

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D
Under the Securities Exchange Act of 1934 (Amendment No. 4)*

BioTime, Inc.

.....
(Name of Issuer)

Common Shares, no par value

.....
(Title of Class of Securities)

09066L105

.....
(CUSIP Number)

Paul Segall and Judith Segall

935 Pardee Street, Berkeley, California 94710; (510) 845-9535

.....
(Name, Address and Telephone Number of Person Authorized to Receive Notices
and Communications)

September 16, 1997

.....
(Date of Event which Requires Filing this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(b)(3) or (4), check the following box [].

Note: Six copies of this statement, including all exhibits, should be filed with the Commission. See Rule 13d-1(a) for other parties to whom copies are to be sent.

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

CUSIP No. 09066L105

- 1) Names of Reporting Persons S.S. or I.R.S. Identification Nos. of Above Persons
Paul Segall
- 2) Check the Appropriate Box if a Member of a Group (See Instructions)
(a) []
(b) []
- 3) SEC Use Only
- 4) Source of Funds (See Instructions)
PF; 00
- 5) Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e) []
- 6) Citizenship or Place of Organization
U.S.A.

Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With

- 7) Sole Voting Power
172,459
- 8) Shared Voting Power
0
- 9) Sole Dispositive Power
172,459
- 10) Shared Dispositive Power
0

- 11) Aggregate Amount Beneficially Owned by Each Reporting Person
236,638
- 12) Check if the Aggregate Amount in Row (11) Excludes Certain
Shares (See Instructions) []
- 13) Percent of Class Represented by Amount in Row (11)
7.2%
- 14) Type of Reporting Person (See Instructions)
IN

- 1) Names of Reporting Persons S.S. or I.R.S. Identification Nos. of Above Persons
Judith Segall
- 2) Check the Appropriate Box if a Member of a Group (See Instructions)
(a)
(b)
- 3) SEC Use Only
- 4) Source of Funds (See Instructions)
PF; 00
- 5) Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)
- 6) Citizenship or Place of Organization
U.S.A.
- 7) Sole Voting Power
64,179
- 8) Shared Voting Power
0
- 9) Sole Dispositive Power
64,179
- 10) Shared Dispositive Power
0
- 11) Aggregate Amount Beneficially Owned by Each Reporting Person
236,638
- 12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions)
- 13) Percent of Class Represented by Amount in Row (11)
7.2%
- 14) Type of Reporting Person (See Instructions)
IN

Number of
Shares
Beneficially
Owned by
Each
Reporting
Person With

Item 1. Security and Issuer

The class of equity securities to which this schedule relates is Common Shares, no par value (the "Common Shares"), of BioTime, Inc., a California corporation (the "Company"). The Company has its principal executive offices at 935 Pardee Street, Berkeley, California 94710.

This schedule is being filed pursuant to Section 13(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and the rules and regulations promulgated thereunder.

Item 2. Identity and Background

- (a) The names of the persons filing this schedule are Paul Segall and Judith Segall.
- (b) The business address of Paul Segall and Judith Segall is 935 Pardee Street, Berkeley, California 94710.
- (c) Paul Segall is currently the President and Chief Executive Officer of BioTime, Inc., 935 Pardee Street, Berkeley, California 94710.

Judith Segall is currently the Secretary of BioTime, Inc.
- (d) Paul Segall and Judith Segall have not been convicted during the last five years in a criminal proceeding, excluding traffic violations or similar misdemeanors.
- (e) Neither Paul Segall nor Judith Segall has been a party during the last five years to any civil proceeding of a judicial or administrative body of competent jurisdiction, and neither of them has, as a result of such a proceeding, been subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.
- (f) Both Paul Segall and Judith Segall are citizens of the United States of America.

Item 3. Source and Amount of Funds or Other Consideration

The source of funds used by Paul Segall and Judith Segall to purchase their Common Shares includes both personal funds and borrowed funds.

Paul Segall has executed a Customer Agreement with Montgomery Securities and a related Representation Letter for the purpose of borrowing \$193,620 to exercise certain incentive stock options (through which he purchased 21,000 Common Shares at a price of \$9.22 per share) and approximately \$367,962.41 to refinance certain margin loans obtained from CS First Boston during February 1997 in connection with Mr. Segall's exercise of subscription rights that were

distributed by the Company pro rata to its shareholders (the "Rights Offering"). Judith Segall has also executed a Customer Agreement with Montgomery Securities and a related Representation Letter for the purpose of borrowing approximately \$122,165 to refinance certain margin loans obtained from CS First Boston during February 1997 in connection with her exercise of subscription rights in the Rights Offering. Mr. and Mrs. Segall have pledged all of their Common Shares as collateral for such loans and have agreed not to sell any Common Shares of the Company while their margin loans are secured by their Common Shares. A copy of each of the aforesaid Customer Agreements and Representation Letters is filed as an Exhibit to this Schedule 13D and each is incorporated herein by reference.

Item 4. Purpose of Transaction

These securities were purchased for investment. Mr. and Ms. Segall may acquire additional Common Shares or sell all or some of their Common Shares based upon market and economic circumstances.

Mr. Segall is the President and Chief Executive Officer of the Company, and Judith Segall is a Vice President and the Secretary of the Company. Both are also directors of the Company. In their capacity as officers and directors, they will participate in the management of the Company.

