinreb

Mark Weinreb

Principal Executive Officer

SECTION 302 CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER

I, Mark Weinreb, certify that:

- 1) I have reviewed this quarterly report on Form 10-Q of BioRestorative Therapies, Inc.;
- 2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- 4) The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- 5) The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 14, 2014

/s/ Mark Weinreb

Mark Weinreb

Principal Financial Officer

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER AND PRINCIPAL FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350**

Pursuant to 18 U.S.C. § 1350, the undersigned officer of BioRestorative Therapies, Inc. (the “Company.”) hereby certifies that the Company’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2014 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 14, 2014

/s/ Mark Weinreb

Mark Weinreb

Principal Executive and Financial Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. § 1350 and is not being filed as part of the Report or as a separate disclosure document.
