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

FORM 10-Q

(Mark One)
☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2019

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _______ to _______

Commission file number: 000-55413

CELL SOURCE, INC.
(Exact name of registrant as specified in its charter)

Nevada	**32-0379665**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*
57 West 57th Street, Suite 400 New York, New York	**10019**
(Address of principal executive offices)	*(Zip Code)*

Registrant's telephone number, including area code: **(646) 416-7896**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
None	N/A	N/A

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any news or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes☐ No ☒

As of May 15, 2019, the registrant had 26,077,611 shares of $0.001 par value common stock outstanding.

CELL SOURCE, INC. AND SUBSIDIARY

FORM 10-Q

FOR THE QUARTERLY PERIOD ENDED MARCH 31, 2019

TABLE OF CONTENTS

PART I - FINANCIAL INFORMATION	
Item 1. Financial Statements.	3
Condensed Consolidated Balance Sheets as of March 31, 2019 (Unaudited) and December 31, 2018	3
Unaudited Condensed Consolidated Statements of Operations for the Three Months Ended March 31, 2019 and 2018	4
Unaudited Condensed Consolidated Statements of Changes in Stockholders' Deficiency for the Three Months Ended March 31, 2019 and 2018	5
Unaudited Condensed Consolidated Statements of Cash Flows for the Three Months Ended March 31, 2019 and 2018	6
Notes to Unaudited Condensed Consolidated Financial Statements	7
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.	12
Item 3. Quantitative and Qualitative Disclosures About Market Risk.	14
Item 4. Controls and Procedures.	14
PART II - OTHER INFORMATION	15
Item 1. Legal Proceedings.	15
Item 1A. Risk Factors.	15
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.	15
Item 3. Defaults Upon Senior Securities.	15
Item 4. Mine Safety Disclosures.	15
Item 5. Other Information.	15
Item 6. Exhibits.	16
SIGNATURES	17

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements.

CELL SOURCE, INC. AND SUBSIDIARY

CONDENSED CONSOLIDATED BALANCE SHEETS

	March 31, 2019 (Unaudited)	December 31, 2018
Assets		
Current Assets:		
Cash	$ 13,490	$ 18,934
Prepaid expenses	34,917	38,926
Other current assets	10,492	7,932
Total Assets	$ 58,899	$ 65,792
Liabilities and Stockholders' Deficiency		
Current Liabilities:		
Accounts payable	$ 770,287	$ 277,786
Accrued expenses	726,221	532,790
Accrued expenses - related parties	97,000	72,000
Accrued interest	285,025	345,948
Accrued interest - related parties	28,299	27,559
Accrued compensation	616,427	587,734
Accrued compensation - related party	79,603	55,083
Advances payable	175,000	100,000
Advances payable - related party	100,000	100,000
Notes payable	1,063,000	1,463,000
Notes payable - related parties	150,000	150,000
Convertible notes payable	545,000	835,000
Convertible notes payable - related parties	225,000	225,000
Derivative liabilities	147,900	200,500
Accrued dividend payable	161,598	13,563
Total Liabilities	5,170,360	4,985,963
Commitments and contingencies (Note 8)	-	-
Stockholders' Deficiency:		
Convertible Preferred Stock, $0.001 par value, 10,000,000 shares authorized; Series A Convertible Preferred Stock, 1,335,000 shares designated, 1,048,989 and 860,291 shares issued and outstanding as of March 31, 2019 and December 31, 2018, respectively; liquidation preference of $8,029,016 and $6,465,745 as of March 31, 2019 and December 31, 2018, respectively	1,048	860
Common Stock, $0.001 par value, 200,000,000 shares authorized, 26,077,611 shares issued and outstanding as of March 31, 2019 and December 31, 2018	26,078	26,078
Additional paid-in capital	12,990,255	11,723,224
Accumulated deficit	(18,128,842)	(16,670,333)
Total Stockholders' Deficiency	(5,111,461)	(4,920,171)
Total Liabilities and Stockholders' Deficiency	$ 58,899	$ 65,792

The accompanying notes are an integral part of these condensed consolidated financial statements.

CELL SOURCE, INC. AND SUBSIDIARY

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

	For the Three Months Ended March 31, 2019	2018
Operating Expenses:		
Research and development	$ 724,742	$ 77,616
Research and development - related party	25,000	225,139
Selling, general and administrative	421,290	357,357
Total Operating Expenses	1,171,032	660,112
Loss From Operations	(1,171,032)	(660,112)
Other (Expense) Income:		
Interest expense	(76,867)	(30,265)
Interest expense - related parties	(740)	(740)
Amortization of debt discount	-	(137,974)
Amortization of debt discount - related parties	-	(18,493)
Change in fair value of derivative liabilities	52,600	135,400
Loss on exchange of notes payable for Series A Convertible Preferred Stock	(262,470)	-
Total Other Expense	(287,477)	(52,072)
Net Loss	(1,458,509)	(712,184)
Dividend attributable to Series A preferred stockholders	(148,035)	(107,496)
Net Loss Applicable to Common Stockholders	$ (1,606,544)	$ (819,680)
Net Loss Per Common Share - Basic and Diluted	$ (0.06)	$ (0.03)
Weighted Average Common Shares Outstanding - Basic and Diluted	28,121,446	27,393,071

The accompanying notes are an integral part of these condensed consolidated financial statements.

