

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20509

FORM 8-K

CURRENT REPORT

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

March 10, 1999

Date of Report

(Date of Earliest Event Reported)

BISHOP EQUITIES, INC.

(Exact Name of Registrant as Specified in its Charter)

Nevada	33-44567-NY	13-3632859
(State or other juris-	(Commission File No.)	(IRS Employer
diction of incorporation)		I.D.No.)

7825 Fay Avenue, Suite 200
La Jolla, California 92037
(Address of Principal Executive Offices)

(619) 456-5777
Registrant's Telephone Number

ITEM 1. CHANGES IN CONTROL OF REGISTRANT.

(a) On March 10, 1999, the Registrant executed an Agreement and Plan of Reorganization for the Acquisition of All of the Outstanding Stock (the "Aethlon Agreement") of Aethlon, Inc., a California corporation ("Aethlon") whereby the Registrant acquired approximately 92% of the outstanding shares of common stock of Aethlon in exchange for shares of Common Stock of the Registrant (the "Bishop Shares"). Pursuant to the Aethlon Agreement, Aethlon became a majority owned subsidiary of the Registrant.

Also on March 10, 1999, the Registrant executed an Agreement and Plan of Reorganization for the Acquisition of All of the Outstanding Stock (the "Hemex Agreement") of Hemex, Inc., a Delaware corporation ("Hemex") whereby the Registrant acquired approximately 83% of the outstanding shares of common stock of Hemex in exchange for Bishop Shares. Pursuant to the Hemex Agreement, Hemex became a majority owned subsidiary of the Registrant.

The Registrant issued a total of 675,000 Bishop Shares to the former shareholders of Aethlon and 1,123,211 Bishop Shares to the former shareholders of Hemex as of March 10, 1999.

The Aethlon Agreement provides that the Registrant may issue an additional 58,500 Bishop Shares to acquire the remaining 8% of Aethlon. The Hemex Agreement provides that the Registrant may issue an additional 243,000 Bishop Shares to acquire the remaining 17% of Hemex. It is the intention of the Registrant's management ("Management") to continue to attempt to acquire 100% of the outstanding shares of Aethlon and Hemex on the same terms and conditions afforded the Aethlon and Hemex shareholders who have already become parties to the Hemex Agreement and the Aethlon Agreement, respectively (the Hemex Agreement and the Aethlon Agreement are collectively referred to as the "Plan").

As of March 10, 1999, shareholders representing 1,798,211 of the 2,083,500 shares to be issued under the Plan (approximately 86% of the Registrant's shareholders as of March 10, 1999) had executed and delivered the Plan. Taking into account the 1,798,211 shares of "restricted securities" of the Registrant issued under the Plan on March 10, 1999, there are currently 2,309,711 shares of common stock of the Registrant issued and outstanding. Assuming that all of the shareholders of Aethlon and Hemex enter into the Plan, there will be a total of 2,595,000 shares of Registrant outstanding.

The Plan was approved by the Board of Directors of the Company on February 22, 1999.

The former principal shareholders of the Registrant and their percentage of ownership of the outstanding voting securities of the Registrant prior to the completion of the Plan were: Deborah A. Salerno, former President and Director, owned 425,000 shares of the Registrant (83%), and Maureen Abato, former Secretary/Treasurer and Director owned 75,000 shares of the Registrant (15%).

The source of the consideration used by the Aethlon and Hemex shareholders to acquire their respective interests in the Registrant was the exchange of their outstanding shares of common stock of Aethlon and Hemex pursuant to the Plan.

The basis of the "control" by the Aethlon and Hemex shareholders is Stock ownership or positions held. Pursuant to the Plan, the then members of The Board of Directors and executive officers resigned, in seriatim, and the persons named in paragraph (b) below were designated to serve as directors and executive officers of the Registrant, until the next respective annual meetings of the shareholders and directors of the Registrant or until their prior resignations or terminations.

The new members of the Board of Directors have adopted a resolution to amend the Registrants Articles of Incorporation to change the name of the Registrant to "Aethlon Medical, Inc." subject to shareholder approval.

(b) To the knowledge of Management and based upon a review of the stock ledger maintained by the Registrant's transfer agent and registrar, the following table sets forth the beneficial ownership of persons who own more than five percent of the Registrant's common stock as of the date hereof, and the share holdings of new Management:

Name	Title	Number of Shares(1)	Percent of Class
James A. Joyce	Chairman, Secretary, and Director	675,400	29.2%
Franklyn S. Barry, Jr.	President/Chief Executive Officer, Interim Chief Financial Officer, and Director	418,593 (2)	15.4% (2)
Edward G. Broenniman	Director	255,874 (3)	11.1%
Clara Ambrus	Chief Scientific Officer and Director of Hemex	450,279	19.5%
Deborah Salerno	Shareholder	425,000	18.4%
Thomas Wolf	Shareholder	131,820	5.7%
All directors and executive officers of Registrant as a group (3 persons)		1,349,867 (4)	49.6% (4)

(1) Assumes 2,309,711 shares outstanding.

(2) Includes 412,500 shares issuable upon the exercise of presently-exercisable incentive stock options. The percentage ownership is based on 2,722,211 shares outstanding, assuming the exercise of the 412,500 options.

(3) Includes 201,989 shares owned of record by Linda Broenniman, Mr. Broenniman's wife.

(4) Includes 412,500 shares issuable upon the exercise of presently-exercisable incentive stock options held by Mr. Barry. The percentage ownership is based on 2,722,211 shares outstanding, assuming the exercise of the 412,500 options.

ITEM 2. ACQUISITION OR DISPOSITION OF ASSETS.

See Item 1 of this Report. The consideration exchanged under the Plan was negotiated at "arms length" between the directors and executive officers of the Registrant and Aethlon and Hemex, respectively. The members of the Board of Directors of the Registrant used criteria utilized in similar proposals involving the Registrant in the past, including the relative value of the assets of the Registrant; its present and past business operations; the future potential of Aethlon and Hemex; its management; and the potential benefit to the shareholders of the Registrant. The members of the Board of Directors determined in good faith that the consideration for the exchange was reasonable, under these circumstances.

No director, executive officer or person who may be deemed to be an affiliate of the Registrant had any direct or indirect interest in either Aethlon or Hemex prior to the completion of the Plan.

Business

Aethlon, incorporated in July 1998 under the laws of the State of California, was formed for the purpose of acquiring proprietary medical device technologies that it believes can be successfully developed and commercialized on an international basis. Prior to entering into the Plan, Aethlon had entered into an agreement with Hemex to provide interim funding and to acquire Hemex in accordance with the Plan.

Hemex was incorporated in 1995 under the laws of the State of Delaware to develop and commercialize proprietary medical devices capable of removing harmful metal intoxicants and other contaminants from human blood. The commercialization of the Hemex Hemopurifier™, which removes targeted metal intoxicants in an extracorporeal (outside the body) fashion, will be the initial focus of the Registrant.

Management of Registrant

Names	Title or Position	Age
James A. Joyce	Chairman, Secretary, and Director	37
Franklyn S. Barry, jr. Interim Chief Financial Officer, and Director	President/Chief Executive Officer,	59
Edward G. Broenniman	Director	63

Resumes

James A. Joyce, Chairman, Secretary, and Director

Mr. Joyce is the founder of Aethlon, Inc. Since 1993, Mr. Joyce has served as the Chief Executive Officer of James Joyce & Associates, a management consulting and investment banking organization that specializes in the structure and placement of private and public equity offerings. Most recently, he advised in the structure and placement of over \$20 million in private equity on behalf of a publicly-traded computer distribution company, and served as a board member and advisor in the initial public offering of a biomedical company. Previously, Mr. Joyce was Chief Executive Officer of Mission Labs, Inc., and a principal in charge of U.S. operations for London Zurich Securities, Ltd. Mr. Joyce received a B.A. degree from the University of Maryland.

Franklyn S. Barry, Jr., President, Chief Executive Officer, Interim Chief Financial Officer, and Director

Mr. Barry has over 25 years of experience in managing and building companies. He has been the President and Chief Executive Officer of Hemex since April 1997. From 1994 to April 1997, Mr. Barry's was a private consultant. Included among his prior experiences are tenures as President of Fisher-Price and as co-founder and CEO of Software Distribution Services, which today operates as Ingram Micro-D, an international distributor of personal computer products. Mr. Barry serves on the Board of Directors of both publicly-traded and privately-owned businesses in several different industries. Mr. Barry received a B.A. from Harvard College and an M.B.A. from Harvard Graduate School of Business Administration.

Edward G. Broenniman, Director

Mr. Broenniman has 30 years of management and executive experience with high-tech, privately-held growth firms where he has served as a CEO, COO, or corporate advisor, using his expertise to focus management on increasing profitability and stockholder value. Mr. Broenniman recently served on the Board of Directors of publicly-traded QuesTech (acquired by CACI International), and currently serves on the Boards of four privately-held firms, the Dingham Center for Entrepreneurship's Board of Advisors at the University of Maryland, and the Board of the Association for Corporate Growth. Mr. Broenniman holds a B.A. degree from Yale University and a M.B.A. degree from Stanford University

ITEM 3. BANKRUPTCY OR RECEIVERSHIP.

None; not applicable.

ITEM 4. CHANGES IN REGISTRANT'S CERTIFYING ACCOUNTANT.

None; not applicable.

ITEM 5. OTHER EVENTS.

None; not applicable.

ITEM 6. RESIGNATIONS OF REGISTRANT'S DIRECTORS.

None; not applicable.

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS.

(a) Financial Statements of Business Acquired.

Financial statements for the years ended March 31, 1999 (audited) will be filed on or before May 24, 1999, which is 75 days after the closing of the Plan on March 24, 1999.

(b) Pro Forma Financial Information.

Pro forma financial statements are being prepared and will be filed on or before May 24, 1999, which is 75 days after the closing of the Plan on March 24,

1999.

(c) Exhibits.

10.1 AGREEMENT AND PLAN OF REORGANIZATION BETWEEN THE REGISTRANT AND
AETHLON

Exhibit "A" - List of Aethlon Shareholders
Exhibit "B" - Aethlon Letter of Intent
Exhibit "C" - Hemex Letter of Intent
Exhibit "D" - Resolutions of Bishop
Exhibit "E-1" - Indemnification of Barry
Exhibit "E-2" - Indemnification of Joyce
Exhibit "E-3" - Indemnification of Broenniman
Exhibit "F" - Copies of Shares or Lost Certificate Affidavits
Exhibit "G" - Power of Attorney to Shareholder Representative
Exhibit "H" - Legal Opinion of Bishop Counsel
Exhibit "I" - Schedule of Exceptions of Aethlon
Exhibit "J" - Financial Statements of Aethlon
Exhibit "K" - List of Aethlon Bank Accounts and Signatories
Therefor
Exhibit "L" - Schedule of Exceptions of Bishop
Exhibit "M" - Financial Statements of Bishop**
Exhibit "N" - List of Bishop Bank Accounts and Signatories
Therefor

10.2 AGREEMENT AND PLAN OF REORGANIZATION BETWEEN THE REGISTRANT AND
HEMEX

Exhibit "A" - List of Hemex Shareholders
Exhibit "B" - Hemex Letter of Intent
Exhibit "C" - Bishop Letter of Intent
Exhibit "D" - Resolutions of Bishop
Exhibit "E-1" - Indemnification of Barry
Exhibit "E-2" - Indemnification of Joyce
Exhibit "E-3" - Indemnification of Broenniman
Exhibit "F" - Copies of Shares or Lost Certificate Affidavits
Exhibit "G" - Power of Attorney to Shareholder Representative
Exhibit "H" - Legal Opinion of Bishop Counsel
Exhibit "I" - Schedule of Exceptions of Hemex
Exhibit "J" - Financial Statements of Hemex
Exhibit "K" - Legal Descriptions of Real Property of Hemex
Exhibit "L" - List of Personal Property of Hemex
Exhibit "M" - Patents, Trademarks, Service Marks of Hemex
Exhibit "N" - List of Insurance Policies of Hemex
Exhibit "O" - List of Hemex Bank Accounts and Signatories Therefor
Exhibit "P" - Schedule of Exceptions of Bishop
Exhibit "Q" - Financial Statements of Bishop**
Exhibit "R" - List of Bishop Bank Accounts and Signatories
Therefor

**Filed with Registrant's Annual Report on Form 10-K for the year ended
March 31, 1998 and incorporated herein by this reference.

ITEM 8. CHANGE IN FISCAL YEAR.

None; not applicable.

SIGNATURES

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

BISHOP EQUITIES, INC.

Date: March 25, 1999 By: /s/ James A. Joyce

James A. Joyce, Chairman, Secretary and Director

EXHIBIT "A"

Aethlon, Inc.

Shareholders' Names	Number of Shares Issuable
James A. Joyce	675,000
John Orkish	1,700
Frank Lowthers & Angelica Camargo	10,000
John P. Bell, Jr.	15,000
Philip A. & Margaret A. Ward	7,500

Jeffrey Lee Dalton	8,000
Dana H. & Susan B. Lee	3,300
Edward C. Brookins Trust	3,000
Bruce A. & Rhoda P. Shear	5,000
Mario C. & Judith J. Drago	2,500
John Gaidmore	2,500

AETHLON, INC.
7825 Fay Avenue
Suite 200
La Jolla, California 92037
Phone: (619) 456-5777
Fax: (619) 456-4690

July 28, 1998

Mr. Franklyn S. Barry, Jr.
President and Chief Executive Officer
Hemex, Inc.
143 Windsor Avenue
Buffalo, New York 14209

Re: Aethlon, Inc. Letter of Intent

Dear Mr. Barry:

In accordance with our various discussions, this letter is written to evidence our mutual intention to enter into this binding Letter of Intent (the "Letter of Intent") pursuant to which Aethlon, Inc., a California corporation ("Aethlon") will secure the acquisition of Hemex, Inc., a Delaware corporation ("Hemex"), by Bishop Equities, Inc., a Nevada corporation ("Bishop"), through a tax-free exchange of stock pursuant to Section 368(a)(1)(B) of the Internal Revenue Code of 1986, as amended (hereinafter referred to as the "Hemex Reorganization"). For purposes of this Letter of Intent, Aethlon, Hemex and Bishop are hereinafter collectively referred to as the "Consolidated Companies."

Prior to entering into this Letter of Intent, Aethlon has also entered into another, separate letter of intent with Bishop, pursuant to which Aethlon will also be acquired by Bishop through a tax-free exchange of stock pursuant to Section 368(a)(1)(B) of the Internal Revenue Code of 1986, as amended (the "Aethlon Reorganization") immediately prior to the closing of the Hemex Reorganization. The acquisition of Aethlon and Hemex by Bishop as contemplated hereby are hereinafter collectively referred to as the "Acquisitions."

Aethlon and Hemex agree that execution of this Letter of Intent is subject to the following terms and conditions:

1. Aethlon will use its best efforts to raise at least \$400,000.00 through a private placement of shares of Aethlon Common Stock (hereinafter referred to as the "Aethlon Offering") and through contributions of capital to Aethlon by its founder. The shares issued pursuant to the Aethlon Offering will not be registered under federal or state securities laws, but

Mr. Franklyn S. Barry, Jr.
July 28, 1998
Page 2

will be issued pursuant to one or more exemptions from the registration requirements of applicable state and/or federal securities laws. The Aethlon Reorganization will occur as soon as practicable following the closing of the Aethlon Offering. The parties hereto agree that Aethlon and Bishop (following the Aethlon Reorganization) will use the proceeds from the Aethlon Offering, as provided in Appendix I, to provide working capital and to prepare for and complete an anticipated \$3,000,000.00 private placement to be conducted by Bishop after the Acquisitions. If Aethlon fails to raise at least \$400,000.00 in the Aethlon Offering and close the Aethlon Reorganization within sixty (60) days of the Securities Registration Compliance Date, Hemex will be entitled to terminate this Letter of Intent without being in breach. (For purposes of this Letter of Intent, the "Securities Registration Compliance Date" shall be the date upon which both the Private Placement Memorandum is completed and all necessary Blue Sky registration requirements and/or exemptions thereto are complied with for the Aethlon Offering. At anytime after this Letter of Intent is executed by Hemex and prior to the Hemex Reorganization, Hemex, will be able to request that Aethlon make advances to Hemex from Aethlon's available funds (such advances to Hemex are hereinafter referred to as "Interim Advances"). However, once Hemex requests and receives from Aethlon any Interim Advances, Hemex will no longer be able to terminate this Letter of Intent based on Aethlon's failure to complete the Aethlon Offering. If this Letter of Intent is

terminated for any reason, then in addition to such other remedies as the parties may have, Aethlon may elect to convert the Interim Advances to a loan bearing interest at ten percent (10%) per annum from the date such funds were advanced, which loan shall immediately be due and payable to Aethlon.

