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15 In Propria Persona

16 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
17 **COUNTY OF ORANGE, CENTRAL DISTRICT**

18 MARKET BROADCAST, LLC, and  
19 GEORGE SHARP

20 Plaintiffs,

21 v.

22 Crocs Inc., Biostem U.S. Corporation, Dwight  
23 Brunoehler, John Satino, Scott Crutchfield,  
24 London Finance Group, Ltd., Sherman Mazur,  
25 Elco Securities, Ltd., Fox Communications  
26 Group, Steve Beck and DOES 1 through 50,  
27 inclusive,

28 Defendants.

Case No. 30-2013-00669008-CU-CO-CJC

COMPLAINT FOR:

- 1) Breach of Written Contract; and,
- 2) Fraud; and,
- 3) Negligent Misrepresentation; and,
- 4) Violation of California Unfair Business Practices Act – Business & Professions Code Section 17200; and,

Judge Sheila Fell

**COMES NOW PLAINTIFFS AND ALLEGE AS FOLLOWS:**

1. At all times mentioned herein, Plaintiff Market Broadcast, LLC (“MARKET”) was a Nevada Limited Liability Corporation with offices in Ft. Lauderdale, Florida and La Jolla, California. The Plaintiff is in the business of bringing investor awareness to public companies.

1           2.       At all times mentioned, Plaintiff George Sharp (“SHARP”) was the managing  
2 member of Plaintiff MARKET, and SHARP has become recognized internationally as a crusader  
3 against penny stock fraud and has been loudly applauded for his efforts. There is no question  
4 that penny stock fraud is a scourge of society, having replaced confidence games like “Three  
5 Card Monte” and Ponzi-schemes and pyramid schemes as a way to relieve innocent victims most  
6 susceptible to get-rich-quick schemes, such as seniors, students and single mothers, of their  
7 savings. Spam emails making false and deceiving claims, are just one of several methods used to  
8 lure potential dupes into such schemes. To date, the Plaintiff has been lauded on several  
9 reputable internet sites and has received hundreds of letters from these victims, thanking him for  
10 his efforts to inhibit this fraud. SHARP is also well known for prosecuting civil actions against  
11 penny stock frauds, designed to enrich insiders, officers and financiers of small public companies  
12 through the marketing and sale of artificially overpriced and often intrinsically worthless stock to  
13 an often unsuspecting public.

14           3.       At all times mentioned herein, Defendant Crocs, Inc. (“CROCS”) was a Delaware  
15 corporation conducting business in and with an agent for service of process in California.

16           4.       At all times mentioned herein, Defendant Biostem U.S. Corporation  
17 (“BIOSTEM”) was headquartered in Clearwater, Florida and had business dealings in the State  
18 of California. The company’s common stock is traded on the over-counter-market, commonly  
19 known as the Pink Sheets, first under the symbol “BOSM” and then and currently under the  
20 symbol “HAIR”. Defendants CURTCHFIELD and BECK as well as others directors, former  
21 directors, officers and former officers, members and former members of CROCS were the largest  
22 shareholders of Defendant BIOSTEM.

23           5.       At all times mentioned herein, Defendant Dwight Brunoehler  
24 (“BRUNOEHLER”) has acted as the Chief Executive Officer of Defendant BIOSTEM.

25           6.       At all times mentioned herein, Defendant John Satino (“SATINO”) has acted as  
26 President of Defendant BIOSTEM.

1           7.       At all times mentioned herein, Defendant Scott Crutchfield (“CRUTCHFIELD”)  
2 has acted as Chairman of Defendant BIOSTEM and Senior Vice President of World Wide  
3 Operations for Defendant CROCS.

4           8.       At all times mentioned herein, Defendant London Finance Group, Ltd.,  
5 (“LONDON”) was a California Corporation headquartered in Santa Monica, California.

6           9.       At all times mentioned herein, Defendant Sherman Mazur (“MAZUR”), a  
7 convicted federal felon who was incarcerated for his crimes, was a resident of the County of Los  
8 Angeles and acted as a principal of Defendant LONDON; an agent of all of the other defendants,  
9 and together with Defendant FOX, was the primary contact between the Plaintiff and the  
10 Defendants.