CELL SOURCE, INC. AND SUBSIDIARY

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' DEFICIENCY

(Unaudited)

FOR THE THREE MONTHS ENDED MARCH 31, 2019

	Convertible Preferred Stock - Series A		Common Stock		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Deficiency
	Shares	Amount	Shares	Amount			
Balance, January 1, 2019	860,291	$ 860	26,077,611	$ 26,078	$ 11,723,224	$ (16,670,333)	$ (4,920,171)
Issuance of Series A Convertible Preferred Stock for cash	43,331	43	-	-	324,957	-	325,000
Issuance of Series A Convertible Preferred Stock in exchange for notes payable	145,367	145	-	-	1,090,109	-	1,090,254
Series A Convertible Preferred Stock dividends: Accrual of earned dividends	-	-	-	-	(148,035)	-	(148,035)
Net loss	-	-	-	-	-	(1,458,509)	(1,458,509)
Balance, March 31, 2019	1,048,989	$ 1,048	26,077,611	$ 26,078	$ 12,990,255	$ (18,128,842)	$ (5,111,461)

FOR THE THREE MONTHS ENDED MARCH 31, 2018

	Convertible Preferred Stock - Series A		Common Stock		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Deficiency
	Shares	Amount	Shares	Amount			
Balance, January 1, 2018	643,790	$ 644	25,349,236	$ 25,349	$ 9,969,520	$ (14,552,887)	$ (4,557,374)
Issuance of Series A Convertible Preferred Stock for cash	6,667	6	-	-	49,994	-	50,000
Series A Convertible Preferred Stock dividends: Accrual of earned dividends	-	-	-	-	(107,496)	-	(107,496)
Net loss	-	-	-	-	-	(712,184)	(712,184)
Balance, March 31, 2018	650,457	$ 650	25,349,236	$ 25,349	$ 9,912,018	$ (15,265,071)	$ (5,327,054)

The accompanying notes are an integral part of these condensed consolidated financial statements.

CELL SOURCE, INC. AND SUBSIDIARY

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)

	For The Three Months Ended March 31, 2019	2018
Cash Flows From Operating Activities:		
Net loss	$ (1,458,509)	$ (712,184)
Adjustments to reconcile net loss to net cash used in operating activities:		
Change in fair value of derivative liabilities	(52,600)	(135,400)
Amortization of debt discount	-	156,467
Loss on exchange of notes payable for preferred shares	262,470	-
Stock-based compensation:		
Warrants	33,007	-
Changes in operating assets and liabilities:		
Prepaid expenses	4,009	(47,082)
Other current assets	(2,560)	7,923
Accounts payable	492,501	394
Accrued expenses	193,431	(18,476)
Accrued expenses - related parties	25,000	25,000
Accrued interest	76,861	12,220
Accrued interest - related parties	740	740
Accrued compensation	20,206	424
Net Cash Used In Operating Activities	(405,444)	(709,974)
Cash Flows From Financing Activities:		
Proceeds from cash advances	75,000	-
Proceeds from issuance of notes payable	-	500,000
Proceeds from issuance of preferred stock - Series A	325,000	50,000
Net Cash Provided By Financing Activities	400,000	550,000
Net Decrease In Cash	(5,444)	(159,974)
Cash - Beginning of Period	18,934	371,048
Cash - End of Period	$ 13,490	$ 211,074
Supplemental Disclosures of Cash Flow Information:		
Cash paid for:		
Interest	$ -	$ 18,030
Non-cash investing and financing activities:		
Preferred stock issued in exchange for notes and advances payable	$ 1,090,254	$ -
Accrual of earned preferred stock dividends	$ (148,035)	$ (107,496)
Warrants and conversion options issued in connection with issuance and extension of notes payable	$ -	$ 49,600

The accompanying notes are an integral part of these condensed consolidated financial statements.

CELL SOURCE, INC. AND SUBSIDIARY

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

Note 1 - Business Organization, Nature of Operations and Basis of Presentation

Organization and Operations

Cell Source, Inc. ("Cell Source", "CSI" or the "Company") is a Nevada corporation formed on June 6, 2012 that is the parent company of Cell Source Limited ("CSL"), a wholly owned subsidiary which was founded in Israel in 2011 in order to commercialize a suite of inventions relating to certain cancer treatments. The Company is a biotechnology company focused on developing cell therapy treatments based on the management of immune tolerance. The Company's lead prospective product is its patented Veto Cell immune system management technology, which is an immune tolerance biotechnology that enables the selective blocking of immune responses. CSL's Veto Cell immune system management technology is based on technologies patented, owned, and licensed to CSL by Yeda Research and Development Company Limited, an Israeli corporation ("Yeda") (see Note 7, *Related Party Transactions*). The Company's target indications include: lymphoma, leukemia and multiple myeloma through the facilitation of safer and more accessible stem cell (e.g. bone marrow) transplantation acceptance, treatment of end stage kidney disease and other non-malignant organ diseases through improved organ transplantation (broadened donor pool, reduced dependence on post-transplant anti-rejection therapy), and ultimately treating a variety of cancers and non-malignant diseases.

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") for interim financial information and with the instructions to Form 10-Q and Article 8 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for complete financial statements. In the opinion of management, such statements include all adjustments (consisting only of normal recurring items) which are considered necessary for a fair presentation of the condensed consolidated financial position of the Company as of March 31, 2019 and the condensed consolidated results of its operations and cash flows for the three months ended March 31, 2019 and 2018. The results of operations for the three months ended March 31, 2019 are not necessarily indicative of the operating results for the full year ending December 31, 2019 or any other period. These condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and related disclosures of the Company as of December 31, 2018 and for the year then ended which were included in the Company's Annual Report on Form 10-K that was filed with the Securities and Exchange Commission ("SEC") on April 1, 2019.