2. Immediately prior to the Acquisitions, Bishop will have outstanding no more than 511,500 shares of its Common Stock. Upon completion of the Aethlon Offering and the Aethlon Reorganization, or at anytime after receiving Interim Advances and being so instructed by Aethlon, Hemex will be obligated to close the Hemex Reorganization, whereby Hemex will transfer all outstanding shares of Hemex stock to Bishop in return for 1,350,000 shares of Common Stock of Bishop. Prior to the Hemex Reorganization, Aethlon and Bishop will close the Aethlon Reorganization whereby Aethlon's shareholders will transfer all outstanding shares of Aethlon stock to Bishop in return for 825,000 shares of Common Stock of Bishop. Immediately following the Acquisitions, the total number of outstanding shares of Common Stock of Bishop will be 2,686,500, and the former shareholders of Hemex will collectively own approximately 50.25% of the outstanding shares of Bishop, the former shareholders of Aethlon will own approximately 30.71% of the outstanding shares of Bishop, and the original shareholders of Bishop will own approximately 19.04% of the outstanding shares of Bishop.

3. Upon completion of the Acquisitions, management of the Consolidated Companies shall use its best efforts to raise \$3,000,000.00 for the Consolidated Companies through a private placement of Bishop stock (hereinafter referred to as the "Bishop Offering."), and the proceeds shall be used as reflected in Appendix II. The terms and conditions of the proposed Bishop Offering will be agreed upon and approved by the board of directors of Bishop (hereinafter referred to as the "Board"). Prior to completion of the Bishop Offering, a majority

Mr. Franklyn S. Barry, Jr.

July 28, 1998

Page 3

of the Board shall be appointed by Hemex. In the event the Board is comprised of three (3) members, one member shall be James A. Joyce and the other two (2) shall be Franklyn S. Barry, Jr. plus one additional member appointed by Hemex.

4. In the event that Bishop does not conclude both the Aethlon Reorganization and the Hemex Reorganization within ninety (90) days following execution of this Letter of Intent by Hemex, then Aethlon will have the right, for a period of ninety (90) additional days, to either assume the rights and responsibilities of Bishop set forth herein, or to replace Bishop with another "public shell" which shall assume the rights and responsibilities of Bishop set forth herein to enable Aethlon and Hemex to complete the intents and purposes of this Letter of Intent. Aethlon's rights pursuant to this Letter of Intent shall be assignable by Aethlon; however, during the period between the execution of this Letter of Intent and the closing of the Hemex Reorganization, such right is subject to the approval of Hemex. Furthermore, upon the termination or expiration of this Letter of Intent, Hemex may not enter into any financial or business relationship, for a period of twenty-four (24) months from the date of termination or expiration, with any party exposed to the transactions proposed herein without the prior written consent of Aethlon. This covenant shall survive the termination or expiration of this Letter of Intent. In addition to any other rights and remedies Aethlon may have in the event of a breach of this Letter of Intent, Hemex agrees that Aethlon shall also have the right to injunctive relief to enforce this provision.

5. Prior to the Hemex Reorganization, Hemex will cause all Shareholders Loans and one (1) year 14% Convertible Notes, including any and all accrued interest incurred thereon, to be converted to common stock of Hemex. Furthermore, prior to the Hemex Reorganization, Hemex will reduce the total of all liabilities, including both short-term and long-term liabilities, to no more than Five Hundred Thousand Dollars (\$500,000.00).

6. As a condition to the closing of the Hemex Reorganization, the Hemex Shareholders and the Aethlon founder will enter into an agreement with Bishop pursuant to which the Hemex Shareholders and the Aethlon founder will agree that they will not, without prior written approval of Bishop, offer for sale, sell, pledge, hypothecate or otherwise dispose of, directly or indirectly, any of the shares of Bishop stock which they may own legally or beneficially in any manner whatsoever, whether pursuant to Rule 144 of the Securities Act of 1933 or otherwise, for a period of eighteen (18) months from the date of receipt of the Bishop shares. As a further condition to the closing of the Hemex Reorganization, Hemex and all of its shareholders approving the transaction and the Aethlon founder will further agree and authorize Bishop to take any actions (including, but not limited to, notification of Bishop's transfer agent regarding any such restrictions) necessary to enforce this provision and restrict the sale or transfer of the Bishop shares as provided herein.

7. As a condition to the closing of the Hemex Reorganization, Bishop, on behalf of itself and the Consolidated Companies, shall execute and enter into separate employment contracts with (i) Dr. Clara M. Ambrus, Chairman of the Board of Directors and

Chief Scientific Officer of Hemex; (ii) Franklyn S. Barry, Jr., President and Chief Executive Officer of Hemex; and (iii) James A. Joyce, President of Aethlon. The exact terms of each of the employment contracts will be negotiated in good faith in the future (prior to the closing of the Hemex Reorganization) by the parties referenced above. However, in the event that one or more of the parties is/are unable to reach agreement on the terms of their respective employment contract(s), then the respective terms and conditions listed in Appendix III, attached hereto and incorporated herein, shall constitute a binding employment contract, to be interpreted as necessary by the Compensation Committee of the Board.

8. Each party shall pay for those legal and accounting fees which it incurs in the course of the transactions contemplated herein from the funds provided for in the Aethlon Offering, as set forth in Appendix I to this Letter of Intent.

9. In the event one or more audits are required of Bishop, Hemex, Aethlon or the Consolidated Companies as a prerequisite to any transaction contemplated herein, and such audit or audits cannot be completed within the time frames set forth herein, then each such deadline shall automatically be extended to a date sixty (60) days after such audited financial statements are issued.

10. Until consummation or termination of the Hemex Reorganization, Hemex will conduct its business only in the ordinary course and none of the assets or properties of Hemex shall be sold or disposed of except in the ordinary course of business or with the consent of Aethlon. Hemex further agrees not to enter into any agreements regarding the sale, exchange, issuance, or other disposition of its stock, whether such stock be outstanding, treasury, and/or authorized but not issued, to any other person or persons, whether individual or corporate, without the prior written consent of Aethlon.

11. Aethlon makes the following representations and warranties to Hemex, which shall be incorporated into the parties' formal agreements and which shall survive the closing of the Acquisitions:

(a) Aethlon is a corporation duly organized, validly existing and in good standing under the laws of California, has the corporate power and authority to own, lease and operate its properties and assets and to carry on its business as it is now being conducted, and is duly qualified to do business and is in good standing in each jurisdiction in which its ownership or leasing of its properties or the conduct of its business requires such qualification.

(b) Aethlon has the requisite corporate power and authority to enter into this Letter of Intent and to carry out its obligations under this Letter of Intent. The execution and delivery of this Letter of Intent and the consummation of the transactions contemplated hereby have been duly and validly authorized by the Board of Directors of Aethlon, and no other corporate proceedings on the part of Aethlon are necessary to authorize the Letter of Intent and the transactions contemplated by the Letter of Intent.

Mr. Franklyn S. Barry, Jr.

July 28, 1998

Page 5

(c) The execution and delivery of the Letter of Intent, the consummation of the transactions contemplated by the Letter of Intent and compliance with their terms will not, as of the closing of the Acquisitions (i) conflict with, or result in any violation of any provision of, the Articles of Incorporation or Bylaws of Aethlon, (ii) violate or conflict with, or result in a breach or termination of or default under, any agreement, instrument, license, judgment, order, decree, statute, law or regulation applicable to Aethlon, or (iii) result in the creation or imposition of any lien on any asset of Aethlon.

12. Hemex makes the following representations and warranties to Aethlon, which shall survive the closing of the Acquisitions:

(a) Hemex is a corporation duly organized, validly existing and in good standing under the laws of Delaware, has the corporate power and authority to own, lease and operate its properties and assets and to carry on its business as it is now being conducted, and is duly qualified to do business and is in good standing in each jurisdiction in which its ownership or leasing of its properties or the conduct of its business requires such qualification.

(b) Hemex has the requisite corporate power and authority to enter into this Letter of Intent and to carry out its obligations under this Letter of Intent. The execution and delivery of this Letter of Intent and the consummation of the transactions contemplated hereby have been duly and validly authorized by the Board of Directors of Hemex.

(c) The execution and delivery of the Letter of Intent and the consummation of the transactions contemplated by the Letter of Intent and

compliance with their terms will not, as of the closing of the Acquisitions (i) conflict with, or result in any violation of any provision of, the articles of incorporation or bylaws of Hemex, (ii) violate or conflict with, or result in a breach or termination of or default under, any agreement, instrument, license, judgment, order, decree, statute, law or regulation applicable to Hemex, or (iii) result in the creation or imposition of any lien on any asset of Hemex.

As soon as practicable following the execution of this Letter of Intent, the parties shall commence the preparation of one or more formal agreements which shall incorporate the terms and provisions set forth in this Letter of Intent as well as such other terms and conditions as are customarily included in such transaction documents. Each party agrees to negotiate in good faith such additional terms and conditions. However, in the event that the parties are unable to agree on such additional terms and conditions, this Letter of Intent and such additional terms and conditions as the parties may agree upon shall constitute the binding agreement of the parties and shall be fully enforceable in the event of a breach.

Mr. Franklyn S. Barry, Jr.

July 28, 1998

Page 6

If the foregoing is in accordance with your intentions and our understanding regarding the items set forth, please so indicate by signing below and returning a signed original of this letter to me. A duplicate original is provided for your records.

Very truly yours,

AETHLON, INC.

/s/ James A. Joyce

By: James A. Joyce
Its: President

AGREED AND ACCEPTED

Hemex, Inc., a Delaware corporation

/s/ Franklyn S. Barry

By: -----

President and CEO

Its: -----

Mr. Franklyn S. Barry, Jr.

July 28, 1998

Page 7

APPENDIX I

CONTEMPLATED USE OF PROCEEDS OF THE AETHLON OFFERING

The contemplated use of proceeds from the Aethlon Offering shall be as follows:

Aethlon transaction and administrative expenses:	\$ 95,000.00
Hemex transaction and administrative expenses including the reduction of accounts payable:	\$205,000.00
Hemex Phase II Clinical Trial preparation:	\$100,000.00

Mr. Franklyn S. Barry, Jr.

July 28, 1998

Page 8

APPENDIX II

CONTEMPLATED USE OF PROCEEDS OF THE BISHOP OFFERING

The contemplated use of proceeds from the Bishop Offering shall be as follows:

Bishop Offering expenses:	\$ 350,000.00
Working capital for the Consolidated Companies:	\$1,800,000.00
Reduction of accrued debt and expenses:	\$ 500,000.00
Offering expenses related to future follow-on raise:	\$ 350,000.00

In the event that the Bishop Offering for the Consolidated Companies is

on a minimum-maximum basis that allows for the Consolidated Companies to break escrow and obtain proceeds prior to the sale of the entire offering, then the use of proceeds shall be applied first to Offering Expenses and second to working capital and the reduction of accrued debt and expenses. Of those funds released from escrow, funds applied to the reduction of accrued debts and expenses will not exceed five percent (5%) of any amount up to Two Million Dollars (\$2,000,000.00), and will not exceed ten percent (10%) of any amount up to Two Million Five Hundred Thousand Dollars (\$2,500,000.00).

Mr. Franklyn S. Barry, Jr.

July 28, 1998

Page 9

APPENDIX III

TERMS AND CONDITIONS OF EMPLOYMENT CONTRACTS

In the event that Dr. Clara Ambrus, Franklyn S. Barry, Jr., and/or James A. Joyce (collectively, the "Employees" and individually an "Employee") fail to reach agreement with Bishop (the "Company") on the exact terms and conditions of their respective employment agreements, then the following respective terms and conditions shall constitute a binding employment contract for the Employee who so fails to reach agreement, to be interpreted as necessary by the Compensation Committee of the Board.

Term of Contract: Two (2) years, with automatic renewal for one (1) year periods unless notice is given prior to the expiration of the initial term (or such subsequent renewal term, if applicable).

Termination of Contract: Either party can terminate the contract upon sixty (60) days written notice; or the company may terminate immediately with or without cause.

Severance Package: If the employment contract is terminated by the Employee, or (ii) the Company for cause, then the Employee is not entitled to any severance pay; if the employment contract is terminated by the Company without cause, then the Company shall pay the Employee one (1) year of salary from the date of termination.

Non-Compete Provision: The Employee shall not compete, directly or indirectly, with any of the Consolidated Companies (i.e., Hemex, Aethlon or Bishop and any future acquired company) during the term of their employment.

Non-Disclosure Provision: The Employees shall not disclose any Confidential information to any third parties, at any time.

Disability Provision: After one hundred eighty (180) days of Complete disability, defined as inability to Substantially perform the duties required of such Employee prior to the disability, the Company can terminate the

Mr. Franklyn S. Barry, Jr.

July 28, 1998

Page 10

Employee with no further salary obligation and no further severance obligation.

Incentive Compensation: A pool created by twenty percent (20%) of net income over approved plan in any year is divided in proportion to each officer's salary as a percentage of all salaries of officers participating in the plan.

Stock Option Plan: A properly approved Incentive Stock Option Plan (the "Plan"), administered by a Compensation Committee of the Board of Directors, shall be in place within ninety (90) days of the completion of the Acquisitions. The Plan shall provide for Franklyn S. Barry, Jr. to be issued Options To purchase 412,500 shares of stock in the Consolidated Companies at the same price Offered to investors in the Aethlon Offering. The Option may be exercised at any time for five (5) years after the applicable lock-up period.

Miscellaneous: The Consolidated Companies shall promptly reimburse all reasonable expenses incurred by the Employee related to the performance of their duties as an Employee; the Consolidated Companies shall provide health insurance and long-term disability insurance to the Employee; and the Employee shall be entitled to four (4) weeks of paid vacation and reasonable time for personal matters.

Position/Title: Dr. Clara M. Ambrus shall be the Chief Scientific Officer of Hemex and Aethlon; Franklyn S. Barry, Jr., shall be a member of the board of directors, President, and Chief Executive Officer of Hemex and Aethlon; and James A. Joyce shall be the Chairman of the Board of Directors of Aethlon.

Salary: The salaries for 1998 shall be as follows: Dr. Clara Ambrus - \$80,000.00; Franklyn S. Barry, Jr. \$120,000.00; James A. Joyce \$108,000.00. The salaries shall be subject to adjustment at the end of each calendar year.

Mr. Franklyn S. Barry, Jr.
July 28, 1998
Page 11

/s/ Clara M. Ambrus

Clara M. Ambrus

/s/ Franklyn S. Barry, Jr.

Franklyn S. Barry, Jr.

/s/ James A. Joyce

James A. Joyce

AETHLON, INC.
7825 Fay Avenue
Suite 200
La Jolla, California 92037
Phone: (619) 456-5777
Fax: (619) 456-4690

July 15, 1998

Ms. Deborah Salerno
President
Bishop Equities, Inc.
355 Southend Avenue
Apartment 22B
New York, New York 10280

Re: Aethlon, Inc. Letter of Intent

Dear Ms. Salerno:

In accordance with our various discussions, this letter is written to evidence our mutual intention to enter into this non-binding Letter of Intent (the "Letter of Intent") pursuant to which Bishop Equities, Inc., a Nevada corporation ("Bishop"), will acquire both Aethlon, Inc., a California corporation ("Aethlon"), and Hemex, Inc., a Delaware corporation ("Hemex"). Bishop will acquire Aethlon through a tax-free exchange of stock pursuant to Section 368(a)(1)(B) of the Internal Revenue Code of 1986, as amended (hereinafter referred to as the "Aethlon Reorganization"). Bishop will also acquire Hemex through a separate tax-free exchange of stock pursuant to Section 368(a)(1)(B) of the Internal Revenue Code of 1986, as amended (hereinafter referred to as the "Hemex Reorganization"). For purposes of this Letter of Intent, Aethlon, Hemex, and Bishop are hereinafter collectively referred to as the "Consolidated Companies."

