

SECURITIES & EXCHANGE COMMISSION EDGAR FILING

Intellicell Biosciences, Inc.

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

FORM 8-K

Current Report Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **May 1, 2013**

INTELLICELL BIOSCIENCES, INC.

(Exact name of registrant as specified in its charter)

Nevada
(State or other jurisdiction
of incorporation)

333-49388
(Commission File Number)

91-1966948
(I.R.S. Employer
Identification Number)

460 Park Avenue, 17th Fl
New York, NY 10022
(Address of principal executive offices) (Zip Code)

(646) 576-8700
(Registrant's telephone number, including area code)

- Written communication pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 40.13e-4(c))
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Item 1.01 Entry into a Material Definitive Agreement

On May 1, 2013 Intellicell Biosciences, Inc. (the “Company”) entered into an agreement (the “Corcon Agreement”) with JKT Construction Inc. D/B/A Corcon (“Corcon”) to settle the previously disclosed litigation matter between the Company and Corcon (the “Corcon Litigation”) relating to that certain debt owed Corcon in the aggregate amount of \$547,000 (the “Debt”). For additional information regarding the Corcon Litigation subject to the Corcon Agreement see the Company’s Current Report on Form 8-K filed with the Securities and Exchange Commission (the “Commission”) on March 27, 2013. Under the terms of the Corcon Agreement, Corcon has agreed to dismiss the Corcon Litigation in exchange for receiving a payment of \$475,000 (the “Purchase Price”) from Hanover Holdings I, LLC (“Hanover”) under the terms of that certain a receivable purchase agreement (the “Corcon Receivable Purchase Agreement”). As condition to the Corcon Agreement, Hanover and the Company entered into an agreement for Hanover to purchase various debt obligations of, or claims against the Company and to file a civil action under Section 3(a)(10) (the “3(a)(10) Transaction”) of the Securities Act of 1933, as amended. Further, as a material inducement to enter into the Corcon Agreement, the Company agreed to escrow 19,000,000 shares of its common stock to be issued to Corcon in the event the 3(a)(10) Transaction was not approved and Purchase Price was not received. On May 21, 2013, the Supreme Court of the State of New York, County of New York, entered an order approving, among other things, the fairness of the terms and conditions of the 3(a)(10) Transaction as previously disclosed on the Company’s Current Report on Form 8-K filed with the Commission on May 24, 2013.

The Corcon Litigation was dismissed on May 10, 2013.

On May 8, 2013 (the “Effective Date”), the Company entered into a settlement agreement (the “Settlement Agreement”) with Mendel Bluming (“Bluming”) to settle the previously disclosed litigation matter between the Company and Bluming (the “Bluming Litigation”) relating to that certain promissory note, dated June 3, 2011, in the aggregate principal amount of \$500,000 (the “Note”). For additional information regarding the Bluming Litigation subject to the Settlement Agreement see the Company’s Current Report on Form 8-K filed with the Commission on March 27, 2013.

Under the terms of the Settlement Agreement, Bluming has agreed to dismiss the Bluming Litigation and defer the Company’s obligations under the Note for a period of one year from the Effective Date (the “Deferral”), in exchange for receiving a payment of \$35,000 from Hanover under the terms of that certain receivable purchase agreement for attorney’s fees owed by the Company to Bluming under the Note. As condition to the Settlement Agreement, Hanover and the Company entered into an agreement for Hanover to purchase various debt obligations of, or claims against the Company and to file a civil action under Section 3(a)(10) Transaction. On May 21, 2013, the Supreme Court of the State of New York, County of New York, entered an order approving, among other things, the fairness of the terms and conditions of the 3(a)(10) Transaction. In further consideration for the Deferral, the Company has agreed to give Bluming (i) an aggregate of 32,479 shares of the Company’s common stock; (ii) piggy back registration rights on all shares issued to Bluming and on the shares underlying that certain warrant certificate for 1,108,860 shares of the Company’s common stock; and (iii) an option to purchase 233,333 shares of the Company’s common stock at price of \$0.15 per share, vesting immediately and expiring on the fifth anniversary of the Effective Date.