Note 2- Going Concern and Management Plans

During the three months ended March 31, 2019, the Company had not generated any revenues, had a net loss of approximately $1,459,000 and had used cash in operations of approximately $405,000. As of March 31, 2019, the Company had a working capital deficiency of approximately $5,111,000 and an accumulated deficit of approximately $18,129,000. Subsequent to March 31, 2019 and as more fully described in Note 9, *Subsequent Events*, the Company received aggregate proceeds of $573,308 through the sale of 76,437 shares of Series A Convertible Preferred Stock at $7.50 per share and $70,000 through the issuance of a short term note payable. These conditions raise substantial doubt about the Company's ability to continue as a going concern within twelve months from the date these financial statements are issued.

The Company is currently funding its operations on a month-to-month basis. While there can be no assurance that it will be successful, the Company is in active negotiations to raise additional capital. The Company's primary source of operating funds since inception has been equity and debt financings. Management's plans include continued efforts to raise additional capital through debt and equity financings. There is no assurance that these funds will be sufficient to enable the Company to fully complete its development activities or attain profitable operations. If the Company is unable to obtain such additional financing on a timely basis or, notwithstanding any request the Company may make, if the Company's debt holders do not agree to convert their notes into equity or extend the maturity dates of their notes, the Company may have to curtail its development, marketing and promotional activities, which would have a material adverse effect on the Company's business, financial condition and results of operations, and ultimately the Company could be forced to discontinue its operations and liquidate.

The accompanying condensed consolidated financial statements have been prepared in conformity with U.S. GAAP, which contemplate continuation of the Company as a going concern and the realization of assets and satisfaction of liabilities in the normal course of business. The carrying amounts of assets and liabilities presented in the financial statements do not necessarily purport to represent realizable or settlement values. The condensed consolidated financial statements do not include any adjustment that might result from the outcome of this uncertainty.

Note 3 - Summary of Significant Accounting Policies

Since the date of the Annual Report on Form 10-K for the year ended December 31, 2018, there have been no material changes to the Company's significant accounting policies.

Loss Per Share

The Company computes basic net loss per share by dividing net loss by the weighted average number of common shares outstanding for the period and excludes the effects of any potentially dilutive securities. Diluted earnings per share includes the dilution that would occur upon the exercise or conversion of all dilutive securities into common stock using the "treasury stock" and/or "if converted" methods, as applicable. Weighted average shares outstanding for the three months ended March 31, 2019 and 2018 includes the weighted average impact of warrants to purchase an aggregate of 2,043,835 shares of common stock because their exercise price was determined to be nominal.

The common stock equivalents associated with the following securities are excluded from the calculation of weighted average dilutive common shares because their inclusion would have been anti-dilutive:

	March 31,	
	2019	**2018**
Warrants	6,374,157	11,915,481
Convertible notes	1,069,101	1,520,732
Convertible preferred stock	10,489,890	6,504,570
Total	17,933,148	19,940,783

Convertible notes are assumed to be converted at the rate of $0.75 per common share, which is the conversion price as of March 31, 2019. However, such conversion rates are subject to adjustment under certain circumstances, which may result in the issuance of common shares greater than the amount indicated.

Note 4 - Fair Value

The Company determines the estimated fair value of amounts presented in these condensed consolidated financial statements using available market information and appropriate methodologies. However, considerable judgment is required in interpreting market data to develop the estimates of fair value. The estimates presented in the financial statements are not necessarily indicative of the amounts that could be realized in a current exchange between buyer and seller. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value amounts. These fair value estimates were based upon pertinent information available as of March 31, 2019 and December 31, 2018 and, as of those dates, the carrying value of all amounts approximates fair value. The Company estimated the fair value of its restricted common stock during the three months ended March 31, 2019 based upon observations of the recent sales of Preferred Stock which is convertible into common stock as well as the thinly traded volume and closing prices of its common stock. The Company obtained a third-party valuation of its common stock as of December 31, 2017, which was also considered in management's estimation of the fair value of its restricted common stock during the three months ended March 31, 2019.

The Company has categorized its assets and liabilities at fair value based upon the following fair value hierarchy:

Level 1 Inputs use quoted prices in active markets for identical assets or liabilities that the Company has the ability to access.

Level 2 Inputs use directly or indirectly observable inputs. These inputs include quoted prices for similar assets and liabilities in active markets as well as other inputs such as interest rates and yield curves that are observable at commonly quoted intervals.

Level 3 Inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset or liability.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Company's assessment of the significance of particular inputs to these fair measurements requires judgment and considers factors specific to each asset or liability.

Both observable and unobservable inputs may be used to determine the fair value of positions that are classified within the Level 3 category. As a result, the unrealized gains and losses for assets within the Level 3 category presented in the tables below may include changes in fair value that were attributable to both observable (e.g., changes in market interest rates) and unobservable (e.g., changes in historical company data) inputs. The following table summarizes the valuation of the Company's derivatives by the above fair value hierarchy levels as of March 31, 2019 and December 31, 2018 using quoted prices in active markets for identical assets (Level 1), significant other observable inputs (Level 2), and significant unobservable inputs (Level 3):

	Total	Quoted Prices In Active Markets for Identical Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Accrued compensation - common stock	$ 37,500	$ -	$ -	$ 37,500
Accrued compensation - warrants	33,228	-	-	33,228
Accrued compensation - warrants - related party	79,603	-	-	79,603
Derivative liabilities	147,900	-	-	147,900
Balance - March 31, 2019	$ 298,231	$ -	$ -	$ 298,231
Accrued compensation - common stock	$ 37,500	$ -	$ -	$ 37,500
Accrued compensation - warrants	24,741	-	-	24,741
Accrued compensation - warrants - related party	55,083	-	-	55,083
Derivative liabilities	200,500	-	-	200,500
Balance - December 31, 2018	$ 317,824	$ -	$ -	$ 317,824

Financial assets are considered Level 3 when their fair values are determined using pricing models, discounted cash flow methodologies or similar techniques and at least one significant model assumption or input is unobservable. The Company's Level 3 liabilities shown in the above table consist of warrants deemed to be derivative liabilities according to the Company's sequencing policy in accordance with ASC 815-40-35-12, the conversion option of convertible notes payable, and an accrued obligation to issue warrants and common stock.