11          10.       At all times mentioned herein, Defendant Elco Securities, Ltd. (“ELCO”) is a  
12 financier with its offices purported to be located at Loyalist Plaza, Don Mackay Blvd., Marsh  
13 Harbour, Abaco, Bahamas. Plaintiff is informed and believes that ELCO is an alter ego of  
14 Defendants MAZUR and LONDON.

15          11.       Plaintiff is informed and believes that Defendant MAZUR has had long term  
16 associations and previous business relationships with Defendants CRUTCHFIELD,  
17 BRUNOEHLER and FOX.

18          12.       At all times mentioned herein, Defendant Fox Communications Group (“FOX”),  
19 was a business operated out of Las Vegas, Nevada, and acted as an agent of all of the other  
20 Defendants and during May, 2012 became the investor relations contact for Defendant  
21 BIOSTEM.

22          13.       At all times mentioned herein, Defendant Stephen Beck (“BECK”) was a director  
23 of Defendant BIOSTEM and a founding member of Defendant CROCS.

24          14.       The defendants took advantage of the credibility of CROCS as a billion dollar  
25 company to conspire to disguise the true nature of Defendant BIOSTEM and make it seem an  
26 appealing investment. CROCS was complicit in this scheme and was therefore an important  
27 conspirator in this scheme.

1           15.     Plaintiffs are ignorant of the true names and capacities of defendants sued herein  
2 as DOES 1 through 50, inclusive, and therefore sues these defendants by such fictitious names.  
3 Plaintiffs will amend this complaint to allege their true names and capacities when ascertained.  
4 An allegation against any defendant shall apply to each DOE defendant.

5           16.     Plaintiffs are informed and believes, and on such information and belief alleges,  
6 that at all times herein mentioned, each defendant was the agent of each and every other  
7 defendant, and in doing the things alleged herein, was acting in the course and scope of its/his  
8 agency and/or employment and was acting with the consent, permission and/or authorization of  
9 each and every remaining defendant. The acts and conduct of each defendant herein was ratified  
10 and approved by every remaining defendant.

11           17.     Plaintiffs are informed and believes that the Defendants conspired to deceive the  
12 Plaintiff and members of the general investing public and engaged in a course of conduct  
13 designed to artificially inflate the share price and trading volume of BIOSTEM common stock in  
14 order to enable certain insiders to divest themselves of their BIOSTEM stock holdings.  
15 Defendants achieved this through a campaign of disseminating false and misleading information  
16 and concealment of material facts, including, but not limited to the issuance of press releases and  
17 propaganda distribution and by using the Plaintiff as a conduit to further distribute false and  
18 misleading information. Furthermore, the acts set forth in paragraphs 18 through 37 below were  
19 each false and/or misleading statements made in furtherance of this conspiracy by the  
20 defendants.

#### 21           **CHRONOLOGICAL FACTUAL HISTORY OF CLAIMS**

22           18.     On or about January 5, 2012, Defendant BIOSTEM effected a 4 to 1 forward split  
23 of its common stock.

24           19.     On or about April 12, 2012, the Plaintiffs met with Defendants LONDON,  
25 MAZUR and FOX in Costa Mesa, CA, at the behest of FOX for the purposes of retaining the  
26 Plaintiff's services to bring market awareness to Defendant BIOSTEM, a significant investment  
27 of MAZUR and other entities of which he is a principle. The Defendants sought out the services  
28 of the Plaintiffs, because of Plaintiff SHARP's reputation for seeking out stock frauds and

1 prosecuting them through civil litigation. The Defendants conspired to use SHARP's reputation  
2 to provide an air of legitimacy to their ill-conceived scheme of fraud.

3 20. On or about April 19, 2012 the Plaintiffs began consulting services to the  
4 Defendants through email and telephone communication with Defendant MAZUR, in  
5 preparation of the marketing of BIOSTEM stock to the public. Plaintiffs are informed and  
6 believes that all Defendants were aware of these activities.

7 21. On or about April 30, 2012, Defendant BIOSTEM effected a 3 to 1 forward split  
8 of its common stock.

9 22. On or about May 4, 2012, Defendant BIOSTEM changed its trading symbol to  
10 HAIR.