The Bluming Litigation was dismissed on May 24, 2013.

The above description of the Corcon Agreement and Settlement Agreement do not purport to be complete and are qualified in their entirety by the full text of the documents themselves attached hereto as exhibits 10.1 and 10.2, respectively.

Item 8.01 Other Events

On May 14, 2013 the Company received a notification from the USPTO that it’s U.S. Patent Application No. 13/323,030 for the Invention of “Ultrasonic Cavitation Derived Stromal Vascular Fraction and Cells Derived therefrom obtained from Adipose Tissue and Use thereof”, had been published.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

The following exhibits are filed herewith:

Exhibit Number	Description
10.1	Agreement by and between the Company and Corcon
10.2	Settlement Agreement by and between the Company and Bluming

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

INTELLICELL BIOSCIENCES, INC.

Date: June 6, 2013

By: /s/ Dr. Steven Victor

Name: Dr. Steven Victor

Title: Chief Executive Officer

AGREEMENT

AGREEMENT (the "Agreement"), entered into as of the of April, 2013, by and among JKT CONSTRUCTION INC. D/B/A CORCON ("Corcon"), INTELICELL BIOSCIENCES, INC. ("Intellicell"), STEVEN VICTOR, M.D. (the "Guarantor") and WESTERMAN BALL EDERER MILLER & SHARFSTEIN, LLP (the "Escrow Agent") (collectively, the "Parties" and individually, a "Party"). Defined terms used herein and not otherwise defined shall have the meanings ascribed to them in the Receivable Purchase Agreement (as hereinafter defined).

WITNESSETH:

WHEREAS, at Intellicell's request and for Intellicell's benefit, Corcon performed certain construction work at the property located at 460 Park Avenue, 17th Floor, New York, New York, for use as Intellicell's offices (the "Work"); and

WHEREAS, Intellicell failed to pay Corcon in full for the Work, leaving the sum of \$547,000 owed to Corcon (the "Original Debt"); and

WHEREAS, Corcon is a party to that certain Receivable Purchase Agreement, dated as of the date hereof (the "Receivable Purchase Agreement"), pursuant to which the receivable represented by the Original Debt is proposed to be purchased by Hanover Holdings I, LLC for a purchase price of \$475,000 (the "Purchase Price"); and

WHEREAS, as a material inducement to Corcon entering into the Receivable Purchase Agreement, Intellicell hereby agrees to deposit 19,000,000 shares of its common stock, traded under the stock ticker symbol "SVFCE", in escrow pursuant to the terms of this Agreement (the "Deposit"); and

WHEREAS, Corcon and Intellicell desire that Escrow Agent act as escrow agent with respect to the Deposit in accordance with the terms and conditions set forth below; and

WHEREAS, Escrow Agent is willing to act in such capacity. **NOW, THEREFORE**, the Parties hereby agree as follows:

1. Escrow Agent is hereby appointed as escrow agent to hold and distribute the Deposit in accordance with the terms hereof and Escrow Agent hereby acknowledges receipt of the Deposit and agrees to act in such capacity.

2. Subject in all instances to the terms of this Agreement, Escrow Agent will deliver the Deposit to Intellicell or Corcon, as the case may be, upon the following terms and conditions:

(a) To Intellicell, upon receipt of a written notice from Corcon that payment has been duly and timely made to Corcon of the Purchase Price in full, or

(b) To Corcon, upon receipt of a written notice from Corcon stating that the Receivable Purchase Agreement has been terminated for any reason or that the Purchase Price under the Receivable Purchase Agreement has otherwise not been paid to Corcon in full for any reason. In such instance, the Deposit shall be released from escrow to Corcon (the date of which release is referred to herein as the "Release Date") and Corcon shall use its best efforts to sell the Deposit in open market transactions from the Release Date to and including the day that is 10 business days after the Release Date, and the net proceeds received by Corcon, if any, from any sale of the Deposit (the "Net Proceeds") shall be applied as follows:

(1) In the event the amount of the Original Debt exceeds the sum of the Net Proceeds, Intellicell shall be obligated to pay to Corcon no later than the 11th business day after the Release Date the difference between the amount of the Original Debt and the Net Proceeds (the "Obligation").

