

**From:** "jeffrey E." <jeevacation@gmail.com>  
**To:** george church <[REDACTED]>, Richard Kahn <[REDACTED]>  
**Subject:** Re: FW: \$200K  
**Date:** Thu, 04 Sep 2014 17:54:52 +0000

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is there and was there a biz plan? how does the co intend to make money? when/ ? the use of funds , appears more like a research grant than a for profit investment.

On Thu, Sep 4, 2014 at 12:20 PM, george church <[REDACTED]> wrote:  
Hopefully this email will answer your questions about "dilution" vis-à-vis Androcyte.

--George

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**From:** James Clement <[REDACTED]>  
**Date:** Thursday, September 4, 2014 at 10:17 AM  
**To:** george church <[REDACTED]>  
**Subject:** Re: \$200K

Hi George,

Here's some background on the company, for you and your advisers. When we started in January of 2010, we raised \$100,000 from three investors for Acron Cell LLC. As you may recall, I dissolved the original company, Acron Cell LLC, and sold the assets to a new Florida company called Androcyte LLC, in 2011. Parijata "Jata" Mackey and I took over that company's management, although Jata is no longer involved. We had 3 original investors in Acron Cell which were allowed to move their ownership percentages to Androcyte. One of those investors, Life Extension Foundation, has put \$215,000 in total into the Company, and Zasis LLC (owned/managed by [Gary Hirst](#)) has put about \$340,000 into Androcyte, since the beginning. For about one year, Jata and I each had a salary of about \$60,000 each, but that ended in October of 2012 and there have been no salaries since then, only living expenses (modest housing, food, utilities, and travel) The bulk of the funding was used in 2011 - 2012 to pay for travel to Europe to collect blood samples and to negotiate a grant and loan from the Spanish government to move the business to their [Andalusian biotechnology center at Isla de la Cartuja](#), outside Seville. Setting up the Spanish subsidiary and applying for the grants/loans took about three months, and cost us about \$30,000. Although we were told we'd get both, the collapse of the Spanish economy fouled this from happening. We then sequenced the first three genomes for \$20,000 apiece, and in 2012 sequenced another 12 genomes for \$8,000 apiece (both sets were contracted through Knome). I spent the Summer of 2013 in Arlington, MA working on analyzing this genomic data on both Knome's and Ingenuity's Variant Analysis platforms.

I'll pull together our existing shareholder list, if you'd like it. You were given 2% of the company's initial stock and the other four advisers were given 1 percent each. Jata now is a 2% "adviser" rather than an employee/manager. Everyone, including these investors and myself, all have dilutable ownership units of Androcyte LLC. All investments have been made on a [Pre-money Valuation](#) basis and represent whatever valuation we've agreed to with the investor. Previously (2012 and 2013) our valuation has been \$2,500,000. That's also the amount I quoted the potential investor with whom I've been negotiating recently. Because there's much more to be gained by having you as an investor, I promised you a valuation of \$2,000,000. If we receive your investment, then I'll tell the other guy that we're no longer seeking funds, but I'll keep in touch with him regarding future investment opportunities. Hopefully with the new analysis and adding to our samples and genomic data, our valuation will increase significantly. As previously offered, I'm happy to have you help make such decisions in the future.

Please let me know if you have any questions. I attaching copies of our 2011 and 2012 tax returns, but the 2013 tax return hasn't been completed yet. One of the uses of new funds is to pay about \$4,000 to have them done.

Best regards,

James

James Clement, J.D., LL.M.

EFTA00996004

On Thu, Sep 4, 2014 at 7:41 AM, george church <[REDACTED]> wrote:

James,

Your research directions are fine.

Also, feel free to run your response to the "dilution" question past me.

--george

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**From:** James Clement <[REDACTED]>

**Date:** Thursday, September 4, 2014 at 8:12 AM

**To:** george church <[REDACTED]>

**Subject:** Re: \$200K

Hi George,

That's really great news, George! I've been working on getting \$150,000 from a friend-of-a-friend. Here's what I proposed doing with the funding.