11 23. On or about May 9, 2012, following negotiations between the Plaintiffs and  
12 Defendants LONDON and specifically MAZUR, Defendant ELCO entered into a contract with  
13 the Plaintiff MARKET, entitled "Engagement Agreement for Marketing Services". Specially,  
14 the agreement called for ELCO to keep Plaintiffs informed of key developments regarding  
15 BIOSTEM; to disclose all known material facts to Plaintiffs regarding BIOSTEM; to be  
16 forthright with the Plaintiffs; and, to abide by the agreement. The agreement also called for  
17 remuneration to the Plaintiff of \$50,000 and 300,000 free-trading shares of Defendant  
18 BIOSTEM's common stock. Under the terms of the agreement, the Plaintiff MARKET was not  
19 obligated to provide services until all remuneration obligations had been met. Plaintiffs are  
20 informed and believe that Defendant MAZUR is a principle of ELCO and that all of the  
21 defendants were aware and blessed the agreement.

22 24. On May 24, 2012, Defendant BIOSTEM gave notice within an United States  
23 Securities and Exchange Commission Form 8-K filing, of a \$5,000,000 equity financing  
24 agreement with Defendant ELCO. Under the terms of the agreement, funding was to begin on  
25 July 1, 2012 or "at such other time as the parties may agree upon". The press release identified  
26 Fox Communications Group as the point of contact for inquiries.

27 25. On May 24, 2012, Defendant BIOSTEM disseminated a press release announcing  
28 a \$5,000,000 equity financing agreement with Defendant ELCO. Plaintiffs are informed and

1 believe that all of the Defendants were involved in the formation of this equity financing  
2 agreement. The press release identified Fox Communications Group as the point of contact for  
3 inquiries.

4 26. On May 24, 2012, at the behest of the Defendants, and even though the Plaintiffs  
5 had not yet received full remuneration for services, as required by the agreement, the Plaintiff  
6 MARKET began investor awareness campaigns for the purpose of marketing the common stock  
7 of Defendant BIOSTEM and to capitalize on the announcement of the equity financing  
8 agreement, which the Plaintiff was led to believe was forthright. At risk to its reputation and  
9 well-being, the Plaintiff capitalized on the positive news of the equity financing agreement in  
10 order to attract the attention of the investing public.

11 27. On June 8, 2012, Defendant BIOSTEM issued a press release announcing that it  
12 had it had engaged Acropolis Inc., a full-service advertising agency located in Orlando, Florida,  
13 to lend their expertise in brand building, marketing, and advertising development and placement.  
14 The press release identified Fox Communications Group as the point of contact for inquiries.

15 28. On July 10, 2012, following a series of delays not of the Plaintiff's doing, the  
16 Plaintiff received 300,000 shares of the common stock of Defendant BIOSTEM common stock  
17 in a form that was free-trading.

18 29. On July 10, 2012, the common shares of Defendant BIOSTEM were valued at 27  
19 cents.

20 30. On July 23, 2012, Defendant BIOSTEM issued a press release announcing that it  
21 had entered into a medical affiliate agreement with Pizarro Hair Restoration Clinics. The press  
22 release referred to its affiliations with Defendants CROCS and BECK and was blessed by  
23 CROCS and by CRUTCHFIELD and BECK in their capacities as officers and members and/or  
24 former officers and members of CROCS, and as required by Marketwire, the wire service used  
25 for disseminating the press release. The press release identified Fox Communications Group as  
26 the point of contact for inquiries.

27 31. On August 2, 2012, Defendant BIOSTEM issued a press release announcing that  
28 a member of its Scientific and Medical Board of Advisors was appointed Chief of Cardiothoracic

1 Surgery at St. Francis Hospital. The press release referred to its affiliations with Defendants  
2 CROCS, CRUTCHFIELD and BECK and was blessed by CROCS and by CRUTCHFIELD and  
3 BECK in their capacities as officers and members and/or former officers and members of  
4 CROCS, and as required by Marketwire, the wire service used for disseminating the press  
5 release. The press release identified Fox Communications Group as the point of contact for  
6 inquiries.