As soon as is practicable after entering into this Letter of Intent, Aethlon will also enter into another, separate letter of intent with Hemex (substantially in accordance with the Letter of Intent dated July 15, 1998, a copy of which is attached hereto as Exhibit "I"), pursuant to which Aethlon will secure the right for Bishop to complete the Hemex Reorganization immediately after the closing of the Aethlon Reorganization. The acquisition of Aethlon and Hemex by Bishop as contemplated hereby are hereinafter collectively referred to as the "Acquisitions."

Aethlon and Bishop agree that execution of this Letter of Intent is subject to the following terms and conditions:

Ms. Deborah Salerno
July 15, 1998
Page 2

1. Immediately prior to the Acquisitions, Bishop will have outstanding no more than 511,500 shares of its Common Stock. Within ninety (90) days following execution of the Aethlon-Hemex Letter of Intent by Hemex, Bishop will close the Aethlon Reorganization, whereby Aethlon's shareholders will transfer all outstanding shares of Aethlon stock to Bishop in return for 825,000 shares of Common Stock of Bishop. As soon as practicable after the close of the Aethlon Reorganization (but within ninety (90) days following execution of the Aethlon Hemex Letter of Intent by Hemex), Bishop will close the Hemex Reorganization, whereby Hemex' shareholders will transfer all outstanding shares of Hemex stock to Bishop in return for 1,350,000 shares of Common Stock of Bishop. Immediately following the Acquisitions, the total number of outstanding shares of Common Stock of Bishop will be 2,686,500, and the former shareholders of Hemex will collectively own approximately 50.25% of the outstanding shares of Bishop, the former shareholders of Aethlon will own approximately 30.71% of the outstanding shares of Bishop, and the original shareholders of Bishop will own approximately 19.04% of the outstanding shares of Bishop.

2. Upon completion of the Acquisitions, all of the Directors on Bishop's Board will immediately resign and shall be replaced by a slate of directors to be named by Aethlon's Board of Directors, a majority of which shall be approved by Hemex. In the event Bishop's Board is comprised of three (3) members, one (1) member shall be James A. Joyce, one (1) member shall be Franklyn S. Barry, Jr., and one (1) member shall be appointed by Hemex.

3. Bishop must acquire both Hemex and Aethlon, pursuant to this Letter of Intent and the Aethlon-Hemex Letter of Intent, and Bishop shall not have the right to acquire only one of the corporations without also acquiring the other. In the event that Bishop does not conclude both the Aethlon Reorganization and the Hemex Reorganization within ninety (90) days following execution of the Aethlon-Hemex Letter of Intent by Hemex, then both Aethlon and Bishop shall have the right to terminate this Letter of Intent, without obligation, by giving written notice of termination to the other party. Additionally, during the due diligence review period, either party may terminate this Letter of Intent, without obligation, by giving written notice of termination to the other party.

4. As a condition to the closing of the Hemex Reorganization and the Aethlon Reorganization, the original shareholders of Bishop will enter into an agreement with Aethlon pursuant to which the original shareholders of Bishop will agree that they will not, without prior written approval of Aethlon, offer for sale, sell, pledge, hypothecate or otherwise dispose of, directly or indirectly, any of the shares of Bishop stock which they may own legally or beneficially in any manner whatsoever, whether pursuant to Rule 144 of the Securities Act of 1933 or otherwise, for a period of time, to be negotiated in good faith prior to closing the Aethlon Reorganization by Aethlon and Bishop, from the date of the closing of the Acquisitions. As a further condition to the closing of the Hemex Reorganization and the Aethlon Reorganization, Bishop and all of its original shareholders will further agree and authorize Aethlon to take any actions (including, but not limited to, notification of Bishop's transfer agent

Ms. Deborah Salerno
July 15, 1998
Page 3

regarding any such restrictions) necessary to enforce this provision and restrict the sale or transfer of the Bishop shares as provided herein.

5. Each party shall pay for its own legal and accounting fees to consummate the Acquisitions.

6. Until consummation or termination of the Hemex Reorganization and Aethlon Reorganization, Bishop will conduct its business only in the ordinary course and none of the assets or properties of Bishop shall be sold or disposed of except in the ordinary course of business or with the consent of Aethlon. Bishop further agrees not to enter into any agreements regarding the sale, exchange, issuance, or other disposition of its stock, whether such stock be outstanding, treasury, and/or authorized but not issued, to any other person or persons, whether individual or corporate. Bishop further agrees not to take any actions that may lead to or result in Bishop being de-listed by the National Association of Stock Dealers Automated Quotations ("Nasdaq") OTC Bulletin Board (Nasdaq symbol: BSEQ).

7. In the event one or more audits are required of Bishop, Hemex, Aethlon or the Consolidated Companies as a prerequisite to any transaction contemplated herein, and such audit or audits cannot be completed within the time frames set forth herein, then each such deadline shall automatically be extended to a date sixty (60) days after such audited financial statements are

issued.

8. Aethlon makes the following representations and warranties to Bishop, which shall be incorporated into the parties' formal agreements and which shall survive the closing of the Acquisitions:

(a) Aethlon is a corporation duly organized, validly existing and in good standing under the laws of California, has the corporate power and authority to own, lease and operate its properties and assets and to carry on its business as it is now being conducted, and is duly qualified to do business and is in good standing in each jurisdiction in which its ownership or leasing of its properties or the conduct of its business requires such qualification.

(b) Aethlon has the requisite corporate power and authority to enter into this Letter of Intent and to carry out its obligations under this Letter of Intent. The execution and delivery of this Letter of Intent and the consummation of the transactions contemplated hereby have been duly and validly authorized by the Board of Directors of Aethlon, and no other corporate proceedings on the part of Aethlon are necessary to authorize the Letter of Intent and the transactions contemplated by this Letter of Intent.

(c) The execution and delivery of the Letter of Intent, the consummation of the transactions contemplated by this Letter of Intent and compliance with their terms will not, as of the closing of the Acquisitions (i) conflict with, or result in any violation of any provision of, the Articles of Incorporation or Bylaws of Aethlon, (ii) violate or conflict with,

Ms. Deborah Salerno
July 15, 1998
Page 4

or result in a breach or termination of or default under, any agreement, instrument, license, judgment, order, decree, statute, law or regulation applicable to Aethlon, or (iii) result in the creation or imposition of any lien on any asset of Aethlon.

9. Bishop makes the following representations and warranties to Aethlon, which shall survive the closing of the Acquisitions:

(a) Bishop is a corporation duly organized, validly existing and in good standing under the laws of Nevada, has the corporate power and authority to own, lease and operate its properties and assets and to carry on its business as it is now being conducted, and is duly qualified to do business and is in good standing in each jurisdiction in which its ownership or leasing of its properties or the conduct of its business requires such qualification.

(b) Bishop is a public corporation that is listed on the Nasdaq OTC Bulletin Board, is governed by the Securities Exchange Act of 1934, and is subject to regulation by the National Association of Stock Dealers ("NASD") and the Securities and Exchange Commission, and is currently in good standing with all governmental authorities, is current with all of its required regulatory filings, and is, to the best of its knowledge, not under investigation by any governmental authority.

(c) Bishop has the requisite corporate power and authority to enter into this Letter of Intent and to carry out its obligations under this Letter of Intent. The execution and delivery of this Letter of Intent and the consummation of the transactions contemplated hereby have been duly and validly authorized by the Board of Directors of Bishop and no other corporate proceedings on the part of Bishop are necessary to authorize the Letter of Intent and the transactions contemplated by this Letter of Intent.

(d) The execution and delivery of the Letter of Intent, the consummation of the transactions contemplated by the Letter of Intent and compliance with their terms will not, as of the closing of the Acquisitions (i) conflict with, or result in any violation of any provision of, the articles of incorporation or bylaws of Bishop, (ii) violate or conflict with, or result in a breach or termination of or default under, any agreement, instrument, license, judgment, order, decree, statute, law or regulation applicable to Bishop, or (iii) result in the creation or imposition of any lien on any asset of Bishop.

(e) The Common Stock of Bishop that Bishop will issue to the former shareholders of Aethlon and Hemex hereunder, when issued and delivered in accordance with the terms of this Letter of Intent, will be duly and validly issued, fully paid, and nonassessable, and will be free of restrictions on transfer other than restrictions (i) under this Letter of Intent, (ii) under the letter of intent between Hemex and Aethlon, and (iii) under applicable state and federal securities laws.

Ms. Deborah Salerno
July 15, 1998
Page 4

or result in a breach or termination of or default under, any agreement,

instrument, license, judgment, order, decree, statute, law or regulation applicable to Aethlon, or (iii) result in the creation or imposition of any lien on any asset of Aethlon.

9. Bishop makes the following representations and warranties to Aethlon, which shall survive the closing of the Acquisitions:

(a) Bishop is a corporation duly organized, validly existing and in good standing under the laws of Nevada, has the corporate power and authority to own, lease and operate its properties and assets and to carry on its business as it is now being conducted, and is duly qualified to do business and is in good standing in each jurisdiction in which its ownership or leasing of its properties or the conduct of its business requires such qualification.

(b) Bishop is a public corporation that is listed on the Nasdaq OTC Bulletin Board, is governed by the Securities Exchange Act of 1934, and is subject to regulation by the National Association of Stock Dealers C`NASD'~ and the Securities and Exchange Commission, and is currently in good standing with all governmental authorities, is current with all of its required regulatory filings, and is, to the best of its knowledge, not under investigation by any governmental authority.

(c) Bishop has the requisite corporate power and authority to enter into this Letter of Intent and to carry out its obligations under this Letter of Intent. The execution and delivery of this Letter of Intent and the consummation of the transactions contemplated hereby have been duly and validly authorized by the Board of Directors of Bishop and no other corporate proceedings on the part of Bishop are necessary to authorize the Letter of Intent and the transactions contemplated by this Letter of Intent.

(d) The execution and delivery of the Letter of Intent, the consummation of the transactions 'Contemplated by the Letter of Intent and compliance with their terms will not, as of the closing of the Acquisitions (i) conflict with, or result in any violation of any provision of, the articles of incorporation or bylaws of Bishop, (ii) violate or conflict with, or result in a breach or termination of or default under, any agreement, instrument, license, judgment, order, decree, statute, law or regulation applicable to Bishop, or (iii) result in the creation or imposition of any lien on any asset of Bishop.

(e) The Common Stock of Bishop that Bishop will issue to the former shareholders of Aethlon and Hemex hereunder, when issued and delivered in accordance with the terms of this Letter of Intent, will be duly and validly issued, fully paid, and nonassessable, and will be free of restrictions on transfer other than restrictions (i) under this Letter of Intent, (ii) under the letter of intent between Hemex and Aethlon, and (iii) under applicable state and federal securities laws.

Ms. Deborah Salerno
July 15, 1998
Page 5

As soon practicable following the execution of this Letter of Intent, the parties shall commence the preparation on one or more formal agreements which shall incorporate the terms and provisions set forth in this Letter of Intent as well as such other terms and conditions as are customarily included in such transaction documents. Each party agrees to negotiate in good faith such additional terms and conditions. Except as provided above, neither Aethlon nor Bishop will be under any legal obligation to the other until such time as formal agreement(s) have been executed.

If the foregoing is in, accordance with your intentions and our understanding regarding the items set forth, please so indicate by signing below and returning a signed original of this letter to me. A duplicate original is provided for your records.

Very truly yours,

AETHLON, INC

/s/ James A. Joyce

By: James A. Joyce
Its President

AGREED AND ACCEPTED

Bishop Equities, Inc., a Nevada corporation

/s/ Deborah Salerno

By: -----
Deborah Salerno
Its: President

UNANIMOUS CONSENT IN LIEU OF
SPECIAL MEETING OF THE BOARD OF DIRECTORS
OF BISHOP EQUITIES, INC.

The undersigned, constituting the entire Board of Directors of Bishop Equities, Inc. (the "Company") hereby ratifies and approves the following resolutions with the same formality as if the matters had been put to a vote of the Directors at a meeting held upon notice:

RESOLVED, that the officers may take all actions necessary in connection with the execution and delivery and performance in accordance with the Agreement and Plan of Reorganization for the Acquisition of All of the Outstanding Shares of Common Stock of Hemex, Inc., by Bishop Equities, Inc.; and it is further

RESOLVED, that the officers may take all actions necessary in connection with the execution and delivery and performance in accordance with the Agreement and Plan of Reorganization for the Acquisition of All of the Outstanding Shares of Common Stock of Aethlon, Inc., by Bishop Equities, Inc.; and it is further

RESOLVED, that the following persons are hereby elected and appointed to serve as members of the Board of Directors of the Company, effective as of the closing date of the Reorganization:

Franklyn S. Barry, Jr.
James A. Joyce
Edward G. Broenniman

and it is further

RESOLVED, that the Company accepts the resignations of its officers, Deborah Salerno and Maureen Abato, effective as of the closing date of the Reorganization.

Deborah Salerno

Maureen Abato

Dated: As of February 22, 1999

INDEMNITY AGREEMENT

THIS INDEMNITY AGREEMENT, dated as of February 12, 1999, is made and entered into by and between BISHOP EQUITIES, INC., a Nevada corporation (the "Company"), and FRANKLYN S. BARRY, JR. ("BARRY").

WHEREAS, BARRY is currently serving as a director of the Company;

WHEREAS, the Articles of Incorporation (the "Charter") of the Company provides that the Company will indemnify, in the manner and to the fullest extent permitted by the Nevada Revised Statutes (the "NRS"), certain persons against specified expenses arising out of certain threatened, pending or completed actions, suits or proceedings; and

WHEREAS, in order to induce BARRY to continue to serve the Company in his present capacity, and to provide BARRY with specific contractual assurance that the protection authorized by the Charter will be available to BARRY, the Company wishes to enter into this Agreement.

NOW THEREFORE, the Company and BARRY hereby agree as follows:

1. Definitions. The following terms, as used herein, shall have the following meanings.

(a) "Suit" shall mean any claim, demand, action, suit, lawsuit, arbitration, mediation, hearing, or proceeding.

(b) "Covered Claim" shall mean any threatened, pending or completed Suit, whether civil, criminal, administrative or investigative, by reason of the

fact that BARRY is or was a director of the Company.

(c) "Determination" shall mean a determination, based upon the facts known at the time, made by:

(i) the Board of Directors of the Company, by the vote of a majority of the directors who are not parties to the Suit in question, even though less than a quorum;

(ii) if there are no such disinterested directors, or if such disinterested directors so direct, by independent legal counsel in a written opinion;

(iii) the stockholders of the Company; or

(iv) a court or arbitrator of competent jurisdiction in a final, nonappealable adjudication.

In the event that there are conflicting determinations, the determination shall be given effect in the following order of precedence: First, by a court or arbitrator of competent jurisdiction in a final, nonappealable adjudication; second, to the stockholders of the Company; third, to the independent legal counsel in a written opinion; and last, to the Board of Directors of the Company.

(d) "Payment" shall mean all costs and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by BARRY in connection with or relating to a Covered Claim.

2. Indemnification. The Company shall indemnify and hold harmless BARRY against and from any and all Payments to the extent that:

(a) the Company shall not have advanced expenses to BARRY pursuant to the provisions of the Charter or otherwise and no Determination shall have been made pursuant to such Charter provision or the NRS that BARRY is not entitled to indemnification;

(b) BARRY shall not already have received payment on account of such Payments from any third party, including, without limitation, pursuant to one or more valid and collectible insurance policies; and

(c) such indemnification by the Company is not unlawful.

Notwithstanding anything contained in this Agreement to the contrary, except for proceedings to enforce rights to indemnification or advancement of expenses pursuant to Section 4 hereof, the Company shall have no obligation to indemnify BARRY in connection with a proceeding (or part thereof) initiated by BARRY unless such proceeding (or part thereof) was authorized or consented to by the Board of Directors of the Company. Further, the Company shall have no obligation to indemnify BARRY under this Agreement for any amounts paid in a settlement of any Suit effected without the Company's prior written consent, which consent shall not be unreasonably withheld. The Company shall not settle any Suit in any manner that would impose any obligation on BARRY (regardless of whether BARRY would be entitled to indemnification for obligations) without BARRY's prior written consent, which consent shall not be unreasonably withheld.

3. Indemnification Procedure; Advancements of Expenses.

(a) If at the time of receipt of any notice pursuant to Section 9 hereof the Company has directors' and officers' liability insurance in effect, the Company shall give prompt notice of the commencement of such Suit to the insurers in accordance with the procedures set forth in the respective policies in favor of BARRY. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of BARRY, all Payments payable as a result of such Suit in accordance with the terms of such policies.