The following table provides a summary of the changes in fair value, including net transfers in and/or out, of all Level 3 liabilities measured at fair value on a recurring basis using unobservable inputs during the three months ended March 31, 2019:

	Accrued Compensation	Derivative Liabilities	Total
Balance - December 31, 2018	$ 117,324	$ 200,500	$ 317,824
Accrued compensation - warrants	8,560	-	8,560
Accrued compensation - warrants - related party	24,683	-	24,683
Change in fair value	(236)	(52,600)	(52,836)
Balance - March 31, 2019	$ 150,331	$ 147,900	$ 298,231

As of March 31, 2019, the Company had an obligation to issue 150,000 shares of common stock to a service provider. The shares had a fair value of $37,500, which was a component of accrued compensation on the condensed consolidated balance sheets.

Assumptions utilized in the valuation of Level 3 liabilities are described as follows:

	For the Three Months Ended March 31,	
	2019	2018
Risk-free interest rate	2.21% - 2.44%	1.73% - 2.69%
Expected term (years)	0.02 - 5.00	0.25 - 5.00
Expected volatility	110%	110%
Expected dividends	0.00%	0.00%

The expected term used is the contractual life of the instrument being valued. Since the Company's stock has not been publicly traded for a sufficiently long period of time or with significant volume, the Company is utilizing an expected volatility based on a review of the historical volatilities, over a period of time, equivalent to the expected life of the instrument being valued, of similarly positioned public companies within its industry. The risk-free interest rate was determined from the implied yields from U.S. Treasury zero-coupon bonds with a remaining term consistent with the expected term of the instrument being valued.

Note 5 – Notes Payable and Convertible Notes Payable

During the three months ended March 31, 2019 and 2018, the Company recorded interest expense of $76,867 and $30,265, respectively, and interest expense for related party debt of $740 and $740, respectively.

During the three months ended March 31, 2019 and 2018, the Company recorded amortization of debt discount of $0 and $137,974, respectively, and amortization of debt discount for related party debt of $0 and $18,493, respectively.

As of March 31, 2019 and through the date of this filing, notes payablewith principal amounts totaling $1,983,000 were past dueand are classified as current liabilities on the condensed consolidated balance sheet as of March 31, 2019. Such notes continue to accrue interest and all relevant penalties have been accrued as of March 31, 2019. Of such past due notes payable, a holder of a note with principal amount of $250,000 issued a notice of default. See Note 8, *Commitments and Contingencies – Litigation* for additional details. The Company is in negotiations with all holders of notes payable to extend the maturity dates of such notes or to convert the principal and accrued interest into equity.

As of March 31, 2019 and December 31, 2018, the Company had $234,580 and $302,974, respectively, of accrued interest and penalties related to notes payable, which is included with accrued interest and accrued interest – related parties on the condensed consolidated balance sheets.

Notes Payable

On March 31, 2019, holders of notes with aggregate principal amounts of $400,000 and aggregate late payment penalties of $40,000 exchanged those notes for 70,400 shares of the Company's Series A Convertible Preferred Stock. The value of the shares issued exceeded the carrying value of the debt and accrued interest and, as more fully discussed in Note 6*, Stockholders' Deficiency - Series A Convertible Preferred Stock,* this difference of $88,000 was recorded in the condensed consolidated statement of operations as a loss on exchange of notes payable for Series A Convertible Preferred Stock.

Convertible Notes Payable

On March 31, 2019, holders of notes with aggregate principal amounts of $290,000 and aggregate accrued interest of $97,784 exchanged those notes for 74,967 shares of the Company's Series A Convertible Preferred Stock. The value of the shares issued exceeded the carrying value of the debt and accrued interest and, as more fully discussed in Note 6, *Stockholders' Deficiency - Series A Convertible Preferred Stock*, this difference of $174,470 was recorded in the condensed consolidated statements of operations as a loss on exchange of notes payable for Series A Convertible Preferred Stock.

Note 6 – Stockholders' Deficiency

Series A Convertible Preferred Stock

On January 27, 2019, the Board of Directors extended the expiration date of the Private Placement Memorandum ("PPM") to March 31, 2019 and has authorized two sixty-day extensions beyond that date at management's discretion, under which the Company continues to raise up to $7,500,000 via the sale of up to 1,000,000 shares of Series A Convertible Preferred Stock at $7.50 per share. On March 27, 2019, the Board of Directors extended the expiration date of the PPM to May 30, 2019.

On various dates from January 7, 2019 through March 13, 2019, the Company received proceeds of $325,000 through the sale of 43,331 shares of Series A Convertible Preferred Stock at $7.50 per share.

On March 31, 2019, in connection with the exchange of various notes payable, accrued interest and late payment penalties totaling $827,784, the Company issued 145,367 shares of Series A Convertible Preferred Stock under the terms of the PPM with a total value of $1,090,254, as more fully described in Note 5, *Notes Payable*. As the value of those shares exceeded the carrying value of the note payable, accrued interest and late payment penalties, the difference of $262,470 was recorded in the condensed consolidated statement of operations during the three months ended March 31, 2019 as a loss on exchange of notes payable for Series A Convertible Preferred Stock.

During the three months ended March 31, 2019 and 2018, the Company accrued and recorded Series A Preferred Stock dividends of $148,035 and $107,496, respectively, with an increase in liabilities and a corresponding decrease in additional paid-in capital.

