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IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF UTAH, CENTRAL DIVISION

ISLET HOLDINGS, INC., a Texas
corporation, ISLETECH, INC., a Nevada
corporation,

Plaintiffs,

v.

ISLET SCIENCES, INC., a Nevada
corporation, JOHN STEEL, an individual;
John Does 1 through 5,

Defendants.

COMPLAINT

Case No. 2:12-CV-00799-PMW

JURY TRIAL DEMANDED

Plaintiffs, by and through undersigned counsel, hereby complain and allege as follows:

PARTIES AND JURISDICTION

1. Plaintiff Islet Holdings, Inc. ("Islet Holdings"), is a Texas corporation with its principal place of business in Salt Lake County, Utah.

2. Plaintiff Isletech, Inc. ("Isletech"), is a Nevada corporation with its principal place of business in Salt Lake County, Utah.

3. Defendant Islet Sciences, Inc. ("Islet Sciences"), is a Nevada corporation with its

principal place of business in New York County, New York.

4. Defendant John Steel (“Steel”) is a citizen of California, residing in La Jolla, California.

5. Does 1 through 5 are persons or entities who have not been identified but who Plaintiffs may identify during discovery as participants in the wrongful acts alleged herein and wish to add them to this suit.

6. The actions that give rise to this lawsuit took place in Utah and affect the interest of companies based in Utah.

7. Defendants have had contacts with, and done business with, residents of Utah, and are subject to the Utah’s long-arm statutes. Among other things, Islet Sciences is a publicly-held company with its stock listed on the OTC Bulletin Board and makes the purchase and sale of its securities available to the residents of Utah.

8. This court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 1331, 1332 and 1367.

9. Venue is proper in this Court pursuant to 28 U.S.C. § 1391.

GENERAL ALLEGATIONS

Plaintiffs Corporation And Its Wholly-Owned Subsidiary

10. Islet Holdings has operated continually since at least September 18, 2007, when Wayne Mower was appointed to serve as President and Director, and Wayne Mower has served continually as President and sole Director to the present, with the exception of a two month

period in the summer of 2009 in which attorney Chuck Hannon served as the Plaintiff's "interim" President.

11. Since approximately December 2008, Texas attorney Joyce Lindauer has served as the resident agent of Islet Holdings.

12. On May 28, 2009, Islet Holdings changed its corporate name from Biozhem Cosmeceuticals, Inc., in anticipation of changing the direction of its corporate activities to the acquisition and development of technologies relating to cell therapies for diabetes.

13. Islet Holdings is a publicly-held company currently listed for trading on the OTC Pink Sheets. Information regarding the Plaintiff is available at www.pinksheets.com.

14. On or about May 1, 2008, President Wayne Mower caused a Form 15 to be filed with the Securities and Exchange Commission on behalf of Islet Holdings, thereby eliminating the reporting requirements of Islet Holdings under the Securities and Exchange Act of 1934, as amended.

15. On or about April 17, 2009, Islet Holdings formed Isletch, as its wholly-owned subsidiary, in order to pursue a new business opportunity presented by the acquisition of certain assets of MicroIslet, Inc ("MicroIslet").

Acquisition of MicroIslet Assets

16. On or about November 10, 2008, MicroIslet, a Nevada corporation, filed bankruptcy under the provisions of Chapter 11, in United States Bankruptcy Court for the Southern District of California, Case No. 08-11388-B7. Subsequently, the Chapter 11

bankruptcy filing was converted into a Chapter 7.

17. In April 2009, MicroIslet agreed to sell its assets to Isletech, including its intellectual property assets. In furtherance of the transaction, counsel for Isletech appeared in support of the sale of MicroIslet's intellectual property to Isletech.

18. In a hearing before the Bankruptcy Court, the presiding judge granted the sale of MicroIslet's intellectual property to Isletech. Pursuant to that hearing, Chapter 7 Trustee Gerald H. Davis and Isletech executed a document effecting the sale and purchase of the intellectual property owned by MicroIslet to Isletech.

19. Pursuant to that document, Isletech purchased "all of the Debtor's right, title and interest" in certain assets of MicroIslet, which included MicroIslet's patents or patents pending, and also included the following:

- a) "All intellectual property of [MicroIslet], including any and all rights an under any and all patents, whether licensed, owned or pending application, to the extent assignable";
- b) "All intellectual property of [MicroIslet], including all data, analyses, records, studies, and trade secrets, whether in hard or electronic format"; and
- c) "All rights under the contract between [MicroIslet] and FIOS Therapeutics, Inc."