(b) All expenses, including attorneys' fees, incurred by BARRY in defending any Covered Claim shall be paid by the Company in advance of the final disposition of such Covered Claim upon an undertaking by or on behalf of BARRY to repay such amount if it shall ultimately be determined by a court or arbitrator of competent jurisdiction in a final, nonappealable adjudication that he is not entitled to be indemnified by the Company as authorized herein. BARRY hereby undertakes to and agrees that he will repay the Company for any expenses advanced by or on behalf of the Company pursuant to this Section 3(b) if it shall ultimately be determined by a court of competent jurisdiction in a final, nonappealable adjudication that BARRY is not entitled to indemnification under this Agreement.

(c) If the Company shall advance the expenses of any such Suit pursuant to Section (b) hereof, it shall be entitled to assume the defense of such Suit, if appropriate, with counsel reasonably satisfactory to BARRY, upon delivery to BARRY of written notice of its election so to do. After delivery of such notice, the Company shall not be liable to BARRY under this Agreement for any expenses subsequently incurred by BARRY in connection with such defense other than reasonable expenses of investigation; provided, however, that:

(i) BARRY shall have the right to employ separate counsel in any such Suit provided that the fees and expenses of such counsel incurred after delivery of notice by the Company of its assumption of such defense shall be at BARRY's own expense; and

(ii) the fees and expenses of counsel employed by BARRY shall be at the expense of the Company if (x) the employment of counsel by BARRY has previously been authorized by the Company, (y) BARRY shall have reasonably concluded that there may be a conflict of interest between the Company and BARRY in the conduct of any such defense (provided, that the Company shall not be required to pay for more than one counsel to represent two or more indemnitees where such indemnitees have reasonably concluded that there is no conflict of interest among them in the conduct of such defense) or (z) the Company shall not, in fact, have employed counsel reasonably satisfactory to BARRY to assume the defense of such Suit.

(d) All payments on account of the Company's advancement obligations under Section (b) hereof shall be made within 20 days of BARRY's written request therefor. All other payments on account of the Company's obligations under this Agreement shall be made within 60 days of BARRY's written request therefor, unless a Determination is made that the claims giving rise to BARRY's request are not payable under this Agreement. Each request for payment hereunder shall be accompanied by evidence reasonably satisfactory to the Company of BARRY's incurrence of the expenses for which such payment is sought.

4. Enforcement of Indemnification; Burden of Proof. If a claim for indemnification or advancement of expenses under this Agreement is not paid in full by or on behalf of the Company within the time period specified in Section 3(d) hereof, BARRY may at any time thereafter bring suit against the Company to recover the unpaid amount of such claim. In any such action the Company shall have the burden of proving that indemnification is not required under this Agreement.

5. Partial Indemnification. If BARRY is entitled under any provision of this Agreement to indemnification by the Company for some portion of any Payments, but not, however, for the total amount thereof, the Company shall nevertheless indemnify BARRY for the portion of any such Payments to which BARRY is entitled.

6. Right Not Exclusive. The rights to indemnification and advancement of expenses provided hereunder shall not be deemed exclusive of any other rights to which BARRY may be entitled under any bylaw, agreement, vote of stockholders or disinterested directors or otherwise as to action in BARRY's official capacity or as to action in another capacity while holding such office.

7. Subrogation. In the event of payment under this Agreement by or on behalf of the Company, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of BARRY, who shall execute all papers that may be required and shall do all things that may be necessary to secure such rights, including, without limitation, the execution of such documents as may be necessary to enable the Company effectively to bring suit to enforce such rights.

8. Notice of Claim. Promptly after receipt by BARRY of notice of the commencement or threat of commencement of any civil, criminal, administrative or investigative Suit, BARRY shall, if indemnification with respect thereto may be sought from the Company under this Agreement, notify the Company thereof in writing at its principal office and directed to the Corporate Secretary (or such other address as the Company shall designate in writing to BARRY); notice shall be deemed received if sent by prepaid mail properly addressed, the date of such notice being the date postmarked. In addition, BARRY shall give the Company such information and cooperation as it may reasonably require and as shall be within BARRY's power.

9. Choice of Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Nevada, without giving effect to the principals of conflict of laws thereunder.

10. Jurisdiction. The Company and BARRY hereby irrevocably consent to the jurisdiction of the courts of the State of Nevada for all purposes in connection with any Suit that arises out of or relates to this Agreement, and agree that any action instituted under this Agreement shall be brought only in the state courts of the State of Nevada.

11. Coverage. The provisions of this Agreement shall apply to BARRY's service as a director, officer, employee or agent of the Company or at the Company's request, as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise with respect to all periods of such service prior to and after the date of this Agreement, even though BARRY may have ceased such service at the time of indemnification hereunder.

12. Attorneys' Fees. If any Suit is commenced in connection with or related to this Agreement, the prevailing party shall be entitled to have its costs and

expenses, including, without limitation, reasonable attorneys' fees and reasonable expenses of investigation, paid by the losing party.

13. Severability. In the event that any provision of this Agreement is determined by a court to require the Company to do or to fail to do an act that is in violation of any applicable law, such provision shall be limited or modified in its application to the minimum extent necessary to avoid a violation of law, and, as so limited or modified, such provision and the balance of this Agreement shall be enforceable in accordance with their terms.

14. Successors and Assigns. The Agreement shall be binding upon all successors and assigns of the Company, including any transferee of all or substantially all of its assets and any successor by merger or otherwise by operation of law, and shall be binding upon and inure to the benefit of the heirs, executors and administrators of BARRY.

15. Descriptive Headings. The descriptive headings in this Agreement are included for the convenience of the parties only and shall not affect the construction of this Agreement.

16. Counterparts. This Agreement may be executed in two counterparts, both of which taken together shall constitute one document.

17. Amendment. No amendment, modification, termination or cancellation of this Agreement shall be effective unless made in writing and signed by each of the parties hereto.

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

The Company: BISHOP EQUITIES, INC.
a Nevada corporation

By: -----
Its Duly Authorized Officer

BARRY:

FRANKLYN S. BARRY, JR.

INDEMNITY AGREEMENT

THIS INDEMNITY AGREEMENT, dated as of February 12, 1999, is made and entered into by and between BISHOP EQUITIES, INC., a Nevada corporation (the "Company"), and JAMES A. JOYCE ("JOYCE").

WHEREAS, JOYCE is currently serving as a director of the Company;

WHEREAS, the Articles of Incorporation (the "Charter") of the Company provides that the Company will indemnify, in the manner and to the fullest extent permitted by the Nevada Revised Statutes (the "NRS"), certain persons against specified expenses arising out of certain threatened, pending or completed actions, suits or proceedings; and

WHEREAS, in order to induce JOYCE to continue to serve the Company in his present capacity, and to provide JOYCE with specific contractual assurance that the protection authorized by the Charter will be available to JOYCE, the Company wishes to enter into this Agreement.

NOW THEREFORE, the Company and JOYCE hereby agree as follows:

1. Definitions. The following terms, as used herein, shall have the following meanings.

(a) "Suit" shall mean any claim, demand, action, suit, lawsuit, arbitration, mediation, hearing, or proceeding.

(b) "Covered Claim" shall mean any threatened, pending or completed Suit, whether civil, criminal, administrative or investigative, by reason of the fact that JOYCE is or was a director of the Company.

(c) "Determination" shall mean a determination, based upon the facts known at the time, made by:

(i) the Board of Directors of the Company, by the vote of a majority of the directors who are not parties to the Suit in question, even

though less than a quorum;

(ii) if there are no such disinterested directors, or if such disinterested directors so direct, by independent legal counsel in a written opinion;

(iii) the stockholders of the Company; or

(iv) a court or arbitrator of competent jurisdiction in a final, nonappealable adjudication.

In the event that there are conflicting determinations, the determination shall be given effect in the following order of precedence: First, by a court or arbitrator of competent jurisdiction in a final, nonappealable adjudication; second, to the stockholders of the Company; third, to the independent legal counsel in a written opinion; and last, to the Board of Directors of the Company.

(d) "Payment" shall mean all costs and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by JOYCE in connection with or relating to a Covered Claim.

2. Indemnification. The Company shall indemnify and hold harmless JOYCE against and from any and all Payments to the extent that:

(a) the Company shall not have advanced expenses to JOYCE pursuant to the provisions of the Charter or otherwise and no Determination shall have been made pursuant to such Charter provision or the NRS that JOYCE is not entitled to indemnification;

(b) JOYCE shall not already have received payment on account of such Payments from any third party, including, without limitation, pursuant to one or more valid and collectible insurance policies; and

(c) such indemnification by the Company is not unlawful.

Notwithstanding anything contained in this Agreement to the contrary, except for proceedings to enforce rights to indemnification or advancement of expenses pursuant to Section 4 hereof, the Company shall have no obligation to indemnify JOYCE in connection with a proceeding (or part thereof) initiated by JOYCE unless such proceeding (or part thereof) was authorized or consented to by the Board of Directors of the Company. Further, the Company shall have no obligation to indemnify JOYCE under this Agreement for any amounts paid in a settlement of any Suit effected without the Company's prior written consent, which consent shall not be unreasonably withheld. The Company shall not settle any Suit in any manner that would impose any obligation on JOYCE (regardless of whether JOYCE would be entitled to indemnification for obligations) without JOYCE's prior written consent, which consent shall not be unreasonably withheld.

3. Indemnification Procedure; Advancements of Expenses.

(a) If at the time of receipt of any notice pursuant to Section 9 hereof the Company has directors' and officers' liability insurance in effect, the Company shall give prompt notice of the commencement of such Suit to the insurers in accordance with the procedures set forth in the respective policies in favor of JOYCE. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of JOYCE, all Payments payable as a result of such Suit in accordance with the terms of such policies.

(b) All expenses, including attorneys' fees, incurred by JOYCE in defending any Covered Claim shall be paid by the Company in advance of the final disposition of such Covered Claim upon an undertaking by or on behalf of JOYCE to repay such amount if it shall ultimately be determined by a court or arbitrator of competent jurisdiction in a final, nonappealable adjudication that he is not entitled to be indemnified by the Company as authorized herein. JOYCE hereby undertakes to and agrees that he will repay the Company for any expenses advanced by or on behalf of the Company pursuant to this Section 3(b) if it shall ultimately be determined by a court of competent jurisdiction in a final, nonappealable adjudication that JOYCE is not entitled to indemnification under this Agreement.

(c) If the Company shall advance the expenses of any such Suit pursuant to Section (b) hereof, it shall be entitled to assume the defense of such Suit, if appropriate, with counsel reasonably satisfactory to JOYCE, upon delivery to JOYCE of written notice of its election so to do. After delivery of such notice, the Company shall not be liable to JOYCE under this Agreement for any expenses subsequently incurred by JOYCE in connection with such defense other than reasonable expenses of investigation; provided, however, that:

(i) JOYCE shall have the right to employ separate counsel in any such Suit provided that the fees and expenses of such counsel incurred after delivery of notice by the Company of its assumption of such defense shall be at JOYCE's own expense; and

(ii) the fees and expenses of counsel employed by JOYCE shall be at the

expense of the Company if (x) the employment of counsel by JOYCE has previously been authorized by the Company, (y) JOYCE shall have reasonably concluded that there may be a conflict of interest between the Company and JOYCE in the conduct of any such defense (provided, that the Company shall not be required to pay for more than one counsel to represent two or more indemnitees where such indemnitees have reasonably concluded that there is no conflict of interest among them in the conduct of such defense) or (z) the Company shall not, in fact, have employed counsel reasonably satisfactory to JOYCE to assume the defense of such Suit.

(d) All payments on account of the Company's advancement obligations under Section (b) hereof shall be made within 20 days of JOYCE's written request therefor. All other payments on account of the Company's obligations under this Agreement shall be made within 60 days of JOYCE's written request therefor, unless a Determination is made that the claims giving rise to JOYCE's request are not payable under this Agreement. Each request for payment hereunder shall be accompanied by evidence reasonably satisfactory to the Company of JOYCE's incurrence of the expenses for which such payment is sought.

4. Enforcement of Indemnification; Burden of Proof. If a claim for indemnification or advancement of expenses under this Agreement is not paid in full by or on behalf of the Company within the time period specified in Section 3(d) hereof, JOYCE may at any time thereafter bring suit against the Company to recover the unpaid amount of such claim. In any such action the Company shall have the burden of proving that indemnification is not required under this Agreement.

5. Partial Indemnification. If JOYCE is entitled under any provision of this Agreement to indemnification by the Company for some portion of any Payments, but not, however, for the total amount thereof, the Company shall nevertheless indemnify JOYCE for the portion of any such Payments to which JOYCE is entitled.

6. Right Not Exclusive. The rights to indemnification and advancement of expenses provided hereunder shall not be deemed exclusive of any other rights to which JOYCE may be entitled under any bylaw, agreement, vote of stockholders or disinterested directors or otherwise as to action in JOYCE's official capacity or as to action in another capacity while holding such office.

7. Subrogation. In the event of payment under this Agreement by or on behalf of the Company, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of JOYCE, who shall execute all papers that may be required and shall do all things that may be necessary to secure such rights, including, without limitation, the execution of such documents as may be necessary to enable the Company effectively to bring suit to enforce such rights.

8. Notice of Claim. Promptly after receipt by JOYCE of notice of the commencement or threat of commencement of any civil, criminal, administrative or investigative Suit, JOYCE shall, if indemnification with respect thereto may be sought from the Company under this Agreement, notify the Company thereof in writing at its principal office and directed to the Corporate Secretary (or such other address as the Company shall designate in writing to JOYCE); notice shall be deemed received if sent by prepaid mail properly addressed, the date of such notice being the date postmarked. In addition, JOYCE shall give the Company such information and cooperation as it may reasonably require and as shall be within JOYCE's power.

9. Choice of Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Nevada, without giving effect to the principals of conflict of laws thereunder.

10. Jurisdiction. The Company and JOYCE hereby irrevocably consent to the jurisdiction of the courts of the State of Nevada for all purposes in connection with any Suit that arises out of or relates to this Agreement, and agree that any action instituted under this Agreement shall be brought only in the state courts of the State of Nevada.

11. Coverage. The provisions of this Agreement shall apply to JOYCE's service as a director, officer, employee or agent of the Company or at the Company's request, as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise with respect to all periods of such service prior to and after the date of this Agreement, even though JOYCE may have ceased such service at the time of indemnification hereunder.

12. Attorneys' Fees. If any Suit is commenced in connection with or related to this Agreement, the prevailing party shall be entitled to have its costs and expenses, including, without limitation, reasonable attorneys' fees and reasonable expenses of investigation, paid by the losing party.

13. Severability. In the event that any provision of this Agreement is determined by a court to require the Company to do or to fail to do an act that is in violation of any applicable law, such provision shall be limited or modified in its application to the minimum extent necessary to avoid a violation

of law, and, as so limited or modified, such provision and the balance of this Agreement shall be enforceable in accordance with their terms.

14. Successors and Assigns. The Agreement shall be binding upon all successors and assigns of the Company, including any transferee of all or substantially all of its assets and any successor by merger or otherwise by operation of law, and shall be binding upon and inure to the benefit of the heirs, executors and administrators of JOYCE.

15. Descriptive Headings. The descriptive headings in this Agreement are included for the convenience of the parties only and shall not affect the construction of this Agreement.

16. Counterparts. This Agreement may be executed in two counterparts, both of which taken together shall constitute one document.

17. Amendment. No amendment, modification, termination or cancellation of this Agreement shall be effective unless made in writing and signed by each of the parties hereto.

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

The Company: BISHOP EQUITIES, INC.
a Nevada corporation

By: -----
Its Duly Authorized Officer

JOYCE:

JAMES A. JOYCE

INDEMNITY AGREEMENT

THIS INDEMNITY AGREEMENT, dated as of February 12, 1999, is made and entered into by and between BISHOP EQUITIES, INC., a Nevada corporation (the "Company"), and EDWARD G. BROENNIMAN ("BROENNIMAN").

WHEREAS, BROENNIMAN is currently serving as a director of the Company;

WHEREAS, the Articles of Incorporation (the "Charter") of the Company provides that the Company will indemnify, in the manner and to the fullest extent permitted by the Nevada Revised Statutes (the "NRS"), certain persons against specified expenses arising out of certain threatened, pending or completed actions, suits or proceedings; and

WHEREAS, in order to induce BROENNIMAN to continue to serve the Company in his present capacity, and to provide BROENNIMAN with specific contractual assurance that the protection authorized by the Charter will be available to BROENNIMAN, the Company wishes to enter into this Agreement.