Stock-Based Compensation

During the three months ended March 31, 2019 and 2018, the Company recognized expense of $33,007 and $0, respectively, of stock-based compensation related to warrants. As of March 31, 2019, there was no unrecognized stock-based compensation expense.

Note 7 – Related Party Transactions

In 2011, the Company entered into a Research and License Agreement with Yeda for Veto Cell technology. As Yeda is a founder and a significant shareholder of the Company, it is a related party.

During the three months ended March 31, 2019 and 2018, the Company recorded research and development expense of $25,000 and $225,139, respectively, in connection with the agreement with Yeda.

On January 7, 2018, the Company received proceeds of $50,000 from the Chairman of the Board through the sale of 6,667 shares of Series A Convertible Preferred Stock at $7.50 per share, which amount is included in the issuances disclosed in Note 6, *Stockholders' Deficiency.*

Note 8 – Commitments and Contingencies

MD Anderson Agreements

On February 19, 2019, the Company entered into an agreement withThe University of Texas M.D. Anderson Cancer Center ("MD Anderson") for the latter to perform cell production and conduct Phase I/II human clinical trials. In connection with that agreement, the Company committed to fund such work in the amount of approximately $2,000,000 over a two-year period beginning that same date, with payments becoming due as certain specified milestones are met by MD Anderson.

The Company recognized $684,255 and $0 of research and development expenses during the three months ended March 31, 2019 and 2018, respectively, associated with services provided by MD Anderson in the periods, under the two agreements with MD Anderson dated November 2018 and February 2019. As of March 31, 2019, the Company had $559,336 of accrued research and development expenses pursuant to the agreements with MD Anderson, which are included within accrued expenses on the condensed consolidated balance sheet.

Litigation

Certain conditions may exist as of the date the condensed consolidated financial statements are issued, which may result in a loss to the Company, but which will only be resolved when one or more future events occur or fail to occur. The Company assesses such contingent liabilities, and such assessment inherently involves an exercise of judgment. In assessing loss contingencies related to legal proceedings that are pending against the Company, or unasserted claims that may result in such proceedings, the Company evaluates the perceived merits of any legal proceedings or unasserted claims, as well as the perceived merits of the amount of relief sought or expected to be sought therein.

If the assessment of a contingency indicates that it is probable that a material loss has been incurred and the amount of the liability can be estimated, then the estimated liability would be accrued in the Company's consolidated financial statements. If the assessment indicates that a potential material loss contingency is not probable, but is reasonably possible, or is probable but cannot be estimated, then the nature of the contingent liability and an estimate of the range of possible losses, if determinable and material, would be disclosed.

In January 2019, the holder of a promissory note in the principal amount of $250,000 due on March 16, 2016 instituted a collection action in the Supreme Court of the State of New York, County of New York. A motion for summary judgement was heard on March 7, 2019 and the Company did not oppose the motion. The Company has had discussion with respect to entering into an agreement providing for a payment plan with the holder of the note, but no agreement has yet been reached.

Loss contingencies considered remote are generally not disclosed, unless they involve guarantees, in which case the guarantees would be disclosed. There can be no assurance that such matters will not materially and adversely affect the Company's business, financial position, and results of operations or cash flows. As of March 31, 2019 and December 31, 2018, the Company has not accrued any amounts for contingencies.

Note 9 – Subsequent Events

Series A Convertible Preferred Stock

On various dates from April 5 to April 30, 2019, the Company received aggregate proceeds of $573,308 through the sale of 76,437 shares of Series A Convertible Preferred Stock at $7.50 per share. Of those amounts, an aggregate of $295,825 was received from two members of the Board of Directors for 39,441 shares of Series A Convertible Preferred Stock.

Note Payable

On May 15, 2019, the Company issued a non-interest-bearing bridge note payable in the principal amount of $70,000 with a term of ten days. Concurrent with the issuance of this note, the Company issued five-year warrants for the purchase of up to 35,000 shares of common stock at $0.75 per share.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis of the condensed consolidated results of operations and financial condition of Cell Source, Inc. ("CSI", "Cell Source", the "Company", "us," "we," "our,") as of March 31, 2019 and for the three months ended March 31, 2019 and 2018 should be read in conjunction with our unaudited financial statements and the notes thereto included elsewhere in this Quarterly Report on Form 10-Q and with our audited financial statements and the notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2018 as filed with the Securities and Exchange Commission ("SEC") on April 1, 2019.

This Quarterly Report contains forward-looking statements as that term is defined in the federal securities laws. The events described in forward-looking statements contained in this Quarterly Report may not occur. Generally these statements relate to business plans or strategies, projected or anticipated benefits or other consequences of our plans or strategies, projected or anticipated benefits from acquisitions to be made by us, or projections involving anticipated revenues, earnings or other aspects of our operating results. The words "may," "will," "expect," "believe," "anticipate," "project," "plan," "intend," "estimate," and "continue," and their opposites and similar expressions, are intended to identify forward-looking statements. We caution you that these statements are not guarantees of future performance or events and are subject to a number of uncertainties, risks and other influences, many of which are beyond our control, which may influence the accuracy of the statements and the projections upon which the statements are based. Factors that may affect our results include, but are not limited to, the risks and uncertainties discussed in Item 1A ("Risk Factors") of our Annual Report on Form 10-K for the year ended December 31, 2018 filed with the SEC on April 1, 2019.

Overview

We are a biotechnology company focused on developing cell therapy treatments based on the management of immune tolerance. Our technology platform has been extensively tested by in vitro studies and confirmed in animal trials. We continue to move forward towards clinical trials as more fully discussed in our Annual Report on Form 10-K for the year ended December 31, 2018 which was filed with the SEC on April 1, 2019.