20. As a result of the foregoing, Chapter 7 Trustee's legal counsel Richard C. Norton also arranged the following to complete the sale of assets to Isletech:

- a) "Transfer of all electronic data from [MicroIslet agents] computers to a transferable electronic device"; and

b) “...all hard copies of any documents, or property belonging to MicroIslet.”

21. On June 19, 2009, Islet Holdings issued a press release informing the public that its subsidiary Isletech (and Islet Holdings as parent company) had acquired the intellectual property of MicroIslet for cell-based replacement treatments, which included MicroIslet’s patents and other intellectual property.

Involvement Of John Steel

22. Islet Holdings pursued its new corporate direction through the encouragement and advice of John Steel, former officer and director of MicroIslet, as a consultant to Islet Holdings and Isletech.

23. Between February and June of 2009, Steel and Daniel Rhodes (“Rhodes”) led Islet Holdings and Isletech to believe that Steel had investors who would invest the monies necessary to operate Islet Holdings in exchange for a minority ownership stake.

24. Islet Holdings raised sufficient money to acquire the assets of MicroIslet, but the other information shared by Steel and Rhodes about investors and the availability of investment money turned out to be false.

25. Rhodes, who had been communicating with Islet Holdings on almost a daily basis, completely disappeared in June 2009 and was not heard from again until December 2009.

26. Subsequently, Steel repudiated any rights to equity in Islet Holdings and asserted that he was merely a consultant to Islet Holdings and Isletech.

27. Islet Holdings restructured the acquisition of subsidiary Isletech and in the

process included investors introduced by Steel and Rhodes.

28. Islet Holdings worked diligently with its shareholders and investors to preserve the value of intellectual property it had acquired from MicroIslet through Isletech.

29. From June through September 2009, Steel worked as a consultant to Islet Holdings and Isletech and was included in much of the confidential communications of Islet Holdings and Isletech with Fios, Inc., Progenitor, Inc., and Dr. Johathan Lakey.

Continued Existence Of Parent-Subsidiary Relationship And IP Ownership

30. To the present date, Isletech remains a wholly-owned subsidiary of Islet Holdings.

31. Nevada records show Wayne Mower as Director and President of Isletech.

32. Intellectual property sold by the Trustee of the Chapter 7 bankruptcy of MicroIslet continues to be owned solely by Isletech, subsidiary of Islet Holdings.

John Steel's Failed Attempt To Transact Business With Plaintiff

33. In the spring of 2011, Steel unsuccessfully attempted to affect a transaction with Islet Holdings and Isletech wherein Steel would gain control or access to the intellectual property acquired from MicroIslet in bankruptcy and as further developed by Islet Holdings and Isletech.

34. Steel represented to Islet Holdings and Isletech that the subsidiary investors (now shareholders of Islet Holdings) were fully aware and informed of the plan proposed by Steel.

35. Concerned about the validity of Steel's representation, corporate counsel of Islet Holdings and Isletech contacted the investors and shareholders of Islet Holdings and inquired whether they were aware and in agreement with the Steel proposal regarding Islet Holdings and

Isletech. In correspondence circulated to key investors of Islet Holdings, counsel stated:

“John Steel is working on a transaction to have Islet Holdings acquire Islet Sciences, Inc., a company that, I am told, John has been working on for a few years. The transaction would result in Islet Holdings owning Islet Science as a subsidiary in addition to Isletech, Inc....

As previously expressed ... by me, I am more than willing to cooperate and even assist everyone in doing whatever everyone would like to do - as long as everyone is on the same page. Hence, I do not want to sign any documents unless [key shareholders] are in agreement.

So, the first item of my inquiry is are you [shareholders] aware of the proposed transaction with Islet Sciences and Islet Holdings, Inc.?

I am happy to do a phone conference at your convenience.”

36. Islet Holdings’ and Isletech’s counsel was informed that, in fact, key shareholders and investors were not aware or in agreement with any proposal from Steel regarding any transaction involving Islet Holdings and Isletech.

37. Thereafter, Steel ceased communicating with Islet Holdings and Isletech.

38. Having failed to “divide and conquer” the shareholders of Islet Holdings in order to obtain the intellectual property Isletech acquired from MicroIslet, Steel proceeded to pursue taking Islet Sciences public and fabricate ownership of the intellectual property.