Mr. and Ms. Segall do not have any current plans or proposals which relate to or would result in (i) an extraordinary corporate transaction, such as a merger, reorganization or liquidation of the Company; (ii) a sale or transfer of a material amount of assets of the Company; (iii) any change in the present board of directors or management of the Company, including any plans or proposals to change the number or term of directors or to fill any existing vacancies on the board; (iv) any material change in the present capitalization or dividend policy of the Company; (v) any other material change in the Company's business or corporate structure; (vi) any change in the Company's Articles of Incorporation or Bylaws or other action which may impede the acquisition of control of the Company by any person; (vii) causing any class of the Company's securities to be delisted from a national securities exchange or to cease to be authorized to be quoted in an inter-dealer quotation system of a registered national securities association; (viii) any of the Company's equity securities becoming eligible for termination of registration pursuant to Section 12(g)(4) of the Exchange Act; or (ix) any action similar to any of those enumerated above.

Item 5. Interest in Securities of the Issuer

(a) Paul Segall directly owns 172,459 Common Shares, which constitute approximately 5.28% of the 3,266,193 Common Shares outstanding on September 17, 1997. Judith Segall directly owns 64,179 Common Shares, which constitute approximately 1.96% of the 3,266,193 Common Shares outstanding on September 17, 1997. The forgoing number of outstanding Common Shares is based upon information provided by the Company.

(b) Mr. and Mrs. Segall both have the sole power to vote and to direct the vote, and the sole power to dispose and to direct the disposition, with respect to the shares held in their respective names.

(c) On or about September 16, 1997, Paul Segall purchased 21,000 Common Shares through the exercise of an incentive stock option at a price of \$9.22 per share.

(d) Mr. and Ms. Segall both have the sole power to vote and to direct the vote, and the sole power to dispose and to direct the disposition, with respect to the shares held in their respective names. No other person is known to have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, their Common Shares.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer

Paul Segall and Judith Segall are husband and wife and may consult with each other or act jointly with respect to (a) voting Common Shares held in their respective names, (b) acquiring additional Common Shares, and (c) disposing of Common Shares held in their respective names. To the extent that the Common Shares constitute community property under California law, each spouse may have the right to dispose of one-half of the shares constituting community property held by the other spouse.

Item 7. Material to Be Filed as Exhibits

- (a) Customer Agreement between Paul Segall and Montgomery Securities
- (b) Representation Letter from Paul Segall to Montgomery Securities
- (c) Customer Agreement between Judith Segall and Montgomery Securities
- (d) Representation Letter from Judith Segall to Montgomery Securities

CUSTOMER AGREEMENT

This agreement sets forth the terms and conditions pursuant to which we, Montgomery Securities, and our successors and assigns, will maintain your account for purchases and sales of "securities and other property," which means, but is not limited to securities, financial instruments, commodities and money of every kind and nature and related contracts and options. This definition includes securities or other property currently or hereafter held, carried or maintained by, or in the possession or control of, us or any of our related entities for any purpose in and for any account now or hereafter opened by you. You understand that, if your account is a cash account, the provisions of paragraphs 18 & 19 are not binding upon you unless you enter into a margin transaction and, if your account is a commodities account, the provisions of paragraph 14 shall not be applicable.

1. **APPLICABLE LAW AND REGULATIONS.** All transactions in your account shall be subject to all applicable laws and the rules and regulations of all federal, state and self-regulatory agencies, including, but not limited to, the Board of Governors of the Federal Reserve System and the constitution, rules, customs and usages of the exchange or market (and its clearing house) where the transactions are executed.
2. **SECURITY INTEREST AND LIEN.** All securities or other property which we may at any time be carrying or maintaining for you or which may at any time be in our possession or control for any purpose, including safekeeping, shall be subject to a general lien for the discharge of all of your obligations to us, irrespective of whether or not we have made advances in connection with such securities or other property, and irrespective of the number of accounts you may have with us.
3. **DEPOSITS ON CASH TRANSACTIONS.** If at any time Montgomery Securities considers it necessary for its protection, it may in its discretion require you to deposit cash or collateral in your account to assure due performance by you of your open contractual commitments.
4. **BREACH OR DEFAULT.** In the event of any breach by you of any agreement with us, or any default by you in any obligation to us, or should you die or file a petition in bankruptcy or for the appointment of a receiver by or against you, or should we for any reason whatsoever deem it necessary for our protection, we are hereby authorized, at our discretion, to sell any or all of the securities and other property in any of your accounts which may be in our possession or control, or which we may be carrying or maintaining for you (either individually or jointly with others), or to buy-in any securities or other property of which your account or accounts may be short, or to cancel any other standing orders, to close out your account or accounts in whole or in part or in order to close out any commitment made on your behalf. Any such sale, purchase or cancellation may be made according to our judgment and may be made, at our discretion, on the exchange or other market where such business is then usually transacted, or at public auction or at private sale, without advertising the same and without notice to you or to your personal representative, and without prior tender, demand or call of any kind upon you, or upon your personal representative (each of which is expressly waived by you), and we may purchase the whole or any part thereof free from any right of redemption, and you shall remain liable for any deficiency; it being understood that a prior tender, demand, call or notice of any kind shall not be considered a waiver of our right to sell or buy any securities and/or other property held by us, or owed us by you, at any time as hereinbefore provided. Nothing in this agreement shall be construed as relieving you of any obligations imposed by law.
5. **FINALITY OF REPORTS.** Reports of execution of orders and statements of your accounts shall become conclusive if not objected to in writing, the former within five days, and the latter within ten days, after forwarding by us to you by mail or otherwise.