7 32. On August 7, 2012, Defendant BIOSTEM issued a press release announcing it  
8 had appointed Marina Pizarro, M.D. to its Scientific and Medical Board of Advisors. The press  
9 release referred to its affiliations with Defendants CROCS, CRUTCHFIELD and BECK and was  
10 blessed by CROCS and by CRUTCHFIELD and BECK in their capacities as officers and  
11 members and/or former officers and members of CROCS, and as required by Marketwire, the  
12 wire service used for disseminating the press release. The press release identified Fox  
13 Communications Group as the point of contact for inquiries.

14 33. On August 13, 2012, Defendant BIOSTEM issued a press release announcing that  
15 Dr. Marina Pizarro had performed the first Biostem Method(TM) of Hair Re-Growth Procedures  
16 at its Orlando training facility located at the Pizarro Hair Restoration Clinic. The press release  
17 referred to its affiliations with Defendants CROCS, CRUTCHFIELD and BECK and was  
18 blessed by CROCS and by CRUTCHFIELD and BECK in their capacities as officers and  
19 members and/or former officers and members of CROCS, and as required by Marketwire, the  
20 wire service used for disseminating the press release. The press release identified Fox  
21 Communications Group as the point of contact for inquiries.

22 34. On October 6, 2012, after being unable to reach Defendant MAZUR for an  
23 extended period of time and almost two months after the agreement expired, the Plaintiff  
24 MARKET ended its investor awareness campaign of Defendant BIOSTEM.

25 35. On October 19, 2012, Defendant BIOSTEM gave notice within a United States  
26 Securities and Exchange Commission Form 10-Q filing, that the equity financing agreement  
27 between BIOSTEM and Defendant ELCO had not been consummated.





1 24, had not been consummated and would not be consummated. Plaintiffs are informed and  
2 believe that it has not been informed of other key developments regarding BIOSTEM.

3 44. The AGREEMENT required the Defendants to disclose all known material facts  
4 to the Plaintiff MARKET regarding BIOSTEM. As such, the Defendants undertook a duty to  
5 keep the Plaintiff fully and truthfully apprised of all material facts regarding BIOSTEM. The  
6 Defendants breached the AGREEMENT when they failed to disclose to the Plaintiff the material  
7 fact that the equity financing agreement between Defendants BIOSTEM and ELCO and  
8 announced on May 24, had not been consummated and would not be consummated. Plaintiffs are  
9 informed and believe that other material facts regarding BIOSTEM have not been disclosed.

10 45. The AGREEMENT required the Defendants to be forthright with the Plaintiff.  
11 The Defendants breached the AGREEMENT when they failed to be forthright about the equity  
12 financing agreement, its integrity, its execution, its intent (to defraud) or its terms. Plaintiffs are  
13 informed and believe that the Defendants have not been forthright with the Plaintiff about other  
14 matters concerning BIOSTEM and the Plaintiff.

15 46. The AGREEMENT required the Defendants to abide by the AGREEMENT. The  
16 Defendants breached the AGREEMENT when they failed to abide with the AGREEMENT's  
17 requirement to keep the Plaintiff informed, to disclose all material facts and to be forthright with  
18 the Plaintiff. Plaintiffs are informed and believe that the Defendants failed to abide by the  
19 AGREEMENT in other ways.

20 47. As a result of these breaches, plaintiffs have suffered damages under the contract  
21 including but not limited to the devaluation of the remunerative free-trading stock paid under the  
22 contract, in an amount to be proven at the time of trial but in excess of the minimum jurisdiction  
23 of the court.

24 48. Plaintiffs are informed and believe the damages suffered for the loss of the value  
25 of the 300,000 shares of freely tradable stock totals \$138,000.

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1 **SECOND CAUSE OF ACTION**

2 **Fraud**

3 **(alleged by all Plaintiffs against all Defendants)**

4 49. Plaintiff hereby re-alleges and incorporates by reference the facts and allegations  
5 contained in Paragraphs 1 through 48 as though fully set forth herein.

6 50. In order to induce the Plaintiffs to market the Defendant BIOSTEM's common  
7 stock through an investor awareness program, and encourage members of the public to purchase  
8 its common stock, the defendants made express representations, through the issuances of press  
9 releases and other public statements. These representations included, but are not limited to, an  
10 equity finance purchase agreement, which the defendants had no intention of fulfilling.