False Representations Regarding Ownership Of Plaintiffs’ Intellectual Property

39. On or about September 23, 2011, One eCommerce Corporation, a Nevada corporation (“One eCommerce”), filed a Current Report on Form 8K with the Securities and Exchange Commission, which was amended on October 6, 2011 (“October 8K”).

40. The October 8K was signed by John Steel as Chief Executive Officer of

eCommerce.

41. The October 8K failed to disclose 1) the circumstances the led to the departure of John Steel from MicroIslet, 2) that MicroIslet had been liquidated pursuant to a Chapter 7 bankruptcy, and 3) that One eCommerce was claiming assets derived from MicroIslet that had been conveyed to Isletech, wholly-owned subsidiary of Islet Holdings.

42. On or about October 7, 2011, John Steel caused Islet Sciences to file a Schedule 13D with the Securities and Exchange Commission regarding acquisition of ownership of One eCommerce Corporation.

43. According to the Schedule 13D, Steel was the President of Islet Sciences, a privately-held Nevada corporation, which obtained shares of One eCommerce.

44. According to the Schedule 13D, Steel's company Islet Sciences claimed 82.8% ownership of One eCommerce.

45. On or about November 14, 2011, One eCommerce Corporation filed its quarterly report with the SEC, signed by Steel as President and CEO and Richard Egan as CFO.

46. The common shares of One eCommerce (subsequently merged with Islet Sciences) are traded on the Electronic Bulletin Board and quotations are entered for the sale and purchase of Islet Sciences common stock.

47. On January 20, 2012, John Steel caused Islet Sciences to file a "Current Report" on Form 8K with the Securities and Exchange Commission ("the SEC Filing") regarding a merger of One eCommerce and Islet Sciences. (hereafter referred to as the merged and renamed

entity “Islet Sciences”).

48. The SEC filing was materially misleading in that it purports to claim for Islet Sciences the intellectual property and assets of MicroIslet owned by Isletech and Islet Holdings, and failed to disclose information that would be material to the business operations and assets of Islet Sciences.

49. Among other things, the SEC filing is also deficient as follows:

a) At page 19 the list of 5% shareholders does not identify who among them received 3 million shares for intellectual property claimed by Islet Sciences from which its entire business plan is derived.

b) At page 21 the “biography” shows John Steel as having served as Chairman and CEO of MicroIslet for 10 years, but does not discuss the bankruptcy and does not reconcile how Islet Sciences now claims the intellectual property acquired from MicroIslet by Isletech and Islet Holdings as parent company.

c) Richard Egan is identified as Chief Financial Officer of Islet Sciences, and has a particular duty to “know” exactly “how” Islet Sciences obtained its intellectual property assets.

d) At page 23, Joel D. Perlin is identified as the “Audit Committee financial expert” of Islet Sciences. Thus, Perlin also has a duty to “know” and disclose all the particulars relating to the intellectual property assets of Islet Sciences.

e) At page 39, Note 3 to Islet Sciences audit has an incomplete discussion of how its intellectual property was purportedly acquired.

f) At page 40, Note 4 to Islet Sciences audit does not identify who received its shares.

g) At page 41, Note 5 relating to “Related Party transactions” does not cover MicroIslet connection or history to the intellectual property.

h) At page 44, the balance sheet makes reference to an “intangible asset,” but at page 50 the Note to financial regarding “intangible assets” does not identify “third party” connected to the asset, which party is believed to be a “related party.”

i) Pages 52, 53, 54 and 57 are deficient repeats of Notes 3, 4, and 5 and the *pro forma* balance sheet entry of “intangible asset.”

50. On March 9, 2012, Islet Sciences filed its quarterly reports with the SEC on Form 10-Q for the period ending January 31, 2012.

51. Note 3 to the Islet Sciences 10-Q filed March 9, 2012, entitled “Intangible Assets,” states that on May 5, 2010 Islet Sciences was “assigned the intellectual property rights for Patent #6,365,385 that was issued on December 1, 1999. This patent related to Methods of Culturing, Cryopreserving, and Encapsulating Islet Cells. The rights to this patent were purchased out of the bankruptcy proceedings of MicroIslet, Inc. for \$200,000 then assigned to Islet Sciences, Inc. for 3,000,000 shares of common stock which was later converted to 300,000 shares of Series B preferred stock.” Thus, Islet Sciences is claiming for itself the assets of Plaintiffs.