6. RECEIPT OF TRUTH-IN-LENDING. You hereby acknowledge receipt and review of Montgomery Securities' Truth-in-Lending disclosure statement contained here within. You understand that interest will be charged on any debit balances in accordance with the methods described in that statement or in any amendment or revision thereto which may be provided to you. It is understood and agreed that the interest charge made to your account at the close of one charge period will be compounded, unless paid; that is, the unpaid interest charge for previous periods will be added to the opening balance for the next charge period, thereby becoming part of the principal amount due and bearing like interest.
7. TRANSFERS BETWEEN ACCOUNTS. At any time and from time to time, at our discretion, we may without notice to you apply and/or transfer any or all securities and/or other property of yours interchangeably between any of your accounts.
8. SELL ORDERS. It is understood and agreed that you will designate any sell order for a short account which you place with us as a "short sale" and hereby authorize us to mark such order as being "short", and when placing with us any order for a long account, will designate it as such and hereby authorize us to mark such order as being "long." Any sell order which you shall designate as being for long account as above provided is for securities then owned by you and, if such securities are not then deliverable by us from any of your accounts, the placing of such order shall constitute a representation by you that it is impracticable for you to then deliver such securities to us but that you will deliver them as soon as it is possible for you to do so without undue inconvenience or expense.
9. AGE, BENEFICIAL INTEREST. If you are an individual, you represent that you are of full legal age, and, in any event not less than eighteen years of age. You further represent that no one except you has an interest in your account with us.
10. OPERATIONAL MATTERS. Montgomery Securities primarily uses banks located in California and New York to issue checks. Also, when we hold securities for your account, dividends and interest are credited on or about the payable date as received. Most of our customers prefer to have these funds held in their accounts, and this will be the procedure which we will follow with your account unless you advise us of an alternative procedure which you would prefer. For example, we could arrange for checks to be sent to you monthly. If you require special arrangements, please bring the matter to our attention. Montgomery Securities' policy is not to receive remuneration for directing orders to particular brokers/dealers or market centers for execution. Notwithstanding this policy, should Montgomery Securities receive such remuneration on any transaction, appropriate disclosure will be made.
11. CREDIT REPORT. Montgomery Securities may, in its discretion, request an investigative consumer report on you as a credit reference, which report may include information with respect to character, general reputation, personal characteristics and mode of living. In accordance with the Fair Credit Reporting Act, a copy of any such report, if obtained, will be made available to you upon written request.
12. CLEARANCE ACCOUNTS. If Montgomery Securities carries your account as clearing broker by arrangement with another broker through whose courtesy your account has been introduced, then unless Montgomery Securities receives from you a written notice to the contrary, Montgomery Securities shall accept from such other broker, without any inquiry or investigation by us, (i) orders for the purchase and sale of securities and other property on margin or otherwise, and (ii) any other instructions concerning said account. You understand Montgomery Securities shall have no responsibility or liability to you for any acts or omissions of such other broker, its officers, employees or agents.
13. WAIVER, ASSIGNMENT AND NOTICES. No term or provision of this Agreement may be waived or modified unless in writing and signed by the party against whom such waiver or modification is sought to be enforced. Montgomery Securities' failure to insist at any time upon strict compliance with this Agreement or with any of the terms hereunder or any continued course of such conduct on its part shall in no event constitute or be considered a waiver by Montgomery Securities of any of its rights or privileges. This Agreement contains the entire understanding between you and Montgomery Securities concerning the subject matter of this

Agreement. You may not assign your rights or obligations hereunder without first obtaining the prior written consent of Montgomery Securities. Notice or other communications, including margin calls, delivered or mailed to the address given below shall, until Montgomery Securities has received notice in writing of a different address, be deemed to have been personally delivered to you.

14. ARBITRATION.

o ARBITRATION IS FINAL AND BINDING ON THE PARTIES.

o THE PARTIES ARE WAIVING THEIR RIGHT TO SEEK REMEDIES IN COURT, INCLUDING THE RIGHT TO JURY TRIAL.

o PRE-ARBITRATION DISCOVERY IS GENERALLY MORE LIMITED THAN AND DIFFERENT FROM COURT PROCEEDINGS.

o THE ARBITRATORS' AWARD IS NOT REQUIRED TO INCLUDE FACTUAL FINDINGS OR LEGAL REASONING AND ANY PARTY'S RIGHT TO APPEAL OR TO SEEK MODIFICATION OF RULINGS BY THE ARBITRATORS IS STRICTLY LIMITED.

o THE PANEL OF ARBITRATORS WILL TYPICALLY INCLUDE A MINORITY OF ARBITRATORS WHO WERE OR ARE AFFILIATED WITH THE SECURITIES INDUSTRY.

YOU AGREE, AND BY CARRYING AN ACCOUNT FOR YOU, WE AGREE, THAT ALL CONTROVERSIES WHICH MAY ARISE BETWEEN US CONCERNING ANY TRANSACTION OR THE CONSTRUCTION, PERFORMANCE OR BREACH OF THIS OR ANY OTHER AGREEMENT BETWEEN US, WHETHER ENTERED INTO PRIOR, ON, OR SUBSEQUENT TO THE DATE HEREOF, SHALL BE DETERMINED BY ARBITRATION. ANY ARBITRATION UNDER THIS AGREEMENT SHALL BE CONDUCTED ONLY IN THE FORUMS PROVIDED BY THE NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC. OR THE BOARD OF GOVERNORS OF THE NEW YORK STOCK EXCHANGE, INC., AS YOU MAY ELECT. IF YOU DO NOT MAKE SUCH ELECTION BY REGISTERED MAIL ADDRESSED TO MONTGOMERY SECURITIES, 600 MONTGOMERY STREET, SAN FRANCISCO, CA 94111, ATTENTION: LEGAL DEPARTMENT, AND RECEIVED WITHIN FIVE DAYS AFTER DEMAND BY US THAT YOU MAKE SUCH ELECTION, THEN MONTGOMERY SECURITIES MAY MAKE SUCH ELECTION. THE AWARD OF THE ARBITRATORS, OR OF THE MAJORITY OF THEM, SHALL BE FINAL, AND JUDGMENT UPON ANY AWARD RENDERED BY THE ARBITRATORS MAY BE ENTERED IN ANY COURT HAVING JURISDICTION THEREOF.

