Telocyte Newsletter
Q4 2019

Our video, "Introducing Telocyte", can be seen on the media page of Telocyte.com, offering insight into why we founded Telocyte, how our approach works, and the program for our FDA human trials. I hope that you will find it both intriguing and educational. Feel free to email us for additional information or any questions that arise. You may also find this talk by Maria Blasco, our chief collaborator, to be informative as she discusses the scientific data that supports our approach.

Over the past few years we have found that, in addition to technical and clinical questions regarding Telocyte, certain questions have come up repeatedly. These questions often focus on ethical issues or issues regarding the policies that we live by at Telocyte. As we move ahead to clinical trials in the next year or so, the potential implications are important to us, to those working with us, and to the patients we intend to help.

Our primary aim is to cure Alzheimer's disease, as well as many other age-related diseases that afflict millions of people: the clinical implications are clear, but the ethical implications – how we do it – are equally important to all of us. In addition, Telocyte lives by a set of business principles that are part of our internal culture, principles that drive us and direct us as we find ways to cure disease and improve human lives.

One initial observation deserves to be made. Looking back over the past several hundred years of human medicine, the advances that have done the most to improve human lives have not been technical advances, but conceptual advances. Human lives have improved far more – and more lives have been saved – as a result of the concept of microbial disease, than they have from organ transplants, robotic surgery, or statins. This is not to denigrate technical advances, but to recognize the far greater value of reassessing how disease occurs and finding innovative (rather than incremental) ways of treating and preventing disease. The best of modern medicine derives far more from revolutionary concepts such as microbial disease (with the associated advances in aseptic surgery, antibiotics, and immunizations) than to incremental changes in medical care. Moreover, while incremental advances have raised the *cost* of healthcare (and not always with a parallel increase in the *value* of healthcare), conceptual advances have reliably lowered the costs of healthcare. In 1950, for example, the standard of care for polio was braces, rehabilitation therapy, iron lungs, and other treatments which did nothing to cure or prevent polio. These costs were estimated to result in a bankrupt medical care system by the year 2000, but the reality was remarkably different thanks to innovative therapy – polio vaccines – that not only saved lives, but drastically lowered the costs of polio care; with current costs running approximately ten cents per patient globally. Innovative care improves

human lives and lowers social costs; incremental care has limited impact on the quality of life while raising those costs.

At Telocyte, we are dealing with a conceptual revolution in healthcare, one that promises to not only dramatically improve the quality of care, but to lower the cost of care. We intend to improve human lives, individually and personally, of real people with real problems.

Our primary ethical principle is simple: to treat others as we would want to be treated. Putting it even more succinctly, we should treat people like *human beings*. We all have compassion for children, as we were all once children ourselves. The same should be as true at the other end of the lifespan: age itself is never an excuse to withhold compassion. Our goal is to improve the lives of all of us, not simply those who are young. If we withhold medical care for those beyond a certain age, society is in danger of losing its humanity and it's compassion. Medical care – and caring for one another – cannot be limited by age or age-related disease. Compassion has no age limit.

Our primary focus is Alzheimer's disease, with other age-related diseases as our next priorities. We intend to make our treatment available on a global basis and will meet accepted regulatory standards – such as those of the FDA or EMA -- for human clinical use. Participants in our trials will be selected on the basis of our clinical protocols and relevant clinical criteria. Preference or priority will not be based on gender, race, ethnicity, relationship, financial investment, or other non-clinical considerations.

Our business practices – like our human trials – will be in line with accepted business standards and practices. Investment funding will be utilized in the most cost-efficient manner to achieve our business goals. Our Scientific Advisory Board was chosen to aid and advise the executive team on all aspects of medicine, science, and regulatory compliance. We chose our SAB members for their practical experience in directing human trials, biotechnology companies, and global institutes.

Our ethical standards, like our business practices, have a common goal: to improve the quality of life of those we love, those we live among, and those we share our world with. It requires innovation, investment, and imagination.

It can be done.