NOW THEREFORE, the Company and BROENNIMAN hereby agree as follows:

1. Definitions. The following terms, as used herein, shall have the following meanings.

(a) "Suit" shall mean any claim, demand, action, suit, lawsuit, arbitration, mediation, hearing, or proceeding.

(b) "Covered Claim" shall mean any threatened, pending or completed Suit, whether civil, criminal, administrative or investigative, by reason of the fact that BROENNIMAN is or was a director of the Company.

(c) "Determination" shall mean a determination, based upon the facts known at the time, made by:

(i) the Board of Directors of the Company, by the vote of a majority of the directors who are not parties to the Suit in question, even though less than a quorum;

(ii) if there are no such disinterested directors, or if such disinterested directors so direct, by independent legal counsel in a written opinion;

(iii) the stockholders of the Company; or

(iv) a court or arbitrator of competent jurisdiction in a final, nonappealable adjudication.

In the event that there are conflicting determinations, the determination shall be given effect in the following order of precedence: First, by a court or arbitrator of competent jurisdiction in a final, nonappealable adjudication; second, to the stockholders of the Company; third, to the independent legal counsel in a written opinion; and last, to the Board of Directors of the Company.

(d) "Payment" shall mean all costs and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by BROENNIMAN in connection with or relating to a Covered Claim.

2. Indemnification. The Company shall indemnify and hold harmless BROENNIMAN against and from any and all Payments to the extent that:

(a) the Company shall not have advanced expenses to BROENNIMAN pursuant to the provisions of the Charter or otherwise and no Determination shall have been made pursuant to such Charter provision or the NRS that BROENNIMAN is not entitled to indemnification;

(b) BROENNIMAN shall not already have received payment on account of such Payments from any third party, including, without limitation, pursuant to one or more valid and collectible insurance policies; and

(c) such indemnification by the Company is not unlawful.

Notwithstanding anything contained in this Agreement to the contrary, except for proceedings to enforce rights to indemnification or advancement of expenses pursuant to Section 4 hereof, the Company shall have no obligation to indemnify BROENNIMAN in connection with a proceeding (or part thereof) initiated by BROENNIMAN unless such proceeding (or part thereof) was authorized or consented to by the Board of Directors of the Company. Further, the Company shall have no obligation to indemnify BROENNIMAN under this Agreement for any amounts paid in a settlement of any Suit effected without the Company's prior written consent, which consent shall not be unreasonably withheld. The Company shall not settle any Suit in any manner that would impose any obligation on BROENNIMAN (regardless of whether BROENNIMAN would be entitled to indemnification for obligations) without BROENNIMAN's prior written consent, which consent shall not be unreasonably withheld.

3. Indemnification Procedure; Advancements of Expenses.

(a) If at the time of receipt of any notice pursuant to Section 9 hereof the Company has directors' and officers' liability insurance in effect, the Company shall give prompt notice of the commencement of such Suit to the insurers in accordance with the procedures set forth in the respective policies in favor of BROENNIMAN. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of BROENNIMAN, all Payments payable as a result of such Suit in accordance with the terms of such policies.

(b) All expenses, including attorneys' fees, incurred by BROENNIMAN in defending any Covered Claim shall be paid by the Company in advance of the final disposition of such Covered Claim upon an undertaking by or on behalf of BROENNIMAN to repay such amount if it shall ultimately be determined by a court or arbitrator of competent jurisdiction in a final, nonappealable adjudication that he is not entitled to be indemnified by the Company as authorized herein. BROENNIMAN hereby undertakes to and agrees that he will repay the Company for any expenses advanced by or on behalf of the Company pursuant to this Section 3(b) if it shall ultimately be determined by a court of competent jurisdiction in a final, nonappealable adjudication that BROENNIMAN is not entitled to indemnification under this Agreement.

(c) If the Company shall advance the expenses of any such Suit pursuant to Section (b) hereof, it shall be entitled to assume the defense of such Suit, if appropriate, with counsel reasonably satisfactory to BROENNIMAN, upon delivery to BROENNIMAN of written notice of its election so to do. After delivery of such notice, the Company shall not be liable to BROENNIMAN under this Agreement for any expenses subsequently incurred by BROENNIMAN in connection with such defense other than reasonable expenses of investigation; provided, however, that:

(i) BROENNIMAN shall have the right to employ separate counsel in any such Suit provided that the fees and expenses of such counsel incurred after delivery of notice by the Company of its assumption of such defense shall be at BROENNIMAN's own expense; and

(ii) the fees and expenses of counsel employed by BROENNIMAN shall be at the expense of the Company if (x) the employment of counsel by BROENNIMAN has previously been authorized by the Company, (y) BROENNIMAN shall have reasonably concluded that there may be a conflict of interest between the Company and BROENNIMAN in the conduct of any such defense (provided, that the Company shall not be required to pay for more than one counsel to represent two or more

indemnitees where such indemnitees have reasonably concluded that there is no conflict of interest among them in the conduct of such defense) or (z) the Company shall not, in fact, have employed counsel reasonably satisfactory to BROENNIMAN to assume the defense of such Suit.

(d) All payments on account of the Company's advancement obligations under Section (b) hereof shall be made within 20 days of BROENNIMAN's written request therefor. All other payments on account of the Company's obligations under this Agreement shall be made within 60 days of BROENNIMAN's written request therefor, unless a Determination is made that the claims giving rise to BROENNIMAN's request are not payable under this Agreement. Each request for payment hereunder shall be accompanied by evidence reasonably satisfactory to the Company of BROENNIMAN's incurrence of the expenses for which such payment is sought.

4. Enforcement of Indemnification; Burden of Proof. If a claim for indemnification or advancement of expenses under this Agreement is not paid in full by or on behalf of the Company within the time period specified in Section 3(d) hereof, BROENNIMAN may at any time thereafter bring suit against the Company to recover the unpaid amount of such clam. In any such action the Company shall have the burden of proving that indemnification is not required under this Agreement.

5. Partial Indemnification. If BROENNIMAN is entitled under any provision of this Agreement to indemnification by the Company for some portion of any Payments, but not, however, for the total amount thereof, the Company shall nevertheless indemnify BROENNIMAN for the portion of any such Payments to which BROENNIMAN is entitled.

6. Right Not Exclusive. The rights to indemnification and advancement of expenses provided hereunder shall not be deemed exclusive of any other rights to which BROENNIMAN may be entitled under any bylaw, agreement, vote of stockholders or disinterested directors or otherwise as to action in BROENNIMAN's official capacity or as to action in another capacity while holding such office.

7. Subrogation. In the event of payment under this Agreement by or on behalf of the Company, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of BROENNIMAN, who shall execute all papers that may be required and shall do all things that may be necessary to secure such rights, including, without limitation, the execution of such documents as may be necessary to enable the Company effectively to bring suit to enforce such rights.

8. Notice of Claim. Promptly after receipt by BROENNIMAN of notice of the commencement or threat of commencement of any civil, criminal, administrative or investigative Suit, BROENNIMAN shall, if indemnification with respect thereto may be sought from the Company under this Agreement, notify the Company thereof in writing at its principal office and directed to the Corporate Secretary (or such other address as the Company shall designate in writing to BROENNIMAN); notice shall be deemed received if sent by prepaid mail properly addressed, the date of such notice being the date postmarked. In addition, BROENNIMAN shall give the Company such information and cooperation as it may reasonably require and as shall be within BROENNIMAN's power.

9. Choice of Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Nevada, without giving effect to the principals of conflict of laws thereunder.

10. Jurisdiction. The Company and BROENNIMAN hereby irrevocably consent to the jurisdiction of the courts of the State of Nevada for all purposes in connection with any Suit that arises out of or relates to this Agreement, and agree that any action instituted under this Agreement shall be brought only in the state courts of the State of Nevada.

11. Coverage. The provisions of this Agreement shall apply to BROENNIMAN's service as a director, officer, employee or agent of the Company or at the Company's request, as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise with respect to all periods of such service prior to and after the date of this Agreement, even though BROENNIMAN may have ceased such service at the time of indemnification hereunder.

12. Attorneys' Fees. If any Suit is commenced in connection with or related to this Agreement, the prevailing party shall be entitled to have its costs and expenses, including, without limitation, reasonable attorneys' fees and reasonable expenses of investigation, paid by the losing party.

13. Severability. In the event that any provision of this Agreement is determined by a court to require the Company to do or to fail to do an act that is in violation of any applicable law, such provision shall be limited or modified in its application to the minimum extent necessary to avoid a violation of law, and, as so limited or modified, such provision and the balance of this Agreement shall be enforceable in accordance with their terms.

(Signature of Shareholder)

(Printed Name of Shareholder)

MAUREEN ABATO
ATTORNEY AT LAW
330 EAST 39th STREET - #36-C
New York, NY 10016
Tel: (212) 883-0878; Fax: (212) 883-0877

-----, 1999

To the Shareholders of Aethlon, Inc.

Ladies and Gentlemen:

I have acted as counsel to Bishop Equities, Inc., a Nevada corporation (the "Company") in connection with the Agreement and Plan of Reorganization for the Acquisition of all of the outstanding shares of common stock of Aethlon, Inc. ("Aethlon") by the Company ("the Plan"). This opinion is furnished to you pursuant to Section 1.3.6 of the Plan.

I have participated in the preparation of and have examined the proceedings of the Company in connection with the approval thereof and the authorization of the transactions contemplated thereby, and have further examined such corporate records and documents of the Company and certificates of officers of the Company, and public officials, as I have deemed relevant and necessary to enable me to render this opinion. I have relied on the accuracy of certain representations and warranties of the Company and Aethlon contained in the Plan and have relied upon such records, documents and certificates with respect to the accuracy of certain factual matters, without independent verification of the matters covered thereby. In my examination of such records, documents and certificates, I have assumed the authenticity of all documents submitted to me as originals, the conformity to original documents of all documents submitted to me as certified or photostatic copies of original documents, the authenticity of the originals of such latter documents, and the accuracy of the statements contained in such certificates.

Based upon and in reliance upon the foregoing, I am of the opinion that:

1. The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Nevada and has all requisite corporate power and authority to own and lease its properties and to conduct its business as presently conducted.

2. The authorized capital stock of the Company consists of 25,000,000 common shares, par value \$.001 per share, of which 511,500 are issued and outstanding; and all of the issued and outstanding shares of capital stock have been duly and validly authorized and issued and are fully paid and nonassessable, and to the best of my knowledge have not been issued in violation of any preemptive right, co-sale right, registration right, right of first refusal or other similar right, and such shares are free and clear of any liens or other encumbrances.

Shareholders of Aethlon, Inc.
Page Two.

3. The Company has the corporate power and authority to authorize the issuance of the common stock under the Plan, and the Board of Directors of the Company has consented to and approved the issuance of the shares pursuant to the Plan.

4. The delivery of the shares of common stock to the Aethlon stockholders pursuant to the Plan has been duly authorized by all necessary corporate action on the part of the Company. The 728,500 common shares to be issued to the Aethlon shareholders, as and when delivered to the Aethlon shareholders pursuant to the Plan, are validly issued and outstanding, fully paid and nonassessable, and are not subject to any preemptive or similar right.

5. The Plan has been duly authorized, executed and delivered by the Company and, assuming the execution and delivery thereof by Aethlon, constitutes a valid and legally binding obligation of the Company, enforceable in accordance with its terms, except as the enforceability thereof may be limited by any applicable bankruptcy, insolvency, reorganization or other similar laws relating to or affecting the enforcement of creditors' rights generally and by general equitable principles, regardless of whether such enforceability is considered in a proceeding in equity or at law.

6. The execution, delivery and performance of the Plan by the Company, and

the delivery by the Company to Aethlon of the shares of common stock pursuant to the terms of the Plan, will not result in a breach or violation of, or constitute a default under, the Company's Articles of Incorporation or Bylaws, or any statute, law, rule or regulation applicable to the Company or any of its properties, provided that the required "blue sky" filings are made as will be provided in the closing minutes.

7. The execution, delivery and performance of the Plan by the Company and the delivery by the Company to Aethlon of the shares of common stock pursuant to the terms of the Plan will not violate or conflict with or result in a breach of or constitute (or event which might, with the passage of time or the giving of notice, or both, constitute a default) under, or result in the creation or imposition of any claim, lien, security interest, mortgage, pledge, charge or other encumbrance of any nature upon any of the properties or assets of the Company pursuant to the terms of any indenture, mortgage, agreement, contract, deed of trust, promissory note, or other agreement or instrument to which the Company is subject.

8. No consent, approval, authorization or order of, or registration or qualification with, any court or governmental agency or body or national securities exchange is required to be obtained by the Company for the delivery of the shares of common stock to Aethlon shareholders pursuant to the Plan, which has not been made or obtained by the Company.

Shareholders of Aethlon, Inc.
Page Three.

9. To the best of my knowledge after due inquiry, except as disclosed in the Plan, there are no actions, suits, investigations or proceedings pending to which the Company is a party, before or by any court or governmental agency or body which in my opinion would result, individually or in the aggregate, in any material adverse change in the prospects, financial condition or results of operations of the Company or which would materially and adversely affect the properties or assets thereof, taken as a whole, or which seeks to restrain or prohibit the transactions contemplated by the Plan; and, to the best of my knowledge after due inquiry, no such actions, suits, investigations or proceedings are threatened by any person, corporation or governmental agency or body.

This opinion is rendered solely for the benefit of Aethlon with respect to the shares of common stock to be delivered under the Plan, and is not to be used, circulated, quoted or referred to, or otherwise relied upon by any person, without my prior written consent.

Sincerely,

Maureen Abato

EXHIBIT "I"

SCHEDULE OF EXCEPTIONS OF AETHLON

NONE

Aethlon, Inc.
Balance Sheet
(unaudited)

Assets	February 19, 1999
Current assets:	
Cash	9,052
Noncurrent assets:	
Advances to Hemex	109,300
Other Assets:	
Organizational expense-net	31,500

Total assets	149,852

Liabilities and stockholders' equity

Current liabilities:	
Accounts payable	450

Stockholders' equity:	
Common stock-authorized: 10,000,000 shares	
Par Value: 0	
Outstanding:728,500 common shares	
Paid in capital	
Retained earnings (deficit)	220,500
Total stockholders' equity	149,402

Total liabilities and stockholder's equity	149,852

Aethlon, Inc.
Statement of Stockholders' Equity
(unaudited)

February 19, 1999

Date	Common stock	Paid in capital	Accumulated Deficit
Common Stock issued at Incorporation: 675,000 shares at \$0 par value	\$0	\$60,000	
53,500 shares placed privately 9/29/98-2/19/99	0	160,500	
Retained Earnings (deficit) June 24, 1998 to February 19, 1999			(71,098)
	-----	-----	-----
February 19, 1999	\$0	\$220,500	(\$71,098)

Aethlon, Inc.
Statement of Operations
(unaudited)

June 24, 1998 - February 19, 1999

Income	
Interest Income	\$57
Expenses	
Professional expense	56,750
Office expense	10,904
Organization expense	3,500

Total expenses	71,154
Net operating loss	(\$71,098)

Aethlon, Inc.
Statement of Cash Flows
(unaudited)

June 24, 1998 - February 19, 1999

Cash flows from operating activities	
Net loss	(\$71,098)
Adjustments to reconcile net loss to Cash flows from operating activities:	
Organizational expense	3,500
Increases (Decreases) in:	
Accounts payable	450

Cash flows from investing activities:	
Advances to Hemex	109,300
Organizational Cost	35,000

Cash used by investing activities:	144,300

Cash flows from financing activities	
Issuance of common stock	220,500
Net increase (decrease) in cash	9,052
Cash-beginning	0
Cash-end	\$9,052

EXHIBIT "K"

AETHLON, INC. BANK ACCOUNTS

Money Market Account:

Pacific National Bank
Account Number 105170954
Signatory James A. Joyce

Operating Account:

Pacific National Bank
Account Number 1005419201
Signatory James A. Joyce

EXHIBIT "L"

SCHEDULE OF EXCEPTIONS OF BISHOP

NONE

EXHIBIT "N"

BISHOP EQUITIES, INC. BANK ACCOUNTS

Operating Account:

Citibank
Account Number: 092 36255
Signatory: Deborah Salerno

EXHIBIT "A"

Aethlon, Inc.