Consolidated Results of Operations

Three Months Ended March 31, 2019 Compared with the Three Months Ended March 31, 2018

Research and Development

Research and development expense was $749,742 and $302,755 for the three months ended March 31, 2019 and 2018, respectively, an increase of $446,987, or 148%, primarily related to the commencement of research by MD Anderson.

Selling, General and Administrative

Selling, general and administrative expense was $421,290 and $357,357 for thethree months ended March 31, 2019 and 2018, respectively, an increase of $63,933, or 18%, primarily related to increases of approximately $59,000 inauditand professional fees in the 2019 period, approximately $33,000 of stock-based compensation expense, offset by decreases of approximately $27,000 in consulting fees.

Change in Fair Value of Derivative Liabilities

The change in fair value of derivative liabilities for thethree months ended March 31, 2019 and 2018 was a gain of $52,600 and $135,400, respectively, primarily due to the warrants and conversion options, which are deemed to be derivative liabilities, either drawing closer to their expiration dates or were no longer outstanding.

Interest Expense

Interest expense for the three months ended March 31, 2019 and 2018 was $77,607 and $31,005, respectively, anincrease of $46,602, or 150%, primarily as a result of penalties of approximately $46,000 due to penalties associated with certain past due notes payable.

Amortization of Debt Discount

Amortization of debt discount was $0 and$156,467 for the three months endedMarch 31, 2019 and 2018, respectively, which is associated with warrants and conversion options issued in connection with notes payable.

Loss on Exchange of Notes Payable for Series A Convertible Preferred Stock

During the three months ended March 31, 2019, we recognized a $262,470 loss on exchange of notes payable for Series A Convertible Preferred Stock. The losses recognized represent the value of the preferred shares in excess of the carrying value of the notes payable.

Liquidity and Going Concern

We measure our liquidity in a number of ways, including the following:

		March 31, 2019		December 31, 2018
		(unaudited)		
Cash	$	13,490	$	18,934
Working capital deficiency	$	(5,111,461)	$	(4,920,171)

During the three months ended March 31, 2019, the Company had not generated any revenues, had a net loss of approximately $1,459,000, and used cash in operations of approximately $405,000. As of March 31, 2019, the Company had a working capital deficiency of approximately $5,111,000 and an accumulated deficit of approximately $18,129,000. Subsequent to March 31, 2019, the Company received aggregate proceeds of $573,308 through the sale of 76,437 shares of Series A Convertible Preferred Stock at $7.50 per share and $70,000 through the issuance of a short term note payable. These conditions raise substantial doubt about the Company's ability to continue as a going concern within twelve months from the date these financial statements are issued.

Our ability to continue our operations is dependent on the execution of management's plans, which include the raising of capital through the debt and/or equity markets, until such time that funds provided by operations are sufficient to fund working capital requirements. We may need to incur additional liabilities with certain related parties to sustain our existence. If we were not to continue as a going concern, we would likely not be able to realize our assets at values comparable to the carrying value or the fair value estimates reflected in the balances set out in the preparation of our financial statements.

There can be no assurances that we will be successful in generating additional cash from equity or debt financings or other sources to be used for operations. Should we not be successful in obtaining the necessary financing to fund our operations, we would need to curtail certain or all operational activities and/or contemplate the sale of our assets, if necessary.

During the three months ended March 31, 2019 and 2018, our sources and uses of cash were as follows:

Net Cash Used in Operating Activities

We experienced negative cash flows from operating activities for the three months ended March 31, 2019 and 2018 in the amounts of approximately $405,000 and $710,000, respectively. The net cash used in operating activities for the three months ended March 31, 2019 was primarily due to cash used to fund a net loss of approximately $1,459,000, adjusted for net non-cash expenses in the aggregate amount of approximately $243,000, partially offset by $810,000 of net cash provided by changes in the levels of operating assets and liabilities. The net cash used in operating activities for the three months ended March 31, 2018 was primarily due to cash used to fund a net loss of approximately $712,000, adjusted for net non-cash expenses in the aggregate amount of approximately $21,000, and by $19,000 of net cash used to fund changes in the levels of operating assets and liabilities.

Net Cash Provided by Financing Activities

Net cash provided by financing activities for the three months ended March 31, 2019 and 2018 was $400,000 and $550,000, respectively. The net cash provided by financing activities during the three months ended March 31, 2019 was attributable to $325,000 of proceeds from the issuance of Series A preferred stock and $75,000 of proceeds received from cash advances. The net cash provided by financing activities during the three months ended March 31, 2018 was attributable to $500,000 of proceeds from the issuance of notes payable and $50,000 of proceeds received from the issuance of Series A preferred stock.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements.

Critical Accounting Policies and Estimates

For a description of our critical accounting policies, see Note 3, Summary of Significant Accounting Policies, in Part 1, Item 1 of this Quarterly Report on Form 10-Q.

Item 3. Quantitative And Qualitative Disclosures About Market Risk.

Not applicable.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Disclosure controls are procedures that are designed with the objective of ensuring that information required to be disclosed in our reports filed under the Exchange Act, such as this Annual Report, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls are also designed with the objective of ensuring that such information is accumulated and communicated to our management, including the Principal Executive and Financial Officer, as appropriate to allow timely decisions regarding required disclosure. Internal controls are procedures which are designed with the objective of providing reasonable assurance that (1) our transactions are properly authorized, recorded and reported; and (2) our assets are safeguarded against unauthorized or improper use, to permit the preparation of our condensed consolidated financial statements in conformity with United States generally accepted accounting principles.