(ii) In the event the amount of the Original Debt is less than the sum of the Net Proceeds, then Corcon shall be obligated to pay Intellicell no later than the 11th business day after the Release Date the difference between the Net Proceeds and the amount of the Original Debt.

3. As a material inducement to Corcon entering into this Agreement and the Receivable Purchase Agreement, Guarantor hereby unconditionally and irrevocably guarantees to Corcon and Corcon's successors, endorsees, transferees or assigns, the due and punctual payment in full of the Obligation (if any), regardless of any defense or setoff counterclaim which Intellicell or any other person may have or assert, and regardless of whether or not Corcon or anyone on behalf of Corcon shall have instituted any suit, action or proceeding or exhausted its remedies or taken any steps to enforce any rights against Intellicell or any other person to compel any such performance or observance or to collect all or part of any such amount, either pursuant to the provisions of this Agreement, the Receivable Purchase Agreement or at law or in equity, and regardless of any other condition or contingency.

4. As a material inducement to Corcon entering into this Agreement and the Receivable Purchase Agreement, Intellicell and Guarantor agree to execute and deliver the Affidavits of Confession of Judgment in the form attached as Exhibits "A" and "B" hereto. In addition, Corcon agrees to execute and deliver to the Escrow Agent the General Release in the form attached as Exhibit "C" hereto. If Intellicell and/or the Guarantor fail to pay the Obligation (if any) to Corcon as required herein, then Corcon shall be authorized to immediately and without notice file of record the Affidavits of Confession of Judgment for the amount of the Obligation, plus interest, costs, counsel fees and expenses. If Corcon receives the Purchase Price in full under the Receivable Purchase Agreement, or if the Net Proceeds exceed the amount of the Original Debt, then the Affidavits of Confession of Judgment shall be returned to Intellicell and the Guarantor, and the General Release shall be released by the Escrow Agent to Intellicell and the Guarantor.

5. Upon receipt of a written demand for the Deposit from either Intellicell or Corcon (in either instance, the "Demanding Party") pursuant to the provisions of Section 2 above, Escrow Agent shall promptly deliver a copy thereof to the other party hereto (in either instance, the "Receiving Party"). The Receiving Party shall have the right to object to the delivery of the Deposit by delivery to and receipt by Escrow Agent of written notice of objection within ten (10) days after the receipt of Escrow Agent's mailing of such copy to the Receiving Party, but not thereafter. Upon receipt of such notice of objection, Escrow Agent shall promptly deliver a copy thereof to the Demanding Party.

6. If Escrow Agent shall have received a notice of objection as provided above, within the time therein prescribed, or any disagreement or dispute shall arise between or among any of the parties hereto resulting in adverse claims and demands being made for the Deposit whether or not litigation has been instituted, then Escrow Agent may in its sole discretion, (i) continue to hold the Deposit subject to such adverse claims (and Escrow Agent shall not be or become liable in any way or to any person for its refusal to comply with such claims or demand), and in the event of any joint written direction from Corcon and Intellicell, Escrow Agent shall then disburse the Deposit in accordance with said direction, (ii) Escrow Agent may deposit the Deposit with the clerk of the court in which said litigation is pending, or (iii) Escrow Agent may (but shall not be required to) take such affirmative steps as it may, at its option, elect in order to substitute another impartial party reasonably acceptable to Corcon and Intellicell to hold the Deposit in accordance with this Agreement subject to such adverse claims including the commencement of an action for interpleader in a court of competent jurisdiction, the cost thereof to be borne by whichever of Corcon and Intellicell is the losing party, and thereupon Escrow Agent shall be released of and from all liability hereunder. Corcon and Intellicell jointly and severally agree to reimburse Escrow Agent for any and all expenses incurred in the discharge of its duties under this Section 6, including, without limitation, attorneys' fees. Nothing herein, however, shall affect the liability of a defaulting party to another party for reimbursement of any amount paid to Escrow Agent under this subsection.

