

PolarityTE: This Game Is Over! Price Target -\$2

The FDA Has Spoken!

Citron Research is publishing what might be our shortest but most damaging report to date. With as little editorial as possible, we will let the FDA deliver the final blow to this saga.

PolarityTE has always had the signs of a stock scheme but now the FDA has proven it. In what might be our shortest yet most damaging report, we finally open the kimono of PolarityTE through the eyes of the FDA.

And we believe the stock is a ZERO.

First let's give some bullet points for background for those new to the story.

- PolarityTE founder created “groundbreaking technology” in less than six months in 2016.
- PolarityTE rolled the technology into shell that is controlled by a nefarious group of stock promoters who have since all been sued by the SEC for fraud. The history of these promoters has their average stock down 97% (chart below taking out Polarity on the bottom of chart) <https://www.sec.gov/litigation/litreleases/2018/lr24262.htm>
- PolarityTE lied to investors about having a patent despite being rejected multiple times by the USPTO
- PolarityTE spent only \$2.3 million on R&D last quarter of which \$1.1 million was non-stock-based compensation yet claims to be developing 12 breakthrough tissue platform technologies simultaneously.
- The CEO has recently put out press releases about short selling, Seeking Alpha articles, and block trades.

And our favorite:

- Despite promising the release of data almost 1.5 years ago PolarityTE has yet to release any peer reviews or conduct clinical trials.

Sound like the company is bullshit?? Of course it does. But now the debate is over. The FDA has done the work that Wall Street couldn't do and thankfully they did it before any patients could get hurt.

The Food and Drug Administration

On September 26th the Capitol Forum released an article to its paid subscribers showing that PolarityTE had received a Form 483 letter from the FDA.

Per the FDA [website](#):

“An FDA Form 483 is issued to firm management at the conclusion of an inspection when an investigator[s] has **observed any conditions that in their judgment may constitute violations of the Food Drug and Cosmetic (FD&C) Act and related Acts.”**

The letter identified issues following the FDA's inspection of PolarityTE's SkinTE facility. After submitting a FOIA request to the FDA and we have received a [copy of the letter](#) which we are making available to everyone today, and it is worse than we could have ever expected.

(Insert link to letter)

For those of you who don't want to click, here some but not all of the damning pieces of information

****Note these are quotes from the FDA not Citron. Unless Scott Gottlieb has a secret trading account, it is time for PolarityTE to shut up and stop the charade.**

“Your Director of Quality has stated the process ‘is more of an art than a science’”.

“There are no written procedures for production and process controls designed to assure that the drug products have the identity, strength, quality, and purity they purport”

“ Your firm has not performed and documented quantitative data that validates your process for SkinTE product to show consistent aseptic processing, aseptic tissue washing, and other relevant characteristics such as tissue size, cell counts, or relevant skin type identification”

“Buildings used in the manufacture, processing, packing, or holding of a drug product do not have the suitable construction to facilitate cleaning, maintenance, and proper operations.”

Company	Business	Current Share Price	Down From Peak	Shareholders / Involvement				
				Honig	Brauser	Frost	Groussman	Stetson
Marathon Patent Group	Crypto	\$0.61	-98.3%	<input checked="" type="checkbox"/>				
Orbital Tracking	Data Tracking	\$0.41	-100.0%	<input checked="" type="checkbox"/>				
Muscle Pharm	Health Supplements	\$1.00	-99.9%	<input checked="" type="checkbox"/>				
Document Security Systems	Security Tech	\$1.05	-99.2%	<input checked="" type="checkbox"/>				
Passport Potash	Mining	\$0.00	-100.0%	<input checked="" type="checkbox"/>				
Pershing Gold	Mining	\$1.61	-92.2%	<input checked="" type="checkbox"/>				
Vapor Group	E-Cigs	\$0.00	-100.0%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Mabvax	Biotech	\$0.43	-100.0%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
Sevion Therapeutics	Blotech	\$13.85	-99.8%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Izea Inc	Digital Marketing	\$1.69	-99.9%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Usell.com	Cell Phone Recycling	\$0.22	-100.0%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Cocrystal Pharma	Biotech	\$2.87	-98.1%	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Riot Blockchain	Crypto	\$2.72	-93.0%	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
PolarityTE	Biotech	\$14.60	-62.5%	<input checked="" type="checkbox"/>				

Conclusion

Is it any surprise that this is could be a stock scheme? Birds fly, fish swim, and stocks controlled by this group go down 98%- that is life. Needless to say none of this information has come out in an 8-k....why would this be relevant?

Citron could write volumes on the nonsense around PolarityTE, this is just surface. When the FDA uncovers the scheme, sometimes less is more. Ha Ha Charade You Are!

Cautious Investing to All