11 51. At no time did the defendants expect the equity financing agreement between  
12 BIOSTEM and ELCO to be consummated.

13 52. The AGREEMENT prohibited the plaintiffs from disposing the remunerative  
14 stock for a period of 21 days from the date of receipt.

15 53. At the time these representations were made they were false and misleading, and  
16 the Defendants knew such representations were false and misleading.

17 54. Defendant FOX knew that Defendants LONDON and MAZUR had a propensity  
18 to commit and participate in fraudulent schemes for the purpose of enriching themselves and did  
19 not reveal these facts to the Plaintiff. FOX deliberately solicited the plaintiffs on behalf of the  
20 other defendants to unwittingly participate in this fraud, in order to take advantage of SHARP's  
21 reputations as a crusader against penny stock fraud, thereby providing the scheme an air of  
22 credibility and respectability.

23 55. The defendants failed to disclose to the Plaintiffs that Defendant MAZUR was a  
24 convicted federal felon.

25 56. Defendants CROCS and BECK aided and abetted this fraud by consenting to and  
26 blessing the use of their names in various press releases, thereby deliberately giving the  
27 impression that they supported the now-known-to-be fraudulent activities of the defendants and  
28 creating a false sense of credibility for the scheme.

1           57.     The representations were made to induce the Plaintiffs to market the Defendant  
2 BIOSTEM's common stock through an investor awareness program in order to increase the  
3 trading volume and share price of BIOSTEM's common stock.

4           58.     The representations were made with the intent to induce the Plaintiff and  
5 members of the public to rely on these representations.

6           59.     This scheme by the Defendants was unknown to Plaintiffs at the time it was  
7 concocted, and he had no basis to know that these representations were false. Hence, the  
8 Plaintiffs reasonably and justifiably relied upon the Defendants' representations and marketed  
9 the Defendant BIOSTEM's common stock through an investor awareness program.

10          60.     As a result of this fraud by the Defendants, Plaintiffs have suffered damages  
11 including the loss of money, damage to reputation, unwittingly aiding and abetting a fraud, as  
12 well as other damages in an amount to be proven at the time of trial.

13          61.     As a result of this fraud, most subscribers to the newsletters retained by  
14 MARKET to bring investor awareness to BIOSTEM and who purchased the common stock of  
15 BIOSTEM, lost a significant portion, if not all of their investment, and MARKET has since been  
16 unable to retain additional paying clients for investor awareness programs.

17          62.     As a result of this fraud, the reputation of SHARP as a forthright and credible  
18 source of information and as a crusader against stock fraud was compromised, causing damages  
19 in an amount to be proven at the time of trial.

20          63.     At the time these representations were made, the Defendants knew them to be  
21 false and misleading and made the representations for the purpose of inducing the Plaintiff to  
22 rely on them.

23          64.     At the time these representations were made, the Plaintiff was unaware that they  
24 were false and reasonably and justifiably relied upon them.

25          65.     As these misrepresentations constituted fraud and were made with a conscious  
26 disregard for the rights and privileges of the Plaintiff, the Plaintiffs are entitled to an award of  
27 punitive and exemplary damages in an amount to be proven at the time of trial.  
28



1           73.     The representations were made to induce the Plaintiff to market the Defendant  
2 BIOSTEM's common stock through an investor awareness program and encourage members of  
3 the public to purchase the common stock of Defendant BIOSTEM and in order to manipulate  
4 and increase the trading volume and price per share of the stock.

5           74.     This scheme by the Defendants was unknown to Plaintiff and he had no basis to  
6 know that these representations were false. Hence, the Plaintiff reasonably and justifiably relied  
7 upon the Defendants' representations and marketed the Defendant BIOSTEM's common stock  
8 through an investor awareness program.

9           75.     As a result of this negligent misrepresentation by the Defendants, Plaintiff has  
10 suffered damages including the loss of money, damage to reputation, unwittingly aiding and  
11 abetting a fraud, as well as other damages in an amount to be proven at the time of trial.