No person shall bring a putative or certified class action to arbitration, nor seek to enforce any pre-dispute arbitration agreement against any person who has initiated in court a putative class action or who is a member of a putative class who has not opted out of the class with respect to any claims encompassed by the putative class action until: (i) the class certification is denied; (ii) the class is decertified; or (iii) the customer is excluded from the class by the court. Such forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this agreement except to the extent stated herein.

15. NEW YORK LAW TO GOVERN. This Agreement and its enforcement shall be governed by the laws of the State of New York (without regard to any principles of conflicts of law) and its provisions shall be continuous; shall cover individually and collectively all accounts which you may open or reopen with us, and shall inure to the benefit of our present organization, and any successor organization, irrespective of any change or changes at any time in the personnel thereof, for any cause whatsoever, and of the assigns of our present organization

or any successor organization, and shall be binding upon you, and/or your estate, executors, administrators, heirs and assigns.

- 16. PARTIAL UNENFORCEABILITY. If any provision herein is or should become inconsistent with any present or future law, rule or regulation of any sovereign government or a regulatory body having jurisdiction over the subject matter of this Agreement or is held to be invalid, void or unenforceable by reason of any law, rule, administrative order or judicial decision, such provision shall be deemed to be rescinded or modified in accordance with any such law, rule, regulation, order or decision. In all other respects, this Agreement shall continue and remain in full force and effect.
- 17. LIMIT ORDERS. Montgomery Securities reserves the right to not accept from customers limit orders in NASDAQ or over-the-counter securities in which it acts as a market maker.
- 18. MARGIN IN MARGIN ACCOUNTS (NOT APPLICABLE TO CASH ACCOUNTS). You hereby agree to maintain such margin in your margin account as Montgomery Securities may in its discretion require and you agree to pay forthwith on demand any debit balance owing with respect to any of your margin accounts, and if not paid this shall be a breach of this Agreement and Montgomery Securities may take such action as it considers necessary for its protection in accordance with this Agreement. You understand that, even if Montgomery Securities has a policy of giving customers notice of a margin deficiency, Montgomery Securities is not obligated to request additional margin from you, and there may be circumstances where Montgomery Securities will liquidate securities and/or other property in your account without notice to you. You will be charged interest on your debit balance which if not paid at the close of an interest period will be added to the opening balance for the next interest period. Please consult the attached disclosure statement for an outline of Montgomery Securities' interest policies.
- 19. CUSTOMER'S CONSENT TO LOAN OR PLEDGE OF SECURITIES AND OTHER PROPERTY (NOT APPLICABLE TO CASH ACCOUNTS). You hereby authorize Montgomery Securities to lend either to itself or to others any securities and other property held by Montgomery Securities in your margin account and to carry all such property in its general loans and such property may be pledged, repledged, hypothecated or rehypothecated, without notice to you, either separately or in common with other such property for any amounts due to Montgomery Securities thereon or for a greater sum, and Montgomery Securities shall have no obligation to retain a like amount of similar property in its possession and control.

BY SIGNING THIS AGREEMENT YOU ACKNOWLEDGE THAT THE SECURITIES IN YOUR MARGIN ACCOUNT MAY BE LOANED TO MONTGOMERY SECURITIES OR LOANED OUT TO OTHERS AND THAT YOU HAVE RECEIVED AND REVIEWED A COPY OF THIS AGREEMENT.

THIS AGREEMENT CONTAINS A PRE-DISPUTE ARBITRATION CLAUSE AT PAGES 2-3 AT PARAGRAPH 14.

IF JOINT ACCOUNT BOTH PARTIES MUST SIGN. Persons signing on behalf of others please indicate title or capacity in which you have signed.

Paul Segall

(Typed or Printed Name)

/s/: Paul Segall

(Signature)

(Signature)

c/o BioTime, Inc., 935 Pardee Street

(Mailing Address)

Berkeley, CA 94710

(City) (State) (Zip)

9/12/97

(Date)

Acct. XXX-XXXX

No. : _____

ADDENDUM TO CUSTOMER AGREEMENT

Hypothecation of Customer Securities. Notwithstanding any provision of the Customer Agreement to the contrary, Montgomery Securities shall not lend, pledge or hypothecate any securities owned by Customer (whether or not such securities are held by Montgomery Securities as Collateral for Customer's Obligations) to facilitate any short sale or otherwise; provided, that this provision shall not prevent the sale of Collateral pursuant to Section 4.

Death or Incompetency of Customer. Montgomery Securities will not take action pursuant to Section 4 solely because of Customer's death or adjudged incompetency if either (a) within 30 days after the date of Customer's death or declaration of incompetency and an administrator, executor, conservator, guardian or other personal representative has authority to make investment decisions with respect to Customer's account, or (b) with respect to Customer's incompetency, Customer has executed a power of attorney designating an attorney-in-fact who shall have the power to make investment decisions with respect to Customer's account.

