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**CONTACT:** Beth Passarella  
Echo Media Group  
(714) 573-0899 ext. 26  
beth@echomediapr.com

## **RUTTER HOBBS & DAVIDOFF COMPLETES SERIES OF TRANSACTIONS FOR PUBLICLY TRADED COMPANY**

**LOS ANGELES (September 10, 2007)** – Los Angeles-based law firm Rutter Hobbs & Davidoff, Incorporated recently represented Advanced Biotherapy, Inc., in a complex transaction involving a major debt restructuring, followed by a capital raise and stockholder rights offering.

Advanced Biotherapy is a development stage biotechnology company holding patents based upon its anticytokine therapy strategy for treating patients suffering from multiple sclerosis, rheumatoid arthritis, corneal transplant rejection and certain autoimmune skin conditions. Headquartered in Chicago, Ill., the company's stock is traded on the OTC Bulletin Board under the symbol ADVB.

Rutter Hobbs & Davidoff advised Advanced Biotherapy's Board of Directors about the structure of the major recapitalization plan consisting of three stages, the exchange of more than \$5.5 million of debt and payables into company common stock, a successful \$6.5 million capital raise through a private placement and a subsequent stockholder rights offering, all at \$.015 per share.

The highly-technical progression detailed above was led by Joel Weinstein, partner, who heads the Corporate and Securities practice at the firm. The successful outcome of the transactions reflect Weinstein's expertise in mergers and acquisitions, recapitalizations, management buyouts, equity and debt financing, private and public offerings, and corporate governance matters.

"The debt restructuring we helped to design and implement led the company to be virtually debt-free and have approximately \$6 million in cash reserves," notes Weinstein. "The new capital allowed the company to recapitalize its balance sheet and pursue its business plan to operate on a profitable basis."

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In connection with the rights offering, Weinstein advised the company's new management and its Board of Directors regarding the SEC registration statement and state blue sky process. The firm prepared the company's registration statement and blue sky filings and exemptions, and coordinated the offering with the company's information and subscription agents. The rights offering enabled the company's common stockholders to invest at the same price as offered investors in the earlier \$6.5 million capital raise, and the debt exchange and conversion undertaken by debt holders. This too was a success, resulting in stockholders exercising their subscription rights to purchase 39,251,888 shares of the company's common stock, including investors who exercised their over subscription privileges to purchase 3,100,962 shares. Capital raised from this rare rights offering amounted to approximately \$590,000.

These actions, supported by Rutter Hobbs & Davidoff, were intended as a cost-effective means of assisting Advanced Biotherapy in raising additional capital for its planned acquisition of a revenue-generating business. In 2007, Advanced Biotherapy will principally focus on this acquisition of a control or non-control position in a revenue-generating company through investment in equity or convertible debt or an asset acquisition.

### **About Rutter Hobbs & Davidoff Incorporated**

Century City-based law firm Rutter Hobbs & Davidoff Incorporated represents clients in matters involving business disputes and litigation, real estate, intellectual property, labor and employment, corporate and securities, bankruptcy and corporate reorganization, estate planning and probate litigation. For more than one-third of a century, the firm has represented middle market companies, early stage entities, large corporations and individuals; offering clients thoughtful, focused legal counsel from experienced attorneys. For more information, please visit [www.rutterhobbs.com](http://www.rutterhobbs.com).

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