In connection with the preparation of this Quarterly Report, management, with the participation of our Principal Executive and Financial Officer, has evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e) and 15d-15(e)). Based upon that evaluation, our Principal Executive and Financial Officer concluded that, as of March 31, 2019, our disclosure controls and procedures were effective.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended March 31, 2019 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings.

Except as described below, we are not involved in any pending legal proceeding or litigations and, to the best of our knowledge, no governmental authority is contemplating any proceeding to which we are a party or to which any of our properties is subject, which would reasonably be likely to have a material adverse effect on us.

In January 2019, the holder of a promissory note in the principal amount of $250,000 due on March 16, 2016 instituted a collection action in the Supreme Court of the State of New York, County of New York. A motion for summary judgement was heard on March 7, 2019 and the Company did not oppose the motion. The Company has had discussion with respect to entering into an agreement providing for a payment plan with the holder of the note, but no agreement has yet been reached.

Item 1A. Risk Factors.

There have been no material changes to the risk factors discussed in Item 1A. Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2018, which was filed with the SEC on April 1, 2019.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

Between January 7, 2019 and March 13, 2019, the Company sold 43,331 shares of Series A Convertible Preferred Stock at an aggregate purchase price of $325,000. The Company relied upon the exemption provided by Section 4(2) of the Securities Act in connection with these transactions.

On March 31, 2019, the Company issued 145,367 shares of Series A Convertible Preferred Stock in exchange for the surrender of notes payable with a total outstanding principal amount and accrued interest and penalties of $827,784. The Company relied upon the exemption provided by Section 3(a)(9) of the Securities Act in connection with this transaction.

On May 15, 2019, the Company issued five-year warrants to purchase 35,000 shares of common stock at an exercise price of $0.75 per share to a purchaser of a note in principal amount of $70,000. The Company relied upon the exemption provided by Section 4(2) of the Securities Act in connection with these transactions.

Between April 5, 2019 and April 30, 2019, the Company sold 76,437 shares of Series A Convertible Preferred Stock at an aggregate purchase price of $573,308. The Company relied upon the exemption provided by Section 4(2) of the Securities Act in connection with these transactions.

Item 3. Defaults Upon Senior Securities.

As of March 31, 2019 and through the date of this filing, notes payable and convertible notes payable with face values totaling $1,983,000 were past due and are classified as current liabilities on the condensed consolidated balance sheet as of March 31, 2019. Such notes continue to accrue interest and all relevant penalties have been accrued as of March 31, 2019. Of such past due notes payable, a holder of a note with principal amount of $250,000 issued a notice of default. See Item 1 above for additional details. We are in negotiations with all holders to extend the maturity dates of such notes or to convert the principal and accrued interest into equity.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

None.

Item 6. Exhibits.

Exhibit Number		Description
10.39(a)		Amendment No. 1 to Veto Cell Production and Clinical Trial Program Agreement dated as of April 4, 2019 between Cell Source Limited and The University of Texas M.D. Anderson Cancer Center (1)
31		Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 of the Chief Executive Officer and Chief Financial Officer
32	*	Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 of the Chief Executive Officer and Chief Financial Officer
101.INS		XBRL Instance Document
101.SCH		XBRL Schema Document
101.CAL		XBRL Calculation Linkbase Document
101.DEF		XBRL Definition Linkbase Document
101.LAB		XBRL Label Linkbase Document
101.PRE		XBRL Presentation Linkbase Document

(1) Certain information has been excluded from this exhibit because (i) it is not material and (ii) would be competitively harmful if publicly disclosed.

* This certification is being furnished and shall not be deemed "filed" with the SEC for purposes of Section 18 of the Exchange Act, or otherwise be subject to the liability of that section, and shall not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent that the registrant specifically incorporates it by reference.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

CELL SOURCE, INC.

Dated: May 20, 2019

By: /s/ Itamar Shimrat
Name: Itamar Shimrat
Title: Chief Executive Officer and Chief Financial Officer (Principal Executive, Financial and Accounting Officer)

EXIBIT 10.39(a)

CERTAIN INFORMATION HAS BEEN EXCLUDED FROM THIS EXHIBIT BECAUSE (I) IT IS NOT MATERIAL AND (II) WOULD BE COMPETIVELY HARMFUL IF PUBLICY DISCLOSED. BRACKETS HAVE BEEN INSERTED WHERE OMITTEED INFORMATION WOULD OTHERWISE APPEAR.

AMENDMENT NO. 1
TO VETO CELL PRODUCTION AND CLINICAL TRIAL PROGRAM AGREEMENT

This Amendment No. 1 to the Veto Cell Production and Clinical Trial Program Agreement ("Amendment") is made and entered into as of April 4, 2019 by and between Cell Source Limited ("Cell Source") and The University of Texas M.D. Anderson Cancer Center ("MD Anderson"), a member institution of The University of Texas System ("System").

RECITALS

A. Cell Source and MD Anderson entered into a Veto Cell Production and Clinical Trial Program Agreement dated February 19, 2019 (the "Agreement").

B. Cell Source and MD Anderson wish to amend the terms of the Agreement as set forth below.

NOW, THEREFORE, it is hereby agreed as follows:

1. Exhibit B of the Agreement shall be revised in its entirety with the attached Amended Exhibit B.

2. Except as expressly provided in this Amendment, all other terms, conditions and provisions of the Agreement shall continue in full force and effect as provided therein.

IN WITNESS WHEREOF, Cell Source and MD Anderson have entered into this Amendment effective as of the date first set forth above.