Shareholders' Names	Number of Shares Issuable
James A. Joyce	675,000
John Orkish	1,700
Frank Lowthers & Angelica Camargo	10,000
John P. Bell, Jr.	15,000
Philip A. & Margaret A. Ward	7,500
Jeffrey Lee Dalton	8,000
Dana H. & Susan B. Lee	3,300
Edward C. Brookins Trust	3,000
Bruce A. & Rhoda P. Shear	5,000
Mario C. & Judith J. Drago	2,500

AETHLON, INC.
7825 Fay Avenue
Suite 200
La Jolla, California 92037
Phone: (619) 456-5777
Fax: (619) 456-4690

July 28, 1998

Mr. Franklyn S. Barry, Jr.
President and Chief Executive Officer
Hemex, Inc.
143 Windsor Avenue
Buffalo, New York 14209

Re: Aethlon, Inc. Letter of Intent

Dear Mr. Barry:

In accordance with our various discussions, this letter is written to evidence our mutual intention to enter into this binding Letter of Intent (the "Letter of Intent") pursuant to which Aethlon, Inc., a California corporation ("Aethlon") will secure the acquisition of Hemex, Inc., a Delaware corporation ("Hemex"), by Bishop Equities, Inc., a Nevada corporation ("Bishop"), through a tax-free exchange of stock pursuant to Section 368(a)(1)(B) of the Internal Revenue Code of 1986, as amended (hereinafter referred to as the "Hemex Reorganization"). For purposes of this Letter of Intent, Aethlon, Hemex and Bishop are hereinafter collectively referred to as the "Consolidated Companies."

Prior to entering into this Letter of Intent, Aethlon has also entered into another, separate letter of intent with Bishop, pursuant to which Aethlon will also be acquired by Bishop through a tax-free exchange of stock pursuant to Section 368(a)(1)(B) of the Internal Revenue Code of 1986, as amended (the "Aethlon Reorganization") immediately prior to the closing of the Hemex Reorganization. The acquisition of Aethlon and Hemex by Bishop as contemplated hereby are hereinafter collectively referred to as the "Acquisitions."

Aethlon and Hemex agree that execution of this Letter of Intent is subject to the following terms and conditions:

1. Aethlon will use its best efforts to raise at least \$400,000.00 through a private placement of shares of Aethlon Common Stock (hereinafter referred to as the "Aethlon Offering") and through contributions of capital to Aethlon by its founder. The shares issued pursuant to the Aethlon Offering will not be registered under federal or state securities laws, but

Mr. Franklyn S. Barry, Jr.
July 28, 1998
Page 2

will be issued pursuant to one or more exemptions from the registration requirements of applicable state and/or federal securities laws. The Aethlon Reorganization will occur as soon as practicable following the closing of the Aethlon Offering. The parties hereto agree that Aethlon and Bishop (following the Aethlon Reorganization) will use the proceeds from the Aethlon Offering, as provided in Appendix I, to provide working capital and to prepare for and complete an anticipated \$3,000,000.00 private placement to be conducted by Bishop after the Acquisitions. If Aethlon fails to raise at least \$400,000.00 in the Aethlon Offering and close the Aethlon Reorganization within sixty (60) days of the Securities Registration Compliance Date, Hemex will be entitled to terminate this Letter of Intent without being in breach. (For purposes of this Letter of Intent, the "Securities Registration Compliance Date" shall be the date upon which both the Private Placement Memorandum is completed and all necessary Blue Sky registration requirements and/or exemptions thereto are complied with for the Aethlon Offering. At anytime after this Letter of Intent is executed by Hemex and prior to the Hemex Reorganization, Hemex, will be able to request that Aethlon make advances to Hemex from Aethlon's available funds (such advances to Hemex are hereinafter referred to as "Interim Advances"). However, once Hemex requests and receives from Aethlon any Interim Advances, Hemex will no longer be able to terminate this Letter of Intent based on Aethlon's failure to complete the Aethlon Offering. If this Letter of Intent is terminated for any reason, then in addition to such other remedies as the parties may have, Aethlon may elect to convert the Interim Advances to a loan bearing interest at ten percent (10%) per annum from the date such funds were advanced, which loan shall immediately be due and payable to Aethlon.

2. Immediately prior to the Acquisitions, Bishop will have outstanding no more than 511,500 shares of its Common Stock. Upon completion of the Aethlon Offering and the Aethlon Reorganization, or at anytime after receiving Interim Advances and being so instructed by Aethlon, Hemex will be obligated to close the Hemex Reorganization, whereby Hemex will transfer all outstanding shares of Hemex stock to Bishop in return for 1,350,000 shares of

Common Stock of Bishop. Prior to the Hemex Reorganization, Aethlon and Bishop will close the Aethlon Reorganization whereby Aethlon's shareholders will transfer all outstanding shares of Aethlon stock to Bishop in return for 825,000 shares of Common Stock of Bishop. Immediately following the Acquisitions, the total number of outstanding shares of Common Stock of Bishop will be 2,686,500, and the former shareholders of Hemex will collectively own approximately 50.25% of the outstanding shares of Bishop, the former shareholders of Aethlon will own approximately 30.71% of the outstanding shares of Bishop, and the original shareholders of Bishop will own approximately 19.04% of the outstanding shares of Bishop.

3. Upon completion of the Acquisitions, management of the Consolidated Companies shall use its best efforts to raise \$3,000,000.00 for the Consolidated Companies through a private placement of Bishop stock (hereinafter referred to as the "Bishop Offering."), and the proceeds shall be used as reflected in Appendix II. The terms and conditions of the proposed Bishop Offering will be agreed upon and approved by the board of directors of Bishop (hereinafter referred to as the "Board"). Prior to completion of the Bishop Offering, a majority

Mr. Franklyn S. Barry, Jr.
July 28, 1998
Page 3

of the Board shall be appointed by Hemex. In the event the Board is comprised of three (3) members, one member shall be James A. Joyce and the other two (2) shall be Franklyn S. Barry, Jr. plus one additional member appointed by Hemex.

4. In the event that Bishop does not conclude both the Aethlon Reorganization and the Hemex Reorganization within ninety (90) days following execution of this Letter of Intent by Hemex, then Aethlon will have the right, for a period of ninety (90) additional days, to either assume the rights and responsibilities of Bishop set forth herein, or to replace Bishop with another "public shell" which shall assume the rights and responsibilities of Bishop set forth herein to enable Aethlon and Hemex to complete the intents and purposes of this Letter of Intent. Aethlon's rights pursuant to this Letter of Intent shall be assignable by Aethlon; however, during the period between the execution of this Letter of Intent and the closing of the Hemex Reorganization, such right is subject to the approval of Hemex. Furthermore, upon the termination or expiration of this Letter of Intent, Hemex may not enter into any financial or business relationship, for a period of twenty-four (24) months from the date of termination or expiration, with any party exposed to the transactions proposed herein without the prior written consent of Aethlon. This covenant shall survive the termination or expiration of this Letter of Intent. In addition to any other rights and remedies Aethlon may have in the event of a breach of this Letter of Intent, Hemex agrees that Aethlon shall also have the right to injunctive relief to enforce this provision.

5. Prior to the Hemex Reorganization, Hemex will cause all Shareholders Loans and one (1) year 14% Convertible Notes, including any and all accrued interest incurred thereon, to be converted to common stock of Hemex. Furthermore, prior to the Hemex Reorganization, Hemex will reduce the total of all liabilities, including both short-term and long-term liabilities, to no more than Five Hundred Thousand Dollars (\$500,000.00).

6. As a condition to the closing of the Hemex Reorganization, the Hemex Shareholders and the Aethlon founder will enter into an agreement with Bishop pursuant to which the Hemex Shareholders and the Aethlon founder will agree that they will not, without prior written approval of Bishop, offer for sale, sell, pledge, hypothecate or otherwise dispose of, directly or indirectly, any of the shares of Bishop stock which they may own legally or beneficially in any manner whatsoever, whether pursuant to Rule 144 of the Securities Act of 1933 or otherwise, for a period of eighteen (18) months from the date of receipt of the Bishop shares. As a further condition to the closing of the Hemex Reorganization, Hemex and all of its shareholders approving the transaction and the Aethlon founder will further agree and authorize Bishop to take any actions (including, but not limited to, notification of Bishop's transfer agent regarding any such restrictions) necessary to enforce this provision and restrict the sale or transfer of the Bishop shares as provided herein.

7. As a condition to the closing of the Hemex Reorganization, Bishop, on behalf of itself and the Consolidated Companies, shall execute and enter into separate employment contracts with (i) Dr. Clara M. Ambrus, Chairman of the Board of Directors and Mr. Franklyn S. Barry, Jr.
July 28, 1998
Page 4

Chief Scientific Officer of Hemex; (ii) Franklyn S. Barry, Jr., President and Chief Executive Officer of Hemex; and (iii) James A. Joyce, President of Aethlon. The exact terms of each of the employment contracts will be negotiated in good faith in the future (prior to the closing of the Hemex Reorganization) by the parties referenced above. However, in the event that one or more of the parties is/are unable to reach agreement on the terms of their respective employment contract(s), then the respective terms and conditions listed in

Appendix III, attached hereto and incorporated herein, shall constitute a binding employment contract, to be interpreted as necessary by the Compensation Committee of the Board.

8. Each party shall pay for those legal and accounting fees which it incurs in the course of the transactions contemplated herein from the funds provided for in the Aethlon Offering, as set forth in Appendix I to this Letter of Intent.

9. In the event one or more audits are required of Bishop, Hemex, Aethlon or the Consolidated Companies as a prerequisite to any transaction contemplated herein, and such audit or audits cannot be completed within the time frames set forth herein, then each such deadline shall automatically be extended to a date sixty (60) days after such audited financial statements are issued.

10. Until consummation or termination of the Hemex Reorganization, Hemex will conduct its business only in the ordinary course and none of the assets or properties of Hemex shall be sold or disposed of except in the ordinary course of business or with the consent of Aethlon. Hemex further agrees not to enter into any agreements regarding the sale, exchange, issuance, or other disposition of its stock, whether such stock be outstanding, treasury, and/or authorized but not issued, to any other person or persons, whether individual or corporate, without the prior written consent of Aethlon.

11. Aethlon makes the following representations and warranties to Hemex, which shall be incorporated into the parties' formal agreements and which shall survive the closing of the Acquisitions:

(a) Aethlon is a corporation duly organized, validly existing and in good standing under the laws of California, has the corporate power and authority to own, lease and operate its properties and assets and to carry on its business as it is now being conducted, and is duly qualified to do business and is in good standing in each jurisdiction in which its ownership or leasing of its properties or the conduct of its business requires such qualification.

(b) Aethlon has the requisite corporate power and authority to enter into this Letter of Intent and to carry out its obligations under this Letter of Intent. The execution and delivery of this Letter of Intent and the consummation of the transactions contemplated hereby have been duly and validly authorized by the Board of Directors of Aethlon, and no other corporate proceedings on the part of Aethlon are necessary to authorize the Letter of Intent and the transactions contemplated by the Letter of Intent.

Mr. Franklyn S. Barry, Jr.

July 28, 1998

Page 5

(c) The execution and delivery of the Letter of Intent, the consummation of the transactions contemplated by the Letter of Intent and compliance with their terms will not, as of the closing of the Acquisitions (i) conflict with, or result in any violation of any provision of, the Articles of Incorporation or Bylaws of Aethlon, (ii) violate or conflict with, or result in a breach or termination of or default under, any agreement, instrument, license, judgment, order, decree, statute, law or regulation applicable to Aethlon, or (iii) result in the creation or imposition of any lien on any asset of Aethlon.

12. Hemex makes the following representations and warranties to Aethlon, which shall survive the closing of the Acquisitions:

(a) Hemex is a corporation duly organized, validly existing and in good standing under the laws of Delaware, has the corporate power and authority to own, lease and operate its properties and assets and to carry on its business as it is now being conducted, and is duly qualified to do business and is in good standing in each jurisdiction in which its ownership or leasing of its properties or the conduct of its business requires such qualification.

(b) Hemex has the requisite corporate power and authority to enter into this Letter of Intent and to carry out its obligations under this Letter of Intent. The execution and delivery of this Letter of Intent and the consummation of the transactions contemplated hereby have been duly and validly authorized by the Board of Directors of Hemex.

(c) The execution and delivery of the Letter of Intent and the consummation of the transactions contemplated by the Letter of Intent and compliance with their terms will not, as of the closing of the Acquisitions (i) conflict with, or result in any violation of any provision of, the articles of incorporation or bylaws of Hemex, (ii) violate or conflict with, or result in a breach or termination of or default under, any agreement, instrument, license, judgment, order, decree, statute, law or regulation applicable to Hemex, or (iii) result in the creation or imposition of any lien on any asset of Hemex.

As soon as practicable following the execution of this Letter of Intent, the parties shall commence the preparation of one or more formal agreements which shall incorporate the terms and provisions set forth in this Letter of Intent as well as such other terms and conditions as are customarily

included in such transaction documents. Each party agrees to negotiate in good faith such additional terms and conditions. However, in the event that the parties are unable to agree on such additional terms and conditions, this Letter of Intent and such additional terms and conditions as the parties may agree upon shall constitute the binding agreement of the parties and shall be fully enforceable in the event of a breach.

Mr. Franklyn S.]Barry, Jr.

July 28, 1998

Page 6

If the foregoing is in accordance with your intentions and our understanding regarding the items set forth, please so indicate by signing below and returning a signed original of this letter to me. A duplicate original is provided for your records.

Very truly yours,

AETHLON, INC.

/s/ James A. Joyce

By: James A. Joyce
Its: President

AGREED AND ACCEPTED

Hemex, Inc., a Delaware corporation

/s/ Franklyn S. Barry

By: -----

President and CEO

Its: -----

Mr. Franklyn S. Barry, Jr.

July 28, 1998

Page 7

APPENDLX I

CONTEMPLATED USE OF PROCEEDS OF THE AETHLON OFFERING

The contemplated use of proceeds from the Aethlon Offering shall be as follows:

Aethlon transaction and administrative expenses:	\$ 95,000.00
Hemex transaction and administrative expenses including the reduction of accounts payable:	\$205,000.00
Hemex Phase II Clinical Trial preparation:	\$100,000.00

Mr. Franklyn S. Barry, Jr.

July 28, 1998

Page 8

APPENDIX II

CONTEMPLATED USE OF PROCEEDS OF THE BISHOP OFFERING

The contemplated use of proceeds from the Bishop Offering shall be as follows:

Bishop Offering expenses:	\$ 350,000.00
Working capital for the Consolidated Companies:	\$1,800,000.00
Reduction of accrued debt and expenses:	\$ 500,000.00
Offering expenses related to future follow-on raise:	\$ 350,000.00

In the event that the Bishop Offering for the Consolidated Companies is on a minimum-maximum basis that allows for the Consolidated Companies to break escrow and obtain proceeds prior to the sale of the entire offering, then the use of proceeds shall be applied first to Offering Expenses and second to working capital and the reduction of accrued debt and expenses. Of those funds released from escrow, funds applied to the reduction of accrued debts and expenses will not exceed five percent (5%) of any amount up to Two Million Dollars (\$2,000,000.00), and will not exceed ten percent (10%) of any amount up to Two Million Five Hundred Thousand Dollars (\$2,500,000.00).

Mr. Franklyn S. Barry, Jr.

July 28, 1998

Page 9

APPENDIX III

TERMS AND CONDITIONS OF EMPLOYMENT CONTRACTS

In the event that Dr. Clara Ambrus, Franklyn S. Barry, Jr., and/or James A. Joyce (collectively, the "Employees" and individually an "Employee") fail to reach agreement with Bishop (the "Company") on the exact terms and conditions of their respective employment agreements, then the following respective terms and conditions shall constitute a binding employment contract for the Employee who so fails to reach agreement, to be interpreted as necessary by the Compensation Committee of the Board.

Term of Contract: Two (2) years, with automatic renewal for one (1) year periods unless notice is given prior to the expiration of the initial term (or such subsequent renewal term, if applicable).

Termination of Contract: Either party can terminate the contract upon sixty (60) days written notice; or the company may terminate immediately with or without cause.

Severance Package: If the employment contract is terminated by the Employee, or (ii) the Company for cause, then the Employee is not entitled to any severance pay; if the employment contract is terminated by the Company without cause, then the Company shall pay the Employee one (1) year of salary from the date of termination.