12           76.     As a result of this negligent misrepresentation, most subscribers to the newsletters  
13 retained by MARKET to bring investor awareness to BIOSTEM and who purchased the  
14 common stock of BIOSTEM, lost a significant portion, if not all of their investment, and  
15 MARKET has since been unable to retain additional paying clients for investor awareness  
16 programs.

17           77.     As a result of this negligent misrepresentation, the reputation of SHARP as a  
18 forthright and credible source of information and as a crusader against stock fraud was  
19 compromised, causing damages in an amount to be proven at the time of trial.

20           78.     At the time each of these representations were made, the Defendants made them  
21 with a negligent disregard for whether the representations were true or false and made them for  
22 the purpose of inducing the Plaintiff to rely on them.

23           79.     At the time each of the aforementioned representations was made, the Plaintiff  
24 was unaware that they were false and reasonably and justifiably relied upon them.

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1 **FOURTH CAUSE OF ACTION**

2 **Unfair Business Practices**

3 **– California Business and Professions Code Section 17200**

4 **(alleged by all Plaintiffs against all Defendants)**

5 80. Plaintiffs hereby re-allege and incorporate by reference the facts and allegations  
6 contained in Paragraphs 1 through 65 as though fully set forth herein.

7 81. The aforementioned conduct begat an intended manipulation, under false  
8 pretenses, of the common stock of Defendant BIOSTEM, in violation of California Corporations  
9 Code 25400 et seq., and as such, each constitute an unfair business practice in violation of  
10 California Business and Professions Code section 17200, et seq.

11 82. The aforementioned conduct were each in themselves acts of intentional  
12 misrepresentation and/or concealment, and as such, each constitute an unfair business practice in  
13 violation of California Business and Professions Code section 17200, et seq.

14 83. The Plaintiffs have suffered actual injury and loss of money in that the value of the  
15 remuneration was affected by the predictable devaluation of the ownership in BIOSTEM stock  
16 as a direct result of the Defendants' premeditated concealment and misrepresentations.

17 **WHEREFORE**, Plaintiffs pray judgment against the Defendants as follows:

18  
19 1. On Plaintiff's First Cause of Action herein:

20 (a) for damages in an amount to be proven at trial estimated to be no less than  
21 \$138,000;

22 (b) for prejudgment interest;

23 (c) for cost of suit herein incurred;

24 (d) for attorney's fees pursuant to the contract; and

25 (e) for such other and further relief as the court may deem proper.

26 2. On Plaintiffs' Second Cause of Action herein:

27 (a) for a preliminary and permanent injunction;

- 1 (b) for damages in an amount to be proven at trial, but estimated to be  
2 \$500,000;  
3 (c) for restitution;  
4 (d) for cost of suit herein incurred;  
5 (e) for punitive and exemplary damages; and,  
6 (f) for such other and further relief as the court may deem proper.
- 7 3. On Plaintiffs' Third Cause of Action herein:  
8 (a) for damages in an amount to be proven at trial;  
9 (b) for cost of suit herein incurred; and  
10 (c) for such other and further relief as the court may deem proper.
- 11 4. On Plaintiffs' Fourth Cause of Action herein:  
12 (a) for a preliminary and permanent injunction;  
13 (b) for restitution;  
14 (c) for cost of suit herein incurred; and  
15 (d) for such other and further relief as the court may deem proper.

16 Dated: August 12, 2013

Law Offices of David J. Harter, APC

17  
18 By: 

David J. Harter, Attorney for Plaintiff  
Market Broadcast, LLC

19  
20  
21 Dated: August 12, 2013

22  
23  
24 By: 

25  
26 1 George Sharp, in propria persona  
27  
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EXHIBIT "A"



## **ENGAGEMENT AGREEMENT FOR MARKETING SERVICES**

This Engagement Agreement ("Contract") is entered into between Elco Securities Ltd. with principle offices located at Loyalist Plaza, Don Mackay Blvd., Marsh Harbour, Abaco, Bahamas ("Client") and Market Broadcast, LLC. ("Consultant") as of May 21, 2012 in Santa Ana, California. Consultant will provide services to Client on the terms set forth below. This Contract will not take effect, and Consultant will have no obligation to provide services, until seven days after both parties sign two copies of this Contract and all remuneration obligations have been met.