52. Note 4 to Islet Sciences 10-Q filed March 9, 2012, entitled “Preferred Stock and

Common Stock,” states “The Company issued 13,430 shares of Series B preferred stock to the Company’s founders and advisors for intellectual property assignments related to the Company’s purpose, mission and contributions to the business plan and strategy. The Company issued 3,000 shares of Series B preferred stock for the assignment of the intellectual property rights purchase from MicroIslet, Inc. bankruptcy proceedings.”

53. Defendants have fraudulently claimed for themselves the property of Plaintiffs and failed to disclose that Islet Holdings, through its subsidiary Isletech, acquired all of the intellectual property assets from the MicroIslet bankruptcy, and that Islet Sciences does not own the property it claims.

Non-Disclosure Of Material Information To Investors

54. At no time prior to March 20, 2012, did Defendants disclose to the Islet Science private placement investors or public market that the intellectual property assets that serve as the basis for the stock sales and public market are, in fact, not owned by Islet Sciences.

55. On or about March 20, 2012, Defendant Islet Sciences filed a Form 8-K report with the SEC reporting that it had received \$1,160,000 in investment capital from investors by selling 2,257,922 shares of common stock at \$.45 per share.

56. On or about March 23, 2012, Defendant Islet Sciences filed a Form 8-K report with the SEC reporting that it had received \$243,000 in investment capital from investors by selling 540,000 shares of common stock at \$.45 per share.

57. On or about April 13, 2012, Defendant Islet Sciences filed a Form 8-K report with

the SEC reporting that it had received \$945,000 in investment capital from investors by selling 2,102,189 shares of common stock at \$.45 per share.

58. Up to and including April 13, 2012, and the present, Defendants failed to correct the misrepresentations and omissions of material fact to private investors or the public market.

Plaintiffs' Request For Information

59. On or about April 20, 2012, Plaintiffs' counsel sent a letter to Steel and to Egan requesting how Islet Sciences claims ownership to its intellectual property. *See* Demand Letter, dated 04/20/2012, attached as **Exhibit A**.

60. Neither Steel nor Egan have responded on behalf of Islet Sciences to Plaintiffs' inquiries.

61. Because of the Defendants' misrepresentations and omissions of material fact and their failure to respond to Plaintiffs' inquiries, Plaintiffs' have been forced to commence litigation and file this Complaint.

62. Upon information and belief, Defendants failed to respond to the Demand Letter because they are actively engaged in a scheme to defraud the public shareholders of two companies by claiming for themselves the property of Plaintiffs.

Misrepresentations To Public And Private Investors Continues

63. On or about April 30, 2012, Islet Sciences filed a Form 8-K report with the SEC reporting that it had received \$1,102,500 in investment capital from investors by selling 2,450,000 shares of common stock at \$.45 per share.

64. On or about May 9, 2012, Islet Sciences filed a Form 8-K report with the SEC reporting that it had received \$770,250 in investment capital from investors by selling 1,711,667 shares of common stock at \$.45 per share.

65. Defendants raised a total of \$4,220,750 through the sale of stock from March 1, 2012, through May 9, 2012.

66. To the present date, Defendants have failed to correct the omissions of material fact and other deficiencies of public or private information to the investors.

67. To the present date, Defendants have failed to correct the materially false or deficient information they have disseminated to the public markets.

68. The reason the Defendants have persisted in their fraudulent activities is to quickly receive investments before the investors and public markets learn of their fraudulent activities.

69. In addition to the monies raised from private investors, Defendants have also engaged in transactions with entities and individual who Plaintiffs believe are completely unaware of the fraud committed daily by Defendants, which include the following:

- a) On March 23, 2012, Islet Sciences issued a Press Release stating that it had acquired DiaKine Therapeutic, Inc.
- b) On March 29, 2012, Islet Sciences issued a Press Release stating that DiaKine received European Patent Protection.
- c) On March 27, 2012, Islet Sciences issued a Press Release stating that Dr. Paul

Johnson and Dr. Jonathan Lakey had been added to the company's "Scientific Board," of which Dr. Steven Paraskevas, Dr. Miguel Riella, Dr. Christian Mende, and Dr. Jerry Nadler are also members.

d) On April 9, 2012, Islet Sciences issued a Press Release stating that its new "wholly-owned" subsidiary DiaKine had received \$1,831,250 in grants from the National Institute of Health and \$250,000 in grants from the Iacocca Foundation.

e) On May 7, 2012, Islet Sciences issued a Press Release stating that it has entered into an "Exclusive License Agreement" with Yale University.