7. It is expressly understood that Escrow Agent acts hereunder as an accommodation to Corcon and Intellicell and as depository only and is not responsible or liable in any manner whatever for the sufficiency, correctness, genuineness or validity of any instrument deposited with it, or for the form or execution of such instruments or for the identity, authority or right of any person executing or depositing the same, or for the terms and conditions of any instrument pursuant to which Escrow Agent or the parties may act. The Escrow Agent shall have no liability other than for its gross negligence or willful misconduct and shall, in all instances, act in accordance with the terms and provisions of this Agreement.

8. Escrow Agent shall not have any duties or responsibilities except those set forth in this Agreement and shall not incur any liability in acting upon any signature, notice, request, waiver, consent, receipt or other paper or document believed by Escrow Agent to be genuine, and Escrow Agent may assume that any person purporting to give it any notice on behalf of any party in accordance with the provisions hereof has been duly authorized to do so.

9. In the event of a dispute between the parties regarding the disposition of the Deposit, Escrow Agent may take one of the actions described in Section 6 above, and upon delivery of the Deposit in accordance therewith, Escrow Agent shall be relieved of all liability, responsibility or obligation with respect to or arising out of the Deposit and any and all of its obligations therefrom.

10. All notices, requests, consents and other communications required or permitted to be given hereunder shall be in writing and shall be deemed to have been duly given if delivered personally, one day after sent by overnight courier or three days after mailed first class, postage prepaid, by registered or certified mail, as follows (or to such other address as any party shall designate by notice in writing to the other in accordance herewith):

If to Intellicell, to:

460 Park Avenue, 17th Floor New York, New York 10022

With a copy to:

Richard Friedman, Esq.
Sichenzia Ross Friedman Ference LLP 61 Broadway, 32nd Floor
New York, New York 10006

If to Guarantor, to:

845 U.N. Plaza

New York, New York 10017

With a copy to:

Richard Friedman, Esq.
Sichenzia Ross Friedman Ference LLP 61 Broadway, 32nd Floor
New York, New York 10006

If to Corcon, to:

839 Stewart Avenue
Garden City, New York 11530
Attention: Mr. John Corso

With a copy to:

Westerman Ball Ederer Miller & Sharfstein, LLP
1201 RXR Plaza
Uniondale, New York 11556
Attention: Daniel G. Lyons, Esq.

If to Escrow Agent:

Westerman Ball Ederer Miller & Sharfstein, LLP
1201 RXR Plaza
Uniondale, New York 11556
Attention: Daniel G. Lyons, Esq.

11. The parties acknowledge that Escrow Agent is counsel for Corcon and that Escrow Agent shall be permitted to represent Corcon in connection with a dispute under this Agreement or otherwise.

12. Within two business days after the execution and delivery of this Agreement by all parties and the delivery of the Deposit to the Escrow Agent, Corcon shall discontinue without prejudice its claims in the action titled *JKT Construction Inc. d/b/a Corcon v. Victor Dermatology & Rejuvenation P. C.*, et al., Index No. 151778/2013 (New York County Supreme Court).

13. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

14. This Agreement may not be amended or modified, nor can any provision hereof be waived, except by a written instrument signed by the party against whom enforcement of any such amendment, modification or waiver is sought.

15. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which constitute one and the same instrument. Facsimile signatures are valid and binding and shall be deemed original counterparts to this Agreement.

16. This Agreement is to be governed by and construed in accordance with the laws of the State of New York. In the event of any dispute concerning any controversy, claim or dispute between the parties hereto or arising out of or relating to this Agreement or the breach or interpretation hereof, such dispute shall be adjudicated exclusively in the Supreme Court of the County of Nassau, New York, and all parties consent to such jurisdiction and venue and hereby waive any defenses based upon venue, forum nonconveniens or personal jurisdiction.