CELL SOURCE

By /s/ Itamar Shimrat
Itamar Shimrat
Chief Executive Officer

Date: April 4, 2019

THE UNIVERSITY OF TEXAS
M.D. ANDERSON CANCER CENTER

By /s/ Nyma Shah
Name: Nyma Shah
Title: Director, Research Funding Programs

Date: April 19, 2019

Read & Understood:

/s/ Richard Champlin
Dr. Richard Champlin
Principal Investigator

EXIBIT 10.39(a)

CERTAIN INFORMATION HAS BEEN EXCLUDED FROM THIS EXHIBIT BECAUSE (I) IT IS NOT MATERIAL AND (II) WOULD BE COMPETIVELY HARMFUL IF PUBLICY DISCLOSED. BRACKETS HAVE BEEN INSERTED WHERE OMITTEED INFORMATION WOULD OTHERWISE APPEAR.

Amended Exhibit B

PAYMENT PLAN

PAYMENT						
Payment						
Milestone/Deliver						**Payment**
[						$ 473,288.
[						$ 258,144.
[						$ 384,456.
[						$ 399,669.
[						$ 399,669.
TOTAL PROJECT						$ 1,915,228.

Payment Terms

Payments shall be made by Electronic Funds Transfer via the Automated Clearing House (ACH), which is MD Anderson's preferred method to receive payments, or by wire or check. With each payment, Sponsor shall provide the appropriate MD Anderson Research Contracts Tracking Number (RCTS # 56497 and MD Anderson's invoice number (GRNXXXXXX) if applicable. To minimize any delays in receiving and applying payments, Sponsor will provide the following information via email transmission to GC_Payments@mdanderson.org at the time payment is issued to MD Anderson:

- the name of the bank submitting the payment,
- RCTS number : [ ]
- amount of the payment,
- MD Anderson Principal Investigator Richard Champlin MD
- Sponsor contact name or email regarding Payments
- Sponsor Protocol number 2018-0221

Electronic Payments (ACH and Wire)
Bank Name: JP Morgan Chase Bank, N.A
Bank Address: 910 Travis
Houston, Texas 77002
Account Name: Univ of Texas MD Anderson Cancer Center
Account Number: [ ]
Domestic Banks: ABA Routing Number: 111000614 (ACH) 021000021 (Wire)
Internal Swift: CHASUS33 (international)

Checks should be mailed to:

The University of Texas
MD Anderson Cancer Center
Attn: Grants and Contracts RCTS # 56497
P.O. BOX 4266
Houston, Texas 77210-4266

If Sponsor issues a payment to MD Anderson that combines payments for multiple studies, Sponsor will provide a detail listing including MD Anderson Principal Investigator and the amount of payment for each study via email transmission to GC_Payments@mdanderson.org upon issuing payment to MD Anderson.

EXIBIT 10.39(a)

CERTAIN INFORMATION HAS BEEN EXCLUDED FROM THIS EXHIBIT BECAUSE (I) IT IS NOT MATERIAL AND (II) WOULD BE COMPETIVELY HARMFUL IF PUBLICY DISCLOSED. BRACKETS HAVE BEEN INSERTED WHERE OMITTEED INFORMATION WOULD OTHERWISE APPEAR.

EXHIBIT B- BUDGET

Funding Agency:	Cell Source Limited	
Principal Investigator:	Champlin, Richard	
Title:	Role of Veto Cells in Haploidentical Transplantation for Myeloma	
Project Dates:	TBD	
Protocol(s)	2018-0221	3% increase
Total Patients	**[_____]**	

*

Personnel	Base Salary	Cal Mths.	Effort	Salary	Fringe	Year 1 Total	Year 2 Total	Grand Total
[ ]	[ ]	[ ]	[[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]
Salary Total						**$** [ ]	**$** [ ]	[ ]
Equipment						**$ --**	**$ --**	--
Consultant Costs						**$**		$
Total						**$ --**	**$ --**	$ --
Supplies								
Travel								
Total								
Patient Care Costs								
CTRC Admin Fee								
Other Direct Costs								

[ ]	$	[________]	$	[________]	$	[________]
[ ]	$	[________]	$	[________]	$	[________]
[ ]	$	[________]	$	[________]	$	[________]
[ ]***	$	[________]	$	[________]	$	[________]
[ ]	$	[________]	$	[________]	$	[________]
[ ]	$	[________]	$	[________]	$	[________]
[ ]	$	[________]	$	[________]	$	[________]
[ ]	$	[________]	$	[________]	$	[________]
[ ]	$	[________]	$	[________]	$	[________]
[ ]	$	[________]	$	[________]	$	[________]
[ ]	$	[________]	$	[________]	$	[________]
[ ]	$	[________]	$	[________]	$	[________]
	$	[________]	$	[________]	$	[________]
Total	$	[________]	$	[________]	$	[________]
Direct Costs						
Indirect Costs [ ]%	**$**	**[________]**	**$**	**[________]**	**$**	**[________]**
Total Costs		**$1,103,978.68**		**$811,249.33**		**$1,915,228.01**

***[ ].

CERTIFICATION OF
CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE
SARBANES-OXLEY ACT OF 2002

I, Itamar Shimrat, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Cell Source, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: May 20, 2019

/s/ Itamar Shimrat
Itamar Shimrat
Chief Executive Officer and Chief Financial Officer
(Principal Executive, Financial, and Accounting Officer)

Exhibit 32

CERTIFICATION OF
CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350 AS ADOPTED
PURSUANT TO SECTION 906 OF THE
SARBANES-OXLEY ACT OF 2002

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), each of the undersigned officers of Cell Source, Inc., a Nevada corporation (the "Company"), does hereby certify, to such officer's knowledge, that:

The Quarterly Report for the quarter ended March 31, 2019 (the "Form 10-Q") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 20, 2019

/s/ Itamar Shimrat
Itamar Shimrat
Chief Executive Officer and Chief Financial Officer
(Principal Executive, Financial, and Accounting Officer)