70. Upon information and belief, Defendants failed to disclose to any of the foregoing persons or entities the true history and ownership of the intellectual property that forms the basis of the operations, existence, fund raising, and public market activities of Islet Sciences.

71. Dr. Lakey worked with the Plaintiffs in the summer of 2009. Defendants have misrepresented facts to Dr. Lakey to get him to bring his name and experience to Islet Sciences.

72. If the foregoing persons and entities knew the true history and ownership of the intellectual property that forms the basis of Defendants' operations, existence, fund raising, and public market activities, they would cease association with such fraudulent activities.

73. Defendants have engaged in the flurry of press releases to hide their fraudulent activities relating to the intellectual property owned by Plaintiffs and to lure additional investors into private and public market transactions.

First Cause of Action
DECLARATORY JUDGMENT

74. Plaintiffs incorporate each and every allegation elsewhere stated herein as if each allegation were set forth fully hereafter.

75. Under 28 U.S.C. § 2201, this Court has power to determine the rightful and true owner of the intellectual property purchased by Plaintiffs from MicroIslet out of bankruptcy.

76. This Court should declare that Plaintiffs are the rightful and proper owners of the intellectual property originally owned by MicroIslet that is now falsely claimed by Defendants.

Second Cause of Action
CONVERSION

77. Plaintiffs incorporate each and every allegation elsewhere stated herein as if each allegation were set forth fully hereafter.

78. By representing to private and public investors that Defendant Islet Sciences owns the intellectual property of Plaintiffs, Defendants have willfully interfered with and appropriated and converted property belonging to Plaintiffs.

79. Defendants have received monies and securities claiming to own Plaintiffs' property, thus converting the property and the proceeds for their own interests.

80. Plaintiffs are entitled to all of the economic benefit Defendants have received while falsely claiming to own Plaintiffs' property and assets.

81. Plaintiffs have been wrongfully deprived of over \$4 million and are entitled to a judgment in that amount against Defendants.

82. The Court should also award punitive damages, costs, and attorney's fees.

Third Cause of Action
UNJUST ENRICHMENT

83. Plaintiffs incorporates each and every allegation elsewhere stated herein as if each allegation were set forth fully hereafter.

84. By representing to private and public investors that Defendant Islet Sciences owns the intellectual property of Plaintiffs, Defendants have received over \$4 million from investors and securities with an unknown value.

85. Defendants have been unjustly enriched and Plaintiffs are entitled to all of the economic benefit Defendants have received while claiming to own Plaintiffs' property.

86. Plaintiffs are entitled to a judgment in the amount of \$4 million against Defendants.

87. The Court should also award punitive damages, costs, and attorney's fees.

Fourth Cause of Action
INTERFERENCE WITH POTENTIAL ECONOMIC RELATIONSHIP

88. Plaintiffs incorporate each and every allegation elsewhere stated herein as if each allegation were set forth fully hereafter.

89. Defendants knew that Plaintiffs' intellectual property is a valuable and marketable asset.

90. Defendants have interfered with Plaintiffs' rights to the intellectual property by publicly claiming ownership over the same assets.

91. Defendants' actions are wrongful because Defendants know that those intellectual property assets actually belong to Plaintiff.

92. Plaintiffs have been damaged by Defendants' interference in an amount to be proven at trial.

Fifth Cause of Action
BREACH OF FIDUCIARY DUTY
(Against Steel)

93. Plaintiffs incorporate each and every allegation elsewhere stated herein as if each allegation were set forth fully hereafter.

94. As a consultant to Islet Holdings and Isletech, Steel owed Plaintiffs a fiduciary duty to act in their best interests.

95. Steel breached his fiduciary duty to Plaintiffs by having Islet Sciences assert that it owns Plaintiffs' intellectual property. Steel acted fraudulently and in a self-serving manner, which harmed Plaintiffs.

96. Steel should be required to disgorge any profits obtained and reimburse Plaintiffs for the losses suffered as a result of his breaches of fiduciary duties.

Sixth Cause of Action
NEGLIGENT MISREPRESENTATION

97. Plaintiffs incorporate each and every allegation elsewhere stated herein as if each allegation were set forth fully hereafter.

98. The representations and statements made by Defendants to private and public investors were materially false, incomplete, inaccurate, and misleading as to property and assets

owned by Plaintiffs.