/s/: Paul Segall

/s/: Wilson T. Hileman

Customer Signature

For Montgomery Securities

Paul Segall

Wilson T. Hileman - Managing Director

Print Name

Print Name and Title

XXX-XXXXX-XXX

Account No. _____

Representation letter FOR AFFILIATES of a Company
whose Stock is used as collateral for Margin

Montgomery Securities
600 Montgomery Street
San Francisco, CA 94111.

Attn: Margin Department

Gentlemen:

Reference is made to the Customer Agreement I executed with you, pursuant to which you opened and maintain account number XXX-XXXXX for me, and which agreement governs the extension and maintenance of margin credit with respect to such account.

I am an affiliate (as defined in Rule 144 (a) (1) under the Securities Act of 1933 (the "Act") of Biotime, Inc. (the "Company"). I wish to obtain margin credit on not more than 90,000 shares of the common stock (the "Securities") of the Company. I understand that in order for you to extend margin credit to me which is collateralized by the Securities, you must be able to sell the Securities pursuant to Rule 144 of the Act ("Rule 14+"), which requires that certain conditions must be met. Accordingly, I hereby represent to you and covenant with you as follows:

1. I acquired and fully paid for the Securities on January 18, 1991. The Securities are "restricted securities" within the meaning of Rule 144, and bear a legend describing restrictions on the transfer of the Securities.
2. In the preceding three months, I, together with all persons who are considered the same "person" as me under Rule 144(a)(2) and all persons whose sales must be aggregated with mine pursuant to Rule 144(e)(3), have sold 0 shares of common stock of the Company.
- - - - -
3. The Securities, together with all shares of capital stock of the Company held by persons whose sales would be aggregated with sales by me pursuant to Rule 144(e)(3), constitute less than the greater of (i) 1% of the shares of common stock of the Company currently outstanding or (ii) the average weekly reported volume of trading in the Common Stock of the Company on all national securities exchanges, through the Nasdaq Stock Market, Inc., and /or through the consolidated transaction reporting system. I agree that for the duration of the period for which my margin loan from Montgomery is collateralized, in whole or in part, by the Securities, I will not transfer any

shares of capital stock of the Company to any person whose sales would be aggregated with sales by me pursuant to Rule 144(e)(3).

In addition, I have held 26,690 securities of the Company for a period of at least two years from the date hereof (the "Additional Securities"). I also pledge the Additional Securities as collateral in order for you to extend margin credit to me. I understand that you may sell the Additional Securities without regard to the volume limitation under Rule 144 if you institute foreclosure proceedings against my account.

4. I agree that for the duration of the period for which my margin loan from Montgomery Securities is collateralized, in whole or in part, by the Securities, I will not sell, and I will cause all persons who are considered the same "person" as me under Rule 144(a)(2) not to sell, any shares of common stock of the Company.

5. I will not use any margin credit to purchase securities of any other company of which I am an affiliate (as defined in Rule 144(a)(1)).
6. I have no outstanding borrowing collateralized by any shares of capital stock of the Company and I will not incur such borrowing from any other person for the duration of the period for which my margin loan from Montgomery Securities is collateralized, in whole or in part, by the Securities.
7. I have delivered to you an executed Form 144, a Seller's Representation Letter under Rule 144 and such other documents as you have requested to enable you to sell the Securities under Rule 144 at any time you may consider it necessary for your protection. The information contained in these documents is true and correct. You may rely on the continued accuracy and completeness of such information unless and until I have informed you in writing of any changes to such information and have provided you with corrected versions of such documents I will not take any action or omit to take any action that would prevent you from selling the Securities at any time pursuant to Rule 144.
8. I will notify you immediately of any occurrence which would render any of the foregoing representations inaccurate.
9. I am familiar with the provisions of Section 16 of the Securities Exchange Act of 1934 and the rules promulgated thereunder. I understand the possible consequences to me if you sell the Securities at a time when such sale would deem me to have received "short-swing" profits, which consequences could include the payment to the Company by me of all such profits.

The Company, its transfer agent and their agents and representatives may rely on this letter. I will indemnify you and hold you harmless from and against any and all loss, damage, claim, liability and expense arising out of or resulting from the breach of any representation or covenant herein.

Very truly yours,
Paul Segall

CUSTOMER AGREEMENT

This agreement sets forth the terms and conditions pursuant to which we, Montgomery Securities, and our successors and assigns, will maintain your account for purchases and sales of "securities and other property," which means, but is not limited to securities, financial instruments, commodities and money of every kind and nature and related contracts and options. This definition includes securities or other property currently or hereafter held, carried or maintained by, or in the possession or control of, us or any of our related entities for any purpose in and for any account now or hereafter opened by you. You understand that, if your account is a cash account, the provisions of paragraphs 18 & 19 are not binding upon you unless you enter into a margin transaction and, if your account is a commodities account, the provisions of paragraph 14 shall not be applicable.