**1. Scope And Duties.** Client hereby retains Consultant to provide services in connection with the creation of investor awareness of Biostem US Corp ("Subject") for the purposes of generating a reasonable trading market of the Subject's common stock. This service may involve retaining third party service providers, who shall be directed by and be the responsibility of the Consultant, at the discretion of the Consultant. The scope of the services rendered shall be solely at the Consultant's discretion. Information regarding the Subject, which may be disseminated by the Consultant or its nominee third party, shall require approval by a representative of the Client, whom shall be identified under separate cover.

**2. Client's Duties.** Client agrees to cooperate with Consultant, to keep Consultant informed of key developments regarding Subject and to abide by this Contract. Client agrees to disclose all known material facts to Consultant regarding Subject and to be forthright with Consultant. Client shall not cause any disruption or interfere with the Consultant's obligation to perform his duties.

**3. Remuneration.** At least seven days prior to the commencement of services, Client will pay Consultant for services provided during the first 60 days of this open ended agreement, by causing the transfer of at least \$50,000 into a nominee bank account of the Consultant and by providing Consultant with at least 300,000 common shares of the Subject to be electronically transferred into an account identified by the Consultant. These shares shall have no restrictive legend and shall be entirely free-trading, without limitation. Any costs incurred by Consultant to secure the free-trading status of these shares, including, but not limited to, Attorney Opinion Letters and security deposit fees, shall be paid in advance, by the Client. The Client shall not be responsible to reimburse Consultant for the normal brokerage fees incurred by the disposition of these shares. Consultant shall dispose of these shares, purely at its own discretion, but not for at least 21 days from the time of receipt.

**4. Term and Obligations.** The service period under this Agreement shall commence on May 21, 2012 and conclude on July 20, 2012. This Agreement may be extended by mutual consent.

**5. Regulatory Disclosures.** The Client recognizes the Consultant's obligation to disclose fees paid to the Client or its third party nominees, when those parties disseminate information, awareness, or publicity regarding the Subject, including, but not limited to, those disclosures dictated under United States Securities and Exchange Commission Rule 17(b). Client also agrees that Consultant may include Safe Harbor statements, under the Private

Securities Litigation Reform Act of 1995, in any materials disseminated for the purpose of creating investor awareness of the Subject. The Consultant shall bear the full responsibility of ensuring that the appropriate disclosures and statements are attached to materials disseminated by the Consultant or its third party nominees. The Client agrees not to hinder the Consultant's responsibility to make these disclosures or statements, in any way and, in fact, directs the Consultant to ensure that all disclosures and required statements are made.

**6. Termination and/or Conclusion of Consultant's Services By Client.** The Client may terminate this Agreement for any reason, at any time. Termination of this agreement shall not entitle Client to reimbursement of fees and Client accepts forfeiture of such fees upon termination. The Client may not suspend the services of the Consultant for any reason.

**7. Suspension or Termination and/or Conclusion of Services By Consultant.** The Consultant may, at its own discretion, suspend or terminate this Agreement at any time, if there is a reasonable suspicion of unethical, illegal, or contra-regulatory activities undertaken by the Client or Subject. Unethical activities shall include, but are not limited to, the proffering of misinformation by the Client or Subject; or, the grossly unreasonable divestiture/dilution of common stock, so as to counter-act the Consultant's ability to fulfill its duties in a manner mutually beneficial to the Client, the Subject and the investing public. Termination of this agreement shall not entitle Client to reimbursement of fees and Client accepts forfeiture of such fees upon termination.

**8. Limitation of Liability.** The Client agrees, to the fullest extent permitted by law, to hold Consultant harmless from any liability of Consultant to the Client for any and all claims, losses, costs, damages of any nature whatsoever. In no event shall Consultant be responsible for any consequential damages or contingent liability as a result of its performance or non-performance of its duties under this contract.

**9. Hold Harmless and Indemnification.** To the extent permitted by law: Client shall indemnify, defend, and hold harmless Consultant against and in respect of any and all third party claims, demands, losses, costs, expenses, obligations, liabilities, damages, recoveries, and deficiencies, including interest, penalties, and reasonable attorneys' fees, that Consultant shall incur or suffer, that arise, result from, or relate to any breach of, or failure by Consultant to perform, any of its obligations in this Agreement or in any way related to the scope of work to be performed under this Agreement except those caused by Consultant's sole and active negligence.