[Signature Page Follows]

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

JKT CONSTRUCTION INC. D/B/A CORCON

By: [Signature] 5.1.13
Name: John T. Corbo
Title: President

INTELLICELL BIOSCIENCES,
INC.

By: _____
Name: _____
Title: _____

STEVEN VICTOR, M.D.

WESTERMAN BALL EDERER
MILLER & SHARFSTEIN, LLP
Solely with respect to the escrow
provisions hereof

By: [Signature] 5/7/13
Name: Daniel G. Lyons
Title: Partner

SETTLEMENT AGREEMENT

This Settlement Agreement ("Settlement Agreement") is deemed made and entered into on the 8th day of May 2013 by and between Mendel (Menachem) Bluming ("Bluming") and IntelliCell Biosciences, Inc. ("IntelliCell").

RECITALS

A. Whereas, as consideration for receiving a bridge loan of \$500,000 from Bluming, IntelliCell issued and delivered to Bluming a promissory note styled as "6% Subordinated Convertible Note" dated June 3, 2011 (the "Note"). The term of the Note ran from June 3, 2011 to March 31, 2012.

B. Whereas, on February 13, 2013, Bluming filed a Complaint against IntelliCell in the United States District Court for the Southern District of New York, styled *Menachem Bluming v. IntelliCell Biosciences, Inc.*, Case No. 1:13-cv-00978-CM.

C. Whereas, IntelliCell filed an Answer on March 11, 2013.

D. Whereas, IntelliCell has requested Bluming to dismiss the Complaint without prejudice and to defer IntelliCell's repayment obligations under the Note in exchange for receiving a payment of \$35,000 from Hanover Holdings I, LLC, a New York limited liability company (hereafter "Hanover"), under the terms of a Receivable Purchase Agreement, for attorneys' fees owed by IntelliCell to Bluming under the Note.

E. NOW THEREFORE, in consideration of the foregoing recitals (incorporated herein by reference), the mutually exchanged promises and other consideration set forth in this Settlement Agreement, the legal sufficiency of which is hereby acknowledged, and mutually intending to be bound, the Parties hereby contract and agree as follows:

TERMS AND CONDITIONS

1. Hanover and IntelliCell Section 3(a)(10) Proceeding. As a condition of this Settlement Agreement, Hanover and IntelliCell have entered into an agreement for Hanover to purchase various debt obligations of, or claims against, IntelliCell and to file a civil action under Section 3(a)(10) of the Securities Act of 1933, as amended.

2. Acknowledgements of IntelliCell. IntelliCell acknowledges and agrees that under the terms of the Note, it is indebted to and owes Bluming the following sums:

- a) Five Hundred Thousand Dollars (\$500,000.00) in principal;
- b) A default rate of interest of nine percent (9%) under New York law, to be paid in cash, calculated from April 1, 2012, until the Note and all sums due thereunder are paid in full;
- c) Based on the default rate of interest, that IntelliCell owes Bluming from April 1, 2012 through March 31, 2013, interest under the Note in the amount of \$45,000; and
- d) Reasonable attorneys' fees as set forth in Exhibit B – Invoices of the Receivable Purchase Agreement between Hanover and Blurring.

3. **Issuance of 4,070 shares to Bluming as Interest.** IntelliCell and Bluming agree that IntelliCell over issued 4,070 shares of common stock to Bluming as an interest payment. (Bluming's counsel had demanded 28,409 shares, but IntelliCell issued a certificate for 32,479 shares). In consideration of Bluming's willingness to enter into this Settlement Agreement, IntelliCell agrees that Bluming shall retain the 4,070 shares of common stock and that said shares of stock shall be credited against interest due Bluming pursuant to the Note.

4. **Deferment of Note Obligation.** Bluming agrees to not take any legal action against IntelliCell to collect the Note and enforce IntelliCell's payment obligations thereunder for a period of one year from the date of execution of this Settlement Agreement (the "deferment period"). In accordance with the deferment period, all amounts due under the Note shall become immediately due and payable by IntelliCell to Bluming one year from the date of execution of this Settlement Agreement.