1. **APPLICABLE LAW AND REGULATIONS.** All transactions in your account shall be subject to all applicable laws and the rules and regulations of all federal, state and self-regulatory agencies, including, but not limited to, the Board of Governors of the Federal Reserve System and the constitution, rules, customs and usages of the exchange or market (and its clearing house) where the transactions are executed.
2. **SECURITY INTEREST AND LIEN.** All securities or other property which we may at any time be carrying or maintaining for you or which may at any time be in our possession or control for any purpose, including safekeeping, shall be subject to a general lien for the discharge of all of your obligations to us, irrespective of whether or not we have made advances in connection with such securities or other property, and irrespective of the number of accounts you may have with us.
3. **DEPOSITS ON CASH TRANSACTIONS.** If at any time Montgomery Securities considers it necessary for its protection, it may in its discretion require you to deposit cash or collateral in your account to assure due performance by you of your open contractual commitments.
4. **BREACH OR DEFAULT.** In the event of any breach by you of any agreement with us, or any default by you in any obligation to us, or should you die or file a petition in bankruptcy or for the appointment of a receiver by or against you, or should we for any reason whatsoever deem it necessary for our protection, we are hereby authorized, at our discretion, to sell any or all of the securities and other property in any of your accounts which may be in our possession or control, or which we may be carrying or maintaining for you (either individually or jointly with others), or to buy-in any securities or other property of which your account or accounts may be short, or to cancel any other standing orders, to close out your account or accounts in whole or in part or in order to close out any commitment made on your behalf. Any such sale, purchase or cancellation may be made according to our judgment and may be made, at our discretion, on the exchange or other market where such business is then usually transacted, or at public auction or at private sale, without advertising the same and without notice to you or to your personal representative, and without prior tender, demand or call of any kind upon you, or upon your personal representative (each of which is expressly waived by you), and we may purchase the whole or any part thereof free from any right of redemption, and you shall remain liable for any deficiency; it being understood that a prior tender, demand, call or notice of any kind shall not be considered a waiver of our right to sell or buy any securities and/or other property held by us, or owed us by you, at any time as hereinbefore provided. Nothing in this agreement shall be construed as relieving you of any obligations imposed by law.
5. **FINALITY OF REPORTS.** Reports of execution of orders and statements of your accounts shall become conclusive if not objected to in writing, the former within five days, and the latter within ten days, after forwarding by us to you by mail or otherwise.

6. **RECEIPT OF TRUTH-IN-LENDING.** You hereby acknowledge receipt and review of

Montgomery Securities' Truth-in-Lending disclosure statement contained here within. You understand that interest will be charged on any debit balances in accordance with the methods described in that statement or in any amendment or revision thereto which may be provided to you. It is understood and agreed that the interest charge made to your account at the close of one charge period will be compounded, unless paid; that is, the unpaid interest charge for previous periods will be added to the opening balance for the next charge period, thereby becoming part of the principal amount due and bearing like interest.

7. TRANSFERS BETWEEN ACCOUNTS. At any time and from time to time, at our discretion, we may without notice to you apply and/or transfer any or all securities and/or other property of yours interchangeably between any of your accounts.
8. SELL ORDERS. It is understood and agreed that you will designate any sell order for a short account which you place with us as a "short sale" and hereby authorize us to mark such order as being "short", and when placing with us any order for a long account, will designate it as such and hereby authorize us to mark such order as being "long." Any sell order which you shall designate as being for long account as above provided is for securities then owned by you and, if such securities are not then deliverable by us from any of your accounts, the placing of such order shall constitute a representation by you that it is impracticable for you to then deliver such securities to us but that you will deliver them as soon as it is possible for you to do so without undue inconvenience or expense.
9. AGE, BENEFICIAL INTEREST. If you are an individual, you represent that you are of full legal age, and, in any event not less than eighteen years of age. You further represent that no one except you has an interest in your account with us.
10. OPERATIONAL MATTERS. Montgomery Securities primarily uses banks located in California and New York to issue checks. Also, when we hold securities for your account, dividends and interest are credited on or about the payable date as received. Most of our customers prefer to have these funds held in their accounts, and this will be the procedure which we will follow with your account unless you advise us of an alternative procedure which you would prefer. For example, we could arrange for checks to be sent to you monthly. If you require special arrangements, please bring the matter to our attention. Montgomery Securities' policy is not to receive remuneration for directing orders to particular brokers/dealers or market centers for execution. Notwithstanding this policy, should Montgomery Securities receive such remuneration on any transaction, appropriate disclosure will be made.
11. CREDIT REPORT. Montgomery Securities may, in its discretion, request an investigative consumer report on you as a credit reference, which report may include information with respect to character, general reputation, personal characteristics and mode of living. In accordance with the Fair Credit Reporting Act, a copy of any such report, if obtained, will be made available to you upon written request.
12. CLEARANCE ACCOUNTS. If Montgomery Securities carries your account as clearing broker by arrangement with another broker through whose courtesy your account has been introduced, then unless Montgomery Securities receives from you a written notice to the contrary, Montgomery Securities shall accept from such other broker, without any inquiry or investigation by us, (i) orders for the purchase and sale of securities and other property on margin or otherwise, and (ii) any other instructions concerning said account. You understand Montgomery Securities shall have no responsibility or liability to you for any acts or omissions of such other broker, its officers, employees or agents.
13. WAIVER, ASSIGNMENT AND NOTICES. No term or provision of this Agreement may be waived or modified unless in writing and signed by the party against whom such waiver or modification is sought to be enforced. Montgomery Securities' failure to insist at any time upon strict compliance with this Agreement or with any of the terms hereunder or any continued course of such conduct on its part shall in no event constitute or be considered a waiver by Montgomery Securities of any of its rights or privileges. This Agreement contains the entire understanding between you and Montgomery Securities concerning the subject matter of this

Agreement. You may not assign your rights or obligations hereunder without first obtaining the prior written consent of Montgomery Securities. Notice or other communications, including margin calls, delivered or mailed to the address given below shall, until Montgomery Securities has received notice in writing of a different address, be deemed to have been personally delivered to you.