Non-Compete Provision: The Employee shall not compete, directly or indirectly, with any of the Consolidated Companies (i.e., Hemex, Aethlon or Bishop and any future acquired company) during the term of their employment.

Non-Disclosure Provision: The Employees shall not disclose any Confidential information to any third parties, at any time.

Disability Provision: After one hundred eighty (180) days of Complete disability, defined as inability to Substantially perform the duties required of such Employee prior to the disability, the Company can terminate the

Mr. Franklyn S. Barry, Jr.
July 28, 1998
Page 10

Employee with no further salary obligation and no further severance obligation.

Incentive Compensation: A pool created by twenty percent (20%) of net income over approved plan in any year is divided in proportion to each officer's salary as a percentage of all salaries of officers participating in the plan.

Stock Option Plan: A properly approved Incentive Stock Option Plan (the "Plan"), administered by a Compensation Committee of the Board of Directors, shall be in place within ninety (90) days of the completion of the Acquisitions. The Plan shall provide for Franklyn S. Barry, Jr. to be issued Options To purchase 412,500 shares of stock in the Consolidated Companies at the same price Offered to investors in the Aethlon Offering. The Option may be exercised at any time for five (5) years after the applicable lock-up period.

Miscellaneous: The Consolidated Companies shall promptly reimburse all reasonable expenses incurred by the Employee related to the performance of their duties as an Employee; the Consolidated Companies shall provide health insurance and long-term disability insurance to the Employee; and the Employee shall be entitled to four (4) weeks of paid vacation and reasonable time for personal matters.

Position/Title: Dr. Clara M. Ambrus shall be the Chief

Scientific Officer of Hemex and Aethlon; Franklyn S. Barry, Jr., shall be a member of the board of directors, President, and Chief Executive Officer of Hemex and Aethlon; and James A. Joyce shall be the Chairman of the Board of Directors of Aethlon.

Salary: The salaries for 1998 shall be as follows: Dr. Clara Ambrus - \$80,000.00; Franklyn S. Barry, Jr. \$120,000.00; James A. Joyce \$108,000.00. The salaries shall be subject to adjustment at the end of each calendar year.

Mr. Franklyn S. Barry, Jr.
July 28, 1998
Page 11

/s/ Clara M. Ambrus

/s/ Franklin S. Barry, Jr.

/s/ James A. Joyce

AETHLON, INC.
7825 Fay Avenue
Suite 200
La Jolla, California 92037
Phone: (619) 456-5777
Fax: (619) 456-4690

July 15, 1998

Ms. Deborah Salerno
President
Bishop Equities, Inc.
355 Southend Avenue
Apartment 22B
New York, New York 10280

Re: Aethlon, Inc. Letter of Intent

Dear Ms. Salerno:

In accordance with our various discussions, this letter is written to evidence our mutual intention to enter into this non-binding Letter of Intent (the "Letter of Intent") pursuant to which Bishop Equities, Inc., a Nevada corporation ("Bishop"), will acquire both Aethlon, Inc., a California corporation ("Aethlon"), and Hemex, Inc., a Delaware corporation ("Hemex"). Bishop will acquire Aethlon through a tax-free exchange of stock pursuant to Section 368(a)(1)(B) of the Internal Revenue Code of 1986, as amended (hereinafter referred to as the "Aethlon Reorganization"). Bishop will also acquire Hemex through a separate tax-free exchange of stock pursuant to Section 368(a)(1)(B) of the Internal Revenue Code of 1986, as amended (hereinafter referred to as the "Hemex Reorganization"). For purposes of this Letter of Intent, Aethlon, Hemex, and Bishop are hereinafter collectively referred to as the "Consolidated Companies."

As soon as is practicable after entering into this Letter of Intent, Aethlon will also enter into another, separate letter of intent with Hemex (substantially in accordance with the Letter of Intent dated July 15, 1998, a copy of which is attached hereto as Exhibit "I"), pursuant to which Aethlon will secure the right for Bishop to complete the Hemex Reorganization immediately after the closing of the Aethlon Reorganization. The acquisition of Aethlon and Hemex by Bishop as contemplated hereby are hereinafter collectively referred to as the "Acquisitions."

Aethlon and Bishop agree that execution of this Letter of Intent is subject to the following terms and conditions:

Ms. Deborah Salerno
July 15, 1998
Page 2

1. Immediately prior to the Acquisitions, Bishop will have outstanding no more than 511,500 shares of its Common Stock. Within ninety (90) days following execution of the Aethlon-Hemex Letter of Intent by Hemex, Bishop will close the Aethlon Reorganization, whereby Aethlon's shareholders will transfer

all outstanding shares of Aethlon stock to Bishop in return for 825,000 shares of Common Stock of Bishop. As soon as practicable after the close of the Aethlon Reorganization (but within ninety (90) days following execution of the Aethlon Hemex Letter of Intent by Hemex), Bishop will close the Hemex Reorganization, whereby Hemex' shareholders will transfer all outstanding shares of Hemex stock to Bishop in return for 1,350,000 shares of Common Stock of Bishop. Immediately following the Acquisitions, the total number of outstanding shares of Common Stock of Bishop will be 2,686,500, and the former shareholders of Hemex will collectively own approximately 50.25% of the outstanding shares of Bishop, the former shareholders of Aethlon will own approximately 30.71% of the outstanding shares of Bishop, and the original shareholders of Bishop will own approximately 19.04% of the outstanding shares of Bishop.

2. Upon completion of the Acquisitions, all of the Directors on Bishop's Board will immediately resign and shall be replaced by a slate of directors to be named by Aethlon's Board of Directors, a majority of which shall be approved by Hemex. In the event Bishop's Board is comprised of three (3) members, one (1) member shall be James A. Joyce, one (1) member shall be Franklyn S. Barry, Jr., and one (1) member shall be appointed by Hemex.

3. Bishop must acquire both Hemex and Aethlon, pursuant to this Letter of Intent and the Aethlon-Hemex Letter of Intent, and Bishop shall not have the right to acquire only one of the corporations without also acquiring the other. In the event that Bishop does not conclude both the Aethlon Reorganization and the Hemex Reorganization within ninety (90) days following execution of the Aethlon-Hemex Letter of Intent by Hemex, then both Aethlon and Bishop shall have the right to terminate this Letter of Intent, without obligation, by giving written notice of termination to the other party. Additionally, during the due diligence review period, either party may terminate this Letter of Intent, without obligation, by giving written notice of termination to the other party.

4. As a condition to the closing of the Hemex Reorganization and the Aethlon Reorganization, the original shareholders of Bishop will enter into an agreement with Aethlon pursuant to which the original shareholders of Bishop will agree that they will not, without prior written approval of Aethlon, offer for sale, sell, pledge, hypothecate or otherwise dispose of, directly or indirectly, any of the shares of Bishop stock which they may own legally or beneficially in any manner whatsoever, whether pursuant to Rule 144 of the Securities Act of 1933 or otherwise, for a period of time, to be negotiated in good faith prior to closing the Aethlon Reorganization by Aethlon and Bishop, from the date of the closing of the Acquisitions. As a further condition to the closing of the Hemex Reorganization and the Aethlon Reorganization, Bishop and all of its original shareholders will further agree and authorize Aethlon to take any actions (including, but not limited to, notification of Bishop's transfer agent

Ms. Deborah Salerno
July 15, 1998
Page 3

regarding any such restrictions) necessary to enforce this provision and restrict the sale or transfer of the Bishop shares as provided herein.

5. Each party shall pay for its own legal and accounting fees to consummate the Acquisitions.

6. Until consummation or termination of the Hemex Reorganization and Aethlon Reorganization, Bishop will conduct its business only in the ordinary course and none of the assets or properties of Bishop shall be sold or disposed of except in the ordinary course of business or with the consent of Aethlon. Bishop further agrees not to enter into any agreements regarding the sale, exchange, issuance, or other disposition of its stock, whether such stock be outstanding, treasury, and/or authorized but not issued, to any other person or persons, whether individual or corporate. Bishop further agrees not to take any actions that may lead to or result in Bishop being de-listed by the National Association of Stock Dealers Automated Quotations ("Nasdaq") OTC Bulletin Board (Nasdaq symbol: BSEQ).

7. In the event one or more audits are required of Bishop, Hemex, Aethlon or the Consolidated Companies as a prerequisite to any transaction contemplated herein, and such audit or audits cannot be completed within the time frames set forth herein, then each such deadline shall automatically be extended to a date sixty (60) days after such audited financial statements are issued.

8. Aethlon makes the following representations and warranties to Bishop, which shall be incorporated into the parties' formal agreements and which shall survive the closing of the Acquisitions:

(a) Aethlon is a corporation duly organized, validly existing and in good standing under the laws of California, has the corporate power and authority to own, lease and operate its properties and assets and to carry on its business as it is now being conducted, and is duly qualified to do business and is in good standing in each jurisdiction in which its ownership or leasing of its properties or the conduct of its business requires such qualification.

(b) Aethlon has the requisite corporate power and authority to enter into this Letter of Intent and to carry out its obligations under this Letter of Intent. The execution and delivery of this Letter of Intent and the consummation of the transactions contemplated hereby have been duly and validly authorized by the Board of Directors of Aethlon, and no other corporate proceedings on the part of Aethlon are necessary to authorize the Letter of Intent and the transactions contemplated by this Letter of Intent.

(c) The execution and delivery of the Letter of Intent, the consummation of the transactions contemplated by this Letter of Intent and compliance with their terms will not, as of the closing of the Acquisitions (i) conflict with, or result in any violation of any provision of, the Articles of Incorporation or Bylaws of Aethlon, (ii) violate or conflict with,

Ms. Deborah Salerno

July 15, 1998

Page 4

or result in a breach or termination of or default under, any agreement, instrument, license, judgment, order, decree, statute, law or regulation applicable to Aethlon, or (iii) result in the creation or imposition of any lien on any asset of Aethlon.

9. Bishop makes the following representations and warranties to Aethlon, which shall survive the closing of the Acquisitions:

(a) Bishop is a corporation duly organized, validly existing and in good standing under the laws of Nevada, has the corporate power and authority to own, lease and operate its properties and assets and to carry on its business as it is now being conducted, and is duly qualified to do business and is in good standing in each jurisdiction in which its ownership or leasing of its properties or the conduct of its business requires such qualification.

(b) Bishop is a public corporation that is listed on the Nasdaq OTC Bulletin Board, is governed by the Securities Exchange Act of 1934, and is subject to regulation by the National Association of Stock Dealers ("NASD") and the Securities and Exchange Commission, and is currently in good standing with all governmental authorities, is current with all of its required regulatory filings, and is, to the best of its knowledge, not under investigation by any governmental authority.

(c) Bishop has the requisite corporate power and authority to enter into this Letter of Intent and to carry out its obligations under this Letter of Intent. The execution and delivery of this Letter of Intent and the consummation of the transactions contemplated hereby have been duly and validly authorized by the Board of Directors of Bishop and no other corporate proceedings on the part of Bishop are necessary to authorize the Letter of Intent and the transactions contemplated by this Letter of Intent.

(d) The execution and delivery of the Letter of Intent, the consummation of the transactions contemplated by the Letter of Intent and compliance with their terms will not, as of the closing of the Acquisitions (i) conflict with, or result in any violation of any provision of, the articles of incorporation or bylaws of Bishop, (ii) violate or conflict with, or result in a breach or termination of or default under, any agreement, instrument, license, judgment, order, decree, statute, law or regulation applicable to Bishop, or (iii) result in the creation or imposition of any lien on any asset of Bishop.

(e) The Common Stock of Bishop that Bishop will issue to the former shareholders of Aethlon and Hemex hereunder, when issued and delivered in accordance with the terms of this Letter of Intent, will be duly and validly issued, fully paid, and nonassessable, and will be free of restrictions on transfer other than restrictions (i) under this Letter of Intent, (ii) under the letter of intent between Hemex and Aethlon, and (iii) under applicable state and federal securities laws.

Ms. Deborah Salerno

July 15, 1998

Page 4

or result in a breach or termination of or default under, any agreement, instrument, license, judgment, order, decree, statute, law or regulation applicable to Aethlon, or (iii) result in the creation or imposition of any lien on any asset of Aethlon.

9. Bishop makes the following representations and warranties to Aethlon, which shall survive the closing of the Acquisitions:

(a) Bishop is a corporation duly organized, validly existing and in good standing under the laws of Nevada, has the corporate power and authority to own, lease and operate its properties and assets and to carry on its business as it is now being conducted, and is duly qualified to do business and is in good standing in each jurisdiction in which its ownership or leasing of its

properties or the conduct of its business requires such qualification.

(b) Bishop is a public corporation that is listed on the Nasdaq OTC Bulletin Board, is governed by the Securities Exchange Act of 1934, and is subject to regulation by the National Association of Stock Dealers C`NASD'~ and the Securities and Exchange Commission, and is currently in good standing with all governmental authorities, is current with all of its required regulatory filings, and is, to the best of its knowledge, not under investigation by any governmental authority.

(c) Bishop has the requisite corporate power and authority to enter into this Letter of Intent and to carry out its obligations under this Letter of Intent. The execution and delivery of this Letter of Intent and the consummation of the transactions contemplated hereby have been duly and validly authorized by the Board of Directors of Bishop and no other corporate proceedings on the part of Bishop are necessary to authorize the Letter of Intent and the transactions contemplated by this Letter of Intent.

(d) The execution and delivery of the Letter of Intent, the consummation of the transactions 'Contemplated by the Letter of Intent and compliance with their terms will not, as of the closing of the Acquisitions (i) conflict with, or result in any violation of any provision of, the articles of incorporation or bylaws of Bishop, (ii) violate or conflict with, or result in a breach or termination of or default under, any agreement, instrument, license, judgment, order, decree, statute, law or regulation applicable to Bishop, or (iii) result in the creation or imposition of any lien on any asset of Bishop.

(e) The Common Stock of Bishop that Bishop will issue to the former shareholders of Aethlon and Hemex hereunder, when issued and delivered in accordance with the terms of this Letter of Intent, will be duly and validly issued, fully paid, and nonassessable, and will be free of restrictions on transfer other than restrictions (i) under this Letter of Intent, (ii) under the letter of intent between Hemex and Aethlon, and (iii) under applicable state and federal securities laws.

Ms. Deborah Salerno
July 15, 1998
Page 5

As soon practicable following the execution of this Letter of Intent, the parties shall commence the preparation on one or more formal agreements which shall incorporate the terms and provisions set forth in this Letter of Intent as well as such other terms and conditions as are customarily included in such transaction documents. Each party agrees to negotiate in good faith such additional terms and conditions. Except as provided above, neither Aethlon nor Bishop will be under any legal obligation to the other until such time as formal agreement(s) have been executed.

If the foregoing is in, accordance with your intentions and our understanding regarding the items set forth, please so indicate by signing below and returning a signed original of this letter to me. A duplicate original is provided for your records.

Very truly yours,

AETHLON, INC

/s/ James A. Joyce

By: James A. Joyce
Its President

AGREED AND ACCEPTED

Bishop Equities, Inc., a Nevada corporation

/s/ Deborah Salerno

By: -----
Deborah Salerno
Its: President

UNANIMOUS CONSENT IN LIEU OF
SPECIAL MEETING OF THE BOARD OF DIRECTORS
OF BISHOP EQUITIES, INC.

The undersigned, constituting the entire Board of Directors of Bishop Equities, Inc. (the "Company") hereby ratifies and approves the following resolutions with the same formality as if the matters had been put to a vote of the Directors at a meeting held upon notice:

RESOLVED, that the officers may take all actions necessary in connection with the execution and delivery and performance in accordance with the Agreement and Plan of Reorganization for the Acquisition of All of the Outstanding Shares of Common Stock of Hemex, Inc., by Bishop Equities, Inc.; and it is further

RESOLVED, that the officers may take all actions necessary in connection with the execution and delivery and performance in accordance with the Agreement and Plan of Reorganization for the Acquisition of All of the Outstanding Shares of Common Stock of Aethlon, Inc., by Bishop Equities, Inc.; and it is further

RESOLVED, that the following persons are hereby elected and appointed to serve as members of the Board of Directors of the Company, effective as of the closing date of the Reorganization:

Franklyn S. Barry, Jr.
James A. Joyce
Edward G. Broenniman

and it is further

RESOLVED, that the Company accepts the resignations of its officers, Deborah Salerno and Maureen Abato, effective as of the closing date of the Reorganization.