99. Defendants have negligently misled private investors and the public as a whole, depriving Plaintiffs of the benefit of potential investment money as well as harming these uninformed investors.

100. Defendants knew or should have known that they were making materially false and misleading statements and that these statements and omissions would be relied on to Plaintiffs' detriment.

101. In fact, Plaintiffs and other persons and entities did rely, reasonably and justifiably, upon the false statements and representations and lack of information by the Defendants.

102. Defendants have failed to disclose material information they had a duty to disclose and are liable for nondisclosure. *See* Restatement (Second) Of Torts § 55a.

103. Defendants are liable to Plaintiffs for negligent misrepresentation. *See* Restatement (Second) Of Torts §552B.

104. As a direct and proximate cause and result of that alleged herein, Plaintiffs have been substantially damaged and are is entitled to an award by the Court against Defendants for its actual damages and of punitive and exemplary damages of at least \$12 million.

Seventh Cause of Action
MISAPPROPRIATION OF TRADE SECRETS

105. Plaintiffs incorporate each and every allegation elsewhere stated herein as if each allegation were set forth fully hereafter.

106. Plaintiffs' intellectual property includes and incorporates certain trade secrets.

107. Plaintiffs have taken steps to ensure that their intellectual property is not made public. In fact, the only reason Steel had access to Plaintiffs' property is because he had a relationship of trust with Plaintiffs.

108. As described above, Defendants used improper means in an attempt to acquire and utilize Plaintiffs' intellectual property.

109. As a result of Defendants' misappropriation of Plaintiffs' trade secrets, Plaintiffs have been damaged in an amount to be proven at trial.

Eighth Cause of Action
PATENT INFRINGEMENT

110. Plaintiffs incorporate each and every allegation elsewhere stated herein as if each allegation were set forth fully hereafter.

111. Plaintiffs own the intellectual property at issue, Patent #6,365,385 relating to Methods of Culturing, Cryopreserving, and Encapsulating Islet Cells.

112. Defendants have purported to own and use Plaintiffs' patent. In fact, Defendants have raised substantial amounts of money based on their representations of ownership.

113. In doing so, and in further claiming derivative patents based on Plaintiffs' patent and other intellectual property, Defendants are infringing on Plaintiffs' intellectual property and Plaintiffs have been harmed.

114. Defendants do not actually own Plaintiffs' patent and have harmed Plaintiffs by asserting ownership in an amount not less than \$12 million, to be proven at trial.

Ninth Cause of Action
INTENTIONAL MISREPRESENTATION

115. Plaintiffs incorporate each and every allegation elsewhere stated herein as if each allegation were set forth fully hereafter.

116. As shown above, these representations and statements made by Defendants to Plaintiffs as well as private and public investors were materially false, incomplete, inaccurate, and misleading as to the property and assets which are owned by Plaintiffs.

117. Defendants have intentionally misled private investors and the public as a whole, depriving Plaintiffs of the benefit of potential investment money as well as harming uninformed investors.

118. Defendants knew or should have known that they were making materially false and misleading statements and that these statements and omissions would be relied on.

119. In fact, Plaintiffs and other persons and entities did rely, reasonably and justifiably, upon the false statements and representations and lack of information by Defendants.

120. Defendants intentionally failed to disclose material information when they had a duty to do so.

121. As a direct and proximate cause and result of that alleged herein, Plaintiffs have been substantially damaged and are entitled to an award by the Court against Defendants for its actual damages and of punitive and exemplary damages in an amount not less than \$12 million, to be proven at trial.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs pray that the Court enter an Order as follows:

1. Judgment declaring that Plaintiffs own the MicroIslet intellectual property that Defendants have claimed for themselves;
2. Awarding actual damages in an amount to be determined at trial;
3. Awarding costs and reasonable attorneys' fees incurred as a result of Defendants' conduct;
4. Awarding pre-and post-judgment interest as allowed by law;
5. Awarding consequential, general, exemplary, and special damages in amounts to be determined at trial;
6. Awarding disgorgement of any profits and reimbursement of any losses suffered due to Steel's breach of fiduciary duty;
7. Awarding punitive damages as allowed by law; and
8. Awarding any additional relief the Court deems appropriate.

JURY DEMAND

Plaintiffs hereby demand trial by jury in this action of all issues so triable.

Respectfully submitted this 15th day of August, 2012.

/s/ Marcus R. Mumford
Attorney for Plaintiffs