14. ARBITRATION.

- o ARBITRATION IS FINAL AND BINDING ON THE PARTIES.
- o THE PARTIES ARE WAIVING THEIR RIGHT TO SEEK REMEDIES IN COURT, INCLUDING THE RIGHT TO JURY TRIAL.
- o PRE-ARBITRATION DISCOVERY IS GENERALLY MORE LIMITED THAN AND DIFFERENT FROM COURT PROCEEDINGS.
- o THE ARBITRATORS' AWARD IS NOT REQUIRED TO INCLUDE FACTUAL FINDINGS OR LEGAL REASONING AND ANY PARTY'S RIGHT TO APPEAL OR TO SEEK MODIFICATION OF RULINGS BY THE ARBITRATORS IS STRICTLY LIMITED.

- o THE PANEL OF ARBITRATORS WILL TYPICALLY INCLUDE A MINORITY OF ARBITRATORS WHO WERE OR ARE AFFILIATED WITH THE SECURITIES INDUSTRY.

YOU AGREE, AND BY CARRYING AN ACCOUNT FOR YOU, WE AGREE, THAT ALL CONTROVERSIES WHICH MAY ARISE BETWEEN US CONCERNING ANY TRANSACTION OR THE CONSTRUCTION, PERFORMANCE OR BREACH OF THIS OR ANY OTHER AGREEMENT BETWEEN US, WHETHER ENTERED INTO PRIOR, ON, OR SUBSEQUENT TO THE DATE HEREOF, SHALL BE DETERMINED BY ARBITRATION. ANY ARBITRATION UNDER THIS AGREEMENT SHALL BE CONDUCTED ONLY IN THE FORUMS PROVIDED BY THE NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC. OR THE BOARD OF GOVERNORS OF THE NEW YORK STOCK EXCHANGE, INC., AS YOU MAY ELECT. IF YOU DO NOT MAKE SUCH ELECTION BY REGISTERED MAIL ADDRESSED TO MONTGOMERY SECURITIES, 600 MONTGOMERY STREET, SAN FRANCISCO, CA 94111, ATTENTION: LEGAL DEPARTMENT, AND RECEIVED WITHIN FIVE DAYS AFTER DEMAND BY US THAT YOU MAKE SUCH ELECTION, THEN MONTGOMERY SECURITIES MAY MAKE SUCH ELECTION. THE AWARD OF THE ARBITRATORS, OR OF THE MAJORITY OF THEM, SHALL BE FINAL, AND JUDGMENT UPON ANY AWARD RENDERED BY THE ARBITRATORS MAY BE ENTERED IN ANY COURT HAVING JURISDICTION THEREOF.

No person shall bring a putative or certified class action to arbitration, nor seek to enforce any pre-dispute arbitration agreement against any person who has initiated in court a putative class action or who is a member of a putative class who has not opted out of the class with respect to any claims encompassed by the putative class action until: (i) the class certification is denied; (ii) the class is decertified; or (iii) the customer is excluded from the class by the court. Such forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this agreement except to the extent stated herein.

- 15. NEW YORK LAW TO GOVERN. This Agreement and its enforcement shall be governed by the laws of the State of New York (without regard to any principles of conflicts of law) and its provisions shall be continuous; shall cover individually and collectively all accounts which you may open or reopen with us, and shall inure to the benefit of our present organization, and any successor organization, irrespective of any change or changes at any time in the personnel thereof, for any cause whatsoever, and of the assigns of our present organization

or any successor organization, and shall be binding upon you, and/or your estate, executors, administrators, heirs and assigns.

16. PARTIAL UNENFORCEABILITY. If any provision herein is or should become inconsistent with any present or future law, rule or regulation of any sovereign government or a regulatory body having jurisdiction over the subject matter of this Agreement or is held to be invalid, void or unenforceable by reason of any law, rule, administrative order or judicial decision, such provision shall be deemed to be rescinded or modified in accordance with any such law, rule, regulation, order or decision. In all other respects, this Agreement shall continue and remain in full force and effect.

17. LIMIT ORDERS. Montgomery Securities reserves the right to not accept from customers limit orders in NASDAQ or over-the-counter securities in which it acts as a market maker.

18. MARGIN IN MARGIN ACCOUNTS (NOT APPLICABLE TO CASH ACCOUNTS). You hereby agree to maintain such margin in your margin account as Montgomery Securities may in its discretion require and you agree to pay forthwith on demand any debit balance owing with respect to any of your margin accounts, and if not paid this shall be a breach of this Agreement and Montgomery Securities may take such action as it considers necessary for its protection in accordance with this Agreement. You understand that, even if Montgomery Securities has a policy of giving customers notice of a margin deficiency, Montgomery Securities is not obligated to request additional margin from you, and there may be circumstances where Montgomery Securities will liquidate securities and/or other property in your account without notice to you. You will be charged interest on your debit balance which if not paid at the close of an interest period will be added to the opening balance for the next interest period. Please consult the attached disclosure statement for an outline of Montgomery Securities' interest policies.

19. CUSTOMER'S CONSENT TO LOAN OR PLEDGE OF SECURITIES AND OTHER PROPERTY (NOT APPLICABLE TO CASH ACCOUNTS). You hereby authorize Montgomery Securities to lend either to itself or to others any securities and other property held by Montgomery Securities in your margin account and to carry all such property in its general loans and such property may be pledged, repledged, hypothecated or rehypothecated, without notice to you, either separately or in common with other such property for any amounts due to Montgomery Securities thereon or for a greater sum, and Montgomery Securities shall have no obligation to retain a like amount of similar property in its possession and control.

BY SIGNING THIS AGREEMENT YOU ACKNOWLEDGE THAT THE SECURITIES IN YOUR MARGIN ACCOUNT MAY BE LOANED TO MONTGOMERY SECURITIES OR LOANED OUT TO OTHERS AND THAT YOU HAVE RECEIVED AND REVIEWED A COPY OF THIS AGREEMENT.