5. **Hanover's Payment of \$35,000 to Bluming.** Under the terms of a Receivable Purchase Agreement between Hanover and Bluming, Hanover has agreed to pay Bluming the sum of Thirty-Five Thousand Dollars (\$35,000.00) for some of the attorneys' fees owed by IntelliCell to Bluming under the Note. If the court does not approve the fairness of the exchange of debt for securities between Hanover and IntelliCell in the Section 3(a)(10) proceeding and/or if Hanover fails to pay Bluming the sum of \$35,000 in accordance with the Receivable Purchase Agreement, the deferment period shall be deemed extinguished and Bluming shall have the right to immediately take legal action against IntelliCell to collect and enforce the Note and IntelliCell's payment obligations thereunder.

6. **Piggyback Registration Rights.** IntelliCell hereby agrees to grant Bluming piggyback registration rights on all shares issued to Bluming and on the shares underlying the warrant certificate for 1,108,860 shares to coincide with any registration of any class of securities for IntelliCell or any of its securities holders.

7. **Option to Purchase Shares of Common Stock.** IntelliCell hereby grants to Bluming the option to purchase Two Hundred Thirty-Three Thousand Three Hundred and Thirty-Three Shares (233,333) of common stock of IntelliCell at a price of fifteen cents (\$0.15) per share. The grant date of this option shall be the date of execution of this Settlement Agreement, and the option shall be deemed fully vested and exercisable on the grant date. This option may be exercised in whole or in part at one time or from time to time. This option shall be exercised by giving notice to IntelliCell (or a brokerage firm designated or approved by IntelliCell), stating the number of shares of common stock which Bluming is exercising, accompanied by payment in full for such common stock at a price of \$0.15 per share. Payment may be made, in whole or in part, by cash, check or wire transfer. This option shall expire five (5) years from the date of execution of this Settlement Agreement. This option may be assigned, sold, or transferred by Bluming, in whole or in part, to any person. This option shall survive the death of Bluming and shall inure to the benefit of his heirs, estate, executors, personal representatives, and trustees.

8. **Dismissal of Action.** Upon (i) the execution by Hanover and Bluming of a Receivable Purchase Agreement, (ii) the execution of an agreement(s) between Hanover and IntelliCell, and (iii) written notice from counsel for Hanover to counsel for Bluming of a date certain that IntelliCell and Hanover shall file a civil action in court to undertake a Section 3(a)(10) court approval proceeding, Bluming and IntelliCell promptly shall file a Stipulation of Dismissal without Prejudice of *Menachem Bluming v. IntelliCell Biosciences, Inc.*, Case No. 1:13-cv-00978-CM.

9. **Bankruptcy.** Upon the filing of a Petition for Bankruptcy by or against IntelliCell, whether voluntary or involuntary, or upon the appointment of a receiver or Trustee for IntelliCell, the deferment period shall automatically be deemed canceled and Bluming immediately may enforce his rights under the Note.

10. **Governin Law.** This Settlement Agreement shall be governed by and construed according to the laws of the State of New York, without regard to New York's conflict of law principles.

11. **Modifications.** Except as otherwise provided in this Settlement Agreement, no subsequent alteration, amendment, modification, change or addition to this Settlement Agreement shall be binding upon either party unless in writing and signed by the party against whom enforcement of the alteration, amendment, modification, change or addition is sought.

1 2 . **Counterparts and Facsimile Signatures.** This Agreement may be executed in counterparts such that each duplicate shall constitute one and the same Agreement. Signatures reproduced by facsimile transmission or in Portable Document Format (PDF) shall be treated as originals for all purposes applicable hereto.

IN WITNESS WHEREOF, this Settlement Agreement has been executed by the parties hereto as of the dates hereinafter written.

INTELLICELL BIOSCIENCES, INC.

By: Title:

Date: _____

MENDEL BLUMING

A handwritten signature in black ink that reads "Mendel Bluming". The signature is written in a cursive, slightly slanted style.

By: Mendel Bluming
Date: May 8, 2013