My goal for the rest of 2014 and early 2015:

1. Immediately whole-genome sequence 35 more samples (giving us a total of 50 Centenarians/ Supercentenarians sequenced) (\$60,000, based on a quote from the NY Genome Center for \$1,700/sample). This is a great quote for the work being done. The reason the cost is so low is because the [NY Genome Center](#) wants to make use of some brand new [X10 Illumina sequencers](#), which need to be run 24/7 for their greatest efficiency. It takes about a month to get samples prepared, and about three months to complete the sequencing and alignment, so the genomic data should be available to us about four months after we begin the process.
2. Upload our existing 15 genome samples onto [Ingenuity's Variant Analysis](#) platform for continuing analysis by myself and various scientific advisers (\$90/month). This is the platform that I used in 2013 to do a preliminary analysis of our genomic data. At that time it wasn't possible to share this platform with other researchers, but now we can invite our other scientific advisers to have a look at the data and come up with theories on why Supercentenarians live so long in great health.
3. Update our sample collection kits with new blood vials, needles, etc. (\$2,000); We use special DNA and RNA blood collection vials from PaxGene. Our current supply of these tubes have expired and many no longer hold a vacuum. In April, I got a blood sample from a 114-year old in Florida, but three out of four of our vials the nurse tried would not pull blood, since they'd lost their vacuum (were out of date). Since there's a very limited number of tries a nurse gets to attempt to hit a vein on a Supercentenarian, it's critical that all of our equipment be in perfect condition and within their effective dates.
4. Travel to Europe (3-4 months) to collect 20-40 blood and/or spit samples from Supercentenarians (\$35k - \$45k); It's extremely important that we get a bigger sample base from which to run our analysis, for statistical significance. The contacts I originally made in Europe will prove extremely valuable in making some very cost effective data collection when compared with the first samples I gathered back in 2011-2012. I'll contact the Swiss woman I worked with in 2011, who speaks four languages and helped call and schedule all of our blood collections, and fly over to Spain, and start collecting samples from Spain, Italy, and France. That should take just 2-3 months, and I'll then go to the UK and get samples from there.
5. Purchase cell samples for approximately 20 individuals aged 103 to 105 years of age (\$6,000) from the National Institute on Aging's cell repository at the Coriell Institute. This cell repository has been collected over three decades and includes about 100 individuals from 90s to 113. We already have their three oldest samples (two 108 year olds and one 113 year old), which make up part of the original 15 we sequenced.. These cells are inexpensive additions to our collection, and will help increase the statistical relevance of our collection.

Together with lab expenses, collection supplies, living and travel expenses, I'm budgeting \$150,000 to accomplish these critical next steps for Androcyte.

Ideally, I'd like to get the funding not later than the end of September, and then take care of items 1-3 immediately. Based on my previous experience collecting samples in Germany, Italy, and Spain in October through December, the weather won't be a problem. I'd rather not try to take samples in Europe in January through March, however, when the weather can make travel problematic. I expect to return to the U.S. by early 2015, at which time Androcyte should have a total of 100 to 150 blood and/or spit samples, of which 50 will have been whole-genome sequenced.

If you want, George, you're certainly welcome to get involved as much as you want in the planning and direction of what we do in Androcyte. I look forward to talking with you more about this, and talking with your LLC representatives.

Many thanks,,

James

James Clement, J.D., LL.M.

[Supercentenarian Research Study](#)

U.S. Cell: [REDACTED]

On Wed, Sep 3, 2014 at 7:21 PM, george church <[REDACTED]> wrote:

James,

I have helped set up "Georgarage LLC" in order to get Androcyte \$200K under the subscription agreement that you sent me May 8.

LLC representatives will be contacting you on my behalf, wanting some details about "restrictions on future dilution".

I just wanted to let you know, in case they contact you without adequate context -- so you wouldn't be surprised.

--George

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please note

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