THIS AGREEMENT CONTAINS A PRE-DISPUTE ARBITRATION CLAUSE AT PAGES 2-3 AT PARAGRAPH 14.

IF JOINT ACCOUNT BOTH PARTIES MUST SIGN. Persons signing on behalf of others please indicate title or capacity in which you have signed.

Judith Segall

(Typed or Printed Name)

/s/: Judith Segall

(Signature)

(Signature)

c/o BioTime, Inc., 935 Pardee Street

(Mailing Address)

Berkeley, CA 94710

(City) (State) (Zip)

9/12/97

(Date)

Acct. XXX-XXXXX-XXX

No.: _____

ADDENDUM TO CUSTOMER AGREEMENT

Hypothecation of Customer Securities. Notwithstanding any provision of the Customer Agreement to the contrary, Montgomery Securities shall not lend, pledge or hypothecate any securities owned by Customer (whether or not such securities are held by Montgomery Securities as Collateral for Customer's Obligations) to facilitate any short sale or otherwise; provided, that this provision shall not prevent the sale of Collateral pursuant to Section 4.

Death or Incompetency of Customer. Montgomery Securities will not take action pursuant to Section 4 solely because of Customer's death or adjudged incompetency if either (a) within 30 days after the date of Customer's death or declaration of incompetency and an administrator, executor, conservator, guardian or other personal representative has authority to make investment decisions with respect to Customer's account, or (b) with respect to Customer's incompetency, Customer has executed a power of attorney designating an attorney-in-fact who shall have the power to make investment decisions with respect to Customer's account.

/s/: Judith Segall

Customer Signature

Judith Segall

Print Name

Account No. XXX-XXXXX-XXX

/s/: Wilson T. Hileman

For Montgomery Securities

Wilson T. Hileman, Managing Director

Print Name and Title

Representation letter FOR AFFILIATES of a Company
whose Stock is used as collateral for Margin

Montgomery Securities
600 Montgomery Street
San Francisco, CA 94111.

Attn: Margin Department

Gentlemen:

Reference is made to the Customer Agreement I executed with you, pursuant to which you opened and maintain account number XXX-XXXXX for me, and which agreement governs the extension and maintenance of margin credit with respect to such account.

I am an affiliate (as defined in Rule 144 (a) (1) under the Securities Act of 1933 (the "Act") of Biotime, Inc. (the "Company"). I wish to obtain margin credit on not more than 58,345 shares of the common stock (the "Securities") of the Company. I understand that in order for you to extend margin credit to me which is collateralized by the Securities, you must be able to sell the Securities pursuant to Rule 144 of the Act ("Rule 14+"), which requires that certain conditions must be met. Accordingly, I hereby represent to you and covenant with you as follows:

1. I acquired and fully paid for the Securities on January 18, 1991. The Securities are "restricted securities" within the meaning of Rule 144, and bear a legend describing restrictions on the transfer of the Securities.
2. In the preceding three months, I, together with all persons who are considered the same "person" as me under Rule 144(a)(2) and all persons whose sales must be aggregated with mine pursuant to Rule 144(e)(3), have sold 0 shares of common stock of the Company. - -----
3. The Securities, together with all shares of capital stock of the Company held by persons whose sales would be aggregated with sales by me pursuant to Rule 144(e)(3), constitute less than the greater of (i) 1% of the shares of common stock of the Company currently outstanding or (ii) the average weekly reported volume of trading in the Common Stock of the Company on all national securities exchanges, through the Nasdaq Stock Market, Inc., and /or through the consolidated

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transaction reporting system. I agree that for the duration of the period for which my margin loan from Montgomery is collateralized, in whole or in part, by the Securities, I will not transfer any shares of capital stock of the Company to any person whose sales would be aggregated with sales by me pursuant to Rule 144(e)(3).

4. I agree that for the duration of the period for which my margin loan from Montgomery Securities is collateralized, in whole or in part, by the Securities, I will not sell, and I will cause all persons who are considered the same "person" as me under Rule 144(a)(2) not to sell, any shares of common stock of the Company.
5. I will not use any margin credit to purchase securities of any other company of which I am an affiliate (as defined in Rule 144(a) (1)).
6. I have no outstanding borrowing collateralized by any shares of capital stock of the Company and I will not incur such borrowing from any other person for the duration of the period for which my margin loan from Montgomery Securities is collateralized, in whole

or in part, by the Securities.

7. I have delivered to you an executed Form 144, a Seller's Representation Letter under Rule 144 and such other documents as you have requested to enable you to sell the Securities under Rule 144 at any time you may consider it necessary for your protection. The information contained in these documents is true and correct. You may rely on the continued accuracy and completeness of such information unless and until I have informed you in writing of any changes to such information and have provided you with corrected versions of such documents I will not take any action or omit to take any action that would prevent you from selling the Securities at any time pursuant to Rule 144.
8. I will notify you immediately of any occurrence which would render any of the foregoing representations inaccurate.
9. I am familiar with the provisions of Section 16 of the Securities Exchange Act of 1934 and the rules promulgated thereunder. I understand the possible consequences to me if you sell the Securities at a time when such sale would deem me to have received "short-swing" profits, which consequences could include the payment to the Company by me of all such profits.

The Company, its transfer agent and their agents and representatives may rely on this letter. I will indemnify you and hold you harmless from and against any and all loss, damage, claim, liability and expense arising out of or resulting from the breach of any representation or covenant herein.

Very truly yours,

Judith Segall