**10. Confidentiality/Non-Disclosure Agreement**  
The Parties agree that the terms of this Agreement and the existence of the agreement itself, are to be maintained in the strictest confidence, except as may be required by law, regulations, or necessary for purposes of accounting. At no time shall one party identify the other party without mutual consent.

**11. Entire Agreement; Modification; Waiver; Severability.** This Agreement constitutes the entire Agreement between the parties pertaining to the subject matter contained in it and supersedes all prior and contemporaneous Agreements, representations, and

understandings of the parties, except for other Agreements expressly referenced with this Agreement. No supplement, modification, or amendment of this agreement shall be binding unless executed in writing and signed by all the parties. No waiver of any of the provisions of this agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver. The provisions of this Agreement are separate and divisible, and if any of those provisions, or portions thereof are held to be unenforceable or invalid by any court of competent jurisdiction, the validity and enforceability of the remain provisions, or portions thereof, shall not be affected and shall remain in full force.

**12. One Year Limitation on Actions.** The parties to this Agreement agree that any action based upon the services performed in this contract, any alleged breach of this contract, or any breach of any duty assumed by this contract, shall be commenced within one (1) year of the alleged breach. It is the intention of the parties by this provision to shorten the four (4) year statute of limitations provided for in Code of Civil Procedure section 337.

**13. Attorney's Fees and Costs.** The parties agree that in an action for a breach of this agreement, that the Prevailing Party will be entitled to reasonable attorneys' fees, costs and expert witness fees in addition to any other relief to which that party may be entitled. Costs shall include all costs and not be limited to the recoverable costs set forth in the Code of Civil Procedure. For purposes of this provision, the Prevailing Party shall mean a plaintiff who receives any monetary recovery or a defendant who receives a defense verdict.

**14. Opportunity to Review Agreement.** Each party to this Agreement has been given an opportunity to fully review and analyze this Agreement and further have had the opportunity to seek legal counsel and to have legal counsel review and analyze this Agreement. Each party has fully read and understands each provision of this contract and all parties understand their respective duties under this Agreement. Consultant and Client agree to use of the particular language of the provisions of this Agreement, and any questions of doubtful interpretation will not be resolved by any rule providing for interpretation against the party who causes the uncertainty to exist as both parties agree to be considered the drafter of this Agreement.

**14. Governing Law/Forum Selection.** This Agreement shall be construed in accordance with, and governed by, the laws of the State of California as applied to contracts that are executed and performed entirely in California. The sole forum for any action or proceeding brought by Consultant or Client arising of or in any way related to this Agreement, whether such action is in law or equity, will be a court of competent jurisdiction or arbitration forum in the County of San Diego, State of California.

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

"CONSULTANT":

DATED: \_\_\_\_\_, 2012

By: \_\_\_\_\_  
Market Broadcast, LLC

Client has read and understands the foregoing terms and have agreed to them, as of the date Consultant first provided services.

"CLIENT":

DATED: \_\_\_\_\_, 2012

By: \_\_\_\_\_

May 09 12 03:34p

p.4

*Engagement Agreement*  
*Page 4 of 4*

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

"CONSULTANT":

DATED: \_\_\_\_\_, 2012

By: \_\_\_\_\_  
Market Broadcast, LLC

Client has read and understands the foregoing terms and have agreed to them, as of the date Consultant first provided services.

"CLIENT":

DATED: May 9<sup>th</sup>, 2012

By:   
\_\_\_\_\_  
Laurence Collie

May 09 12 03:34p

p.4

*Engagement Agreement*  
*Page 4 of 4*

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

DATED: May 10, 2012

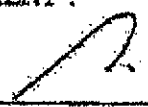
"CONSULTANT":

By:   
Market Broadcast, LLC

Client has read and understands the foregoing terms and have agreed to them, as of the date Consultant first provided services.

DATED: May 9<sup>th</sup>, 2012

"CLIENT":

By:   
Lawrence Collier