Deborah Salerno

Maureen Abato

Dated: As of February 22, 1999

INDEMNITY AGREEMENT

THIS INDEMNITY AGREEMENT, dated as of February 12, 1999, is made and entered into by and between BISHOP EQUITIES, INC., a Nevada corporation (the "Company"), and FRANKLYN S. BARRY, JR. ("BARRY").

WHEREAS, BARRY is currently serving as a director of the Company;

WHEREAS, the Articles of Incorporation (the "Charter") of the Company provides that the Company will indemnify, in the manner and to the fullest extent permitted by the Nevada Revised Statutes (the "NRS"), certain persons against specified expenses arising out of certain threatened, pending or completed actions, suits or proceedings; and

WHEREAS, in order to induce BARRY to continue to serve the Company in his present capacity, and to provide BARRY with specific contractual assurance that the protection authorized by the Charter will be available to BARRY, the Company wishes to enter into this Agreement.

NOW THEREFORE, the Company and BARRY hereby agree as follows:

1. Definitions. The following terms, as used herein, shall have the following meanings.

(a) "Suit" shall mean any claim, demand, action, suit, lawsuit, arbitration, mediation, hearing, or proceeding.

(b) "Covered Claim" shall mean any threatened, pending or completed Suit, whether civil, criminal, administrative or investigative, by reason of the fact that BARRY is or was a director of the Company.

(c) "Determination" shall mean a determination, based upon the facts known at the time, made by:

(i) the Board of Directors of the Company, by the vote of a majority of the directors who are not parties to the Suit in question, even though less than a quorum;

(ii) if there are no such disinterested directors, or if such disinterested directors so direct, by independent legal counsel in a written opinion;

(iii) the stockholders of the Company; or

(iv) a court or arbitrator of competent jurisdiction in a final, nonappealable adjudication.

In the event that there are conflicting determinations, the determination shall be given effect in the following order of precedence: First, by a court or arbitrator of competent jurisdiction in a final, nonappealable adjudication; second, to the stockholders of the Company; third, to the independent legal counsel in a written opinion; and last, to the Board of Directors of the Company.

(d) "Payment" shall mean all costs and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by BARRY in connection with or relating to a Covered Claim.

2. Indemnification. The Company shall indemnify and hold harmless BARRY against and from any and all Payments to the extent that:

(a) the Company shall not have advanced expenses to BARRY pursuant to the provisions of the Charter or otherwise and no Determination shall have been made pursuant to such Charter provision or the NRS that BARRY is not entitled to indemnification;

(b) BARRY shall not already have received payment on account of such Payments from any third party, including, without limitation, pursuant to one or more valid and collectible insurance policies; and

(c) such indemnification by the Company is not unlawful.

Notwithstanding anything contained in this Agreement to the contrary, except for proceedings to enforce rights to indemnification or advancement of expenses pursuant to Section 4 hereof, the Company shall have no obligation to indemnify BARRY in connection with a proceeding (or part thereof) initiated by BARRY unless such proceeding (or part thereof) was authorized or consented to by the Board of Directors of the Company. Further, the Company shall have no obligation to indemnify BARRY under this Agreement for any amounts paid in a settlement of any Suit effected without the Company's prior written consent, which consent shall not be unreasonably withheld. The Company shall not settle any Suit in any manner that would impose any obligation on BARRY (regardless of whether BARRY would be entitled to indemnification for obligations) without BARRY's prior written consent, which consent shall not be unreasonably withheld.

3. Indemnification Procedure; Advancements of Expenses.

(a) If at the time of receipt of any notice pursuant to Section 9 hereof the Company has directors' and officers' liability insurance in effect, the Company shall give prompt notice of the commencement of such Suit to the insurers in accordance with the procedures set forth in the respective policies in favor of BARRY. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of BARRY, all Payments payable as a result of such Suit in accordance with the terms of such policies.

(b) All expenses, including attorneys' fees, incurred by BARRY in defending any Covered Claim shall be paid by the Company in advance of the final disposition of such Covered Claim upon an undertaking by or on behalf of BARRY to repay such amount if it shall ultimately be determined by a court or arbitrator of competent jurisdiction in a final, nonappealable adjudication that he is not entitled to be indemnified by the Company as authorized herein. BARRY hereby undertakes to and agrees that he will repay the Company for any expenses advanced by or on behalf of the Company pursuant to this Section 3(b) if it shall ultimately be determined by a court of competent jurisdiction in a final, nonappealable adjudication that BARRY is not entitled to indemnification under this Agreement.

(c) If the Company shall advance the expenses of any such Suit pursuant to Section (b) hereof, it shall be entitled to assume the defense of such Suit, if appropriate, with counsel reasonably satisfactory to BARRY, upon delivery to BARRY of written notice of its election so to do. After delivery of such notice, the Company shall not be liable to BARRY under this Agreement for any expenses subsequently incurred by BARRY in connection with such defense other than reasonable expenses of investigation; provided, however, that:

(i) BARRY shall have the right to employ separate counsel in any such Suit provided that the fees and expenses of such counsel incurred after delivery of notice by the Company of its assumption of such defense shall be at BARRY's own expense; and

(ii) the fees and expenses of counsel employed by BARRY shall be at the expense of the Company if (x) the employment of counsel by BARRY has previously been authorized by the Company, (y) BARRY shall have reasonably concluded that there may be a conflict of interest between the Company and BARRY in the conduct of any such defense (provided, that the Company shall not be required to pay for more than one counsel to represent two or more indemnitees where such

indemnitees have reasonably concluded that there is no conflict of interest among them in the conduct of such defense) or (z) the Company shall not, in fact, have employed counsel reasonably satisfactory to BARRY to assume the defense of such Suit.

(d) All payments on account of the Company's advancement obligations under Section (b) hereof shall be made within 20 days of BARRY's written request therefor. All other payments on account of the Company's obligations under this Agreement shall be made within 60 days of BARRY's written request therefor, unless a Determination is made that the claims giving rise to BARRY's request are not payable under this Agreement. Each request for payment hereunder shall be accompanied by evidence reasonably satisfactory to the Company of BARRY's incurrence of the expenses for which such payment is sought.

4. Enforcement of Indemnification; Burden of Proof. If a claim for indemnification or advancement of expenses under this Agreement is not paid in full by or on behalf of the Company within the time period specified in Section 3(d) hereof, BARRY may at any time thereafter bring suit against the Company to recover the unpaid amount of such claim. In any such action the Company shall have the burden of proving that indemnification is not required under this Agreement.

5. Partial Indemnification. If BARRY is entitled under any provision of this Agreement to indemnification by the Company for some portion of any Payments, but not, however, for the total amount thereof, the Company shall nevertheless indemnify BARRY for the portion of any such Payments to which BARRY is entitled.

6. Right Not Exclusive. The rights to indemnification and advancement of expenses provided hereunder shall not be deemed exclusive of any other rights to which BARRY may be entitled under any bylaw, agreement, vote of stockholders or disinterested directors or otherwise as to action in BARRY's official capacity or as to action in another capacity while holding such office.

7. Subrogation. In the event of payment under this Agreement by or on behalf of the Company, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of BARRY, who shall execute all papers that may be required and shall do all things that may be necessary to secure such rights, including, without limitation, the execution of such documents as may be necessary to enable the Company effectively to bring suit to enforce such rights.

8. Notice of Claim. Promptly after receipt by BARRY of notice of the commencement or threat of commencement of any civil, criminal, administrative or investigative Suit, BARRY shall, if indemnification with respect thereto may be sought from the Company under this Agreement, notify the Company thereof in writing at its principal office and directed to the Corporate Secretary (or such other address as the Company shall designate in writing to BARRY); notice shall be deemed received if sent by prepaid mail properly addressed, the date of such notice being the date postmarked. In addition, BARRY shall give the Company such information and cooperation as it may reasonably require and as shall be within BARRY's power.

9. Choice of Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Nevada, without giving effect to the principals of conflict of laws thereunder.

10. Jurisdiction. The Company and BARRY hereby irrevocably consent to the jurisdiction of the courts of the State of Nevada for all purposes in connection with any Suit that arises out of or relates to this Agreement, and agree that any action instituted under this Agreement shall be brought only in the state courts of the State of Nevada.

11. Coverage. The provisions of this Agreement shall apply to BARRY's service as a director, officer, employee or agent of the Company or at the Company's request, as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise with respect to all periods of such service prior to and after the date of this Agreement, even though BARRY may have ceased such service at the time of indemnification hereunder.

12. Attorneys' Fees. If any Suit is commenced in connection with or related to this Agreement, the prevailing party shall be entitled to have its costs and expenses, including, without limitation, reasonable attorneys' fees and reasonable expenses of investigation, paid by the losing party.

13. Severability. In the event that any provision of this Agreement is determined by a court to require the Company to do or to fail to do an act that is in violation of any applicable law, such provision shall be limited or modified in its application to the minimum extent necessary to avoid a violation of law, and, as so limited or modified, such provision and the balance of this Agreement shall be enforceable in accordance with their terms.

14. Successors and Assigns. The Agreement shall be binding upon all successors and assigns of the Company, including any transferee of all or

second, to the stockholders of the Company; third, to the independent legal counsel in a written opinion; and last, to the Board of Directors of the Company.

(d) "Payment" shall mean all costs and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by JOYCE in connection with or relating to a Covered Claim.

2. Indemnification. The Company shall indemnify and hold harmless JOYCE against and from any and all Payments to the extent that:

(a) the Company shall not have advanced expenses to JOYCE pursuant to the provisions of the Charter or otherwise and no Determination shall have been made pursuant to such Charter provision or the NRS that JOYCE is not entitled to indemnification;

(b) JOYCE shall not already have received payment on account of such Payments from any third party, including, without limitation, pursuant to one or more valid and collectible insurance policies; and

(c) such indemnification by the Company is not unlawful.

Notwithstanding anything contained in this Agreement to the contrary, except for proceedings to enforce rights to indemnification or advancement of expenses pursuant to Section 4 hereof, the Company shall have no obligation to indemnify JOYCE in connection with a proceeding (or part thereof) initiated by JOYCE unless such proceeding (or part thereof) was authorized or consented to by the Board of Directors of the Company. Further, the Company shall have no obligation to indemnify JOYCE under this Agreement for any amounts paid in a settlement of any Suit effected without the Company's prior written consent, which consent shall not be unreasonably withheld. The Company shall not settle any Suit in any manner that would impose any obligation on JOYCE (regardless of whether JOYCE would be entitled to indemnification for obligations) without JOYCE's prior written consent, which consent shall not be unreasonably withheld.

3. Indemnification Procedure; Advancements of Expenses.

(a) If at the time of receipt of any notice pursuant to Section 9 hereof the Company has directors' and officers' liability insurance in effect, the Company shall give prompt notice of the commencement of such Suit to the insurers in accordance with the procedures set forth in the respective policies in favor of JOYCE. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of JOYCE, all Payments payable as a result of such Suit in accordance with the terms of such policies.

(b) All expenses, including attorneys' fees, incurred by JOYCE in defending any Covered Claim shall be paid by the Company in advance of the final disposition of such Covered Claim upon an undertaking by or on behalf of JOYCE to repay such amount if it shall ultimately be determined by a court or arbitrator of competent jurisdiction in a final, nonappealable adjudication that he is not entitled to be indemnified by the Company as authorized herein. JOYCE hereby undertakes to and agrees that he will repay the Company for any expenses advanced by or on behalf of the Company pursuant to this Section 3(b) if it shall ultimately be determined by a court of competent jurisdiction in a final, nonappealable adjudication that JOYCE is not entitled to indemnification under this Agreement.

(c) If the Company shall advance the expenses of any such Suit pursuant to Section (b) hereof, it shall be entitled to assume the defense of such Suit, if appropriate, with counsel reasonably satisfactory to JOYCE, upon delivery to JOYCE of written notice of its election so to do. After delivery of such notice, the Company shall not be liable to JOYCE under this Agreement for any expenses subsequently incurred by JOYCE in connection with such defense other than reasonable expenses of investigation; provided, however, that:

(i) JOYCE shall have the right to employ separate counsel in any such Suit provided that the fees and expenses of such counsel incurred after delivery of notice by the Company of its assumption of such defense shall be at JOYCE's own expense; and

(ii) the fees and expenses of counsel employed by JOYCE shall be at the expense of the Company if (x) the employment of counsel by JOYCE has previously been authorized by the Company, (y) JOYCE shall have reasonably concluded that there may be a conflict of interest between the Company and JOYCE in the conduct of any such defense (provided, that the Company shall not be required to pay for more than one counsel to represent two or more indemnitees where such indemnitees have reasonably concluded that there is no conflict of interest among them in the conduct of such defense) or (z) the Company shall not, in fact, have employed counsel reasonably satisfactory to JOYCE to assume the defense of such Suit.

(d) All payments on account of the Company's advancement obligations under Section (b) hereof shall be made within 20 days of JOYCE's written request therefor. All other payments on account of the Company's obligations under this Agreement shall be made within 60 days of JOYCE's written request therefor,

unless a Determination is made that the claims giving rise to JOYCE's request are not payable under this Agreement. Each request for payment hereunder shall be accompanied by evidence reasonably satisfactory to the Company of JOYCE's incurrance of the expenses for which such payment is sought.

4. Enforcement of Indemnification; Burden of Proof. If a claim for indemnification or advancement of expenses under this Agreement is not paid in full by or on behalf of the Company within the time period specified in Section 3(d) hereof, JOYCE may at any time thereafter bring suit against the Company to recover the unpaid amount of such clam. In any such action the Company shall have the burden of proving that indemnification is not required under this Agreement.

5. Partial Indemnification. If JOYCE is entitled under any provision of this Agreement to indemnification by the Company for some portion of any Payments, but not, however, for the total amount thereof, the Company shall nevertheless indemnify JOYCE for the portion of any such Payments to which JOYCE is entitled.

6. Right Not Exclusive. The rights to indemnification and advancement of expenses provided hereunder shall not be deemed exclusive of any other rights to which JOYCE may be entitled under any bylaw, agreement, vote of stockholders or disinterested directors or otherwise as to action in JOYCE's official capacity or as to action in another capacity while holding such office.

7. Subrogation. In the event of payment under this Agreement by or on behalf of the Company, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of JOYCE, who shall execute all papers that may be required and shall do all things that may be necessary to secure such rights, including, without limitation, the execution of such documents as may be necessary to enable the Company effectively to bring suit to enforce such rights.

8. Notice of Claim. Promptly after receipt by JOYCE of notice of the commencement or threat of commencement of any civil, criminal, administrative or investigative Suit, JOYCE shall, if indemnification with respect thereto may be sought from the Company under this Agreement, notify the Company thereof in writing at its principal office and directed to the Corporate Secretary (or such other address as the Company shall designate in writing to JOYCE); notice shall be deemed received if sent by prepaid mail properly addressed, the date of such notice being the date postmarked. In addition, JOYCE shall give the Company such information and cooperation as it may reasonably require and as shall be within JOYCE's power.

9. Choice of Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Nevada, without giving effect to the principals of conflict of laws thereunder.

10. Jurisdiction. The Company and JOYCE hereby irrevocably consent to the jurisdiction of the courts of the State of Nevada for all purposes in connection with any Suit that arises out of or relates to this Agreement, and agree that any action instituted under this Agreement shall be brought only in the state courts of the State of Nevada.

11. Coverage. The provisions of this Agreement shall apply to JOYCE's service as a director, officer, employee or agent of the Company or at the Company's request, as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise with respect to all periods of such service prior to and after the date of this Agreement, even though JOYCE may have ceased such service at the time of indemnification hereunder.

12. Attorneys' Fees. If any Suit is commenced in connection with or related to this Agreement, the prevailing party shall be entitled to have its costs and expenses, including, without limitation, reasonable attorneys' fees and reasonable expenses of investigation, paid by the losing party.

13. Severability. In the event that any provision of this Agreement is determined by a court to require the Company to do or to fail to do an act that is in violation of any applicable law, such provision shall be limited or modified in its application to the minimum extent necessary to avoid a violation of law, and, as so limited or modified, such provision and the balance of this Agreement shall be enforceable in accordance with their terms.

14. Successors and Assigns. The Agreement shall be binding upon all successors and assigns of the Company, including any transferee of all or substantially all of its assets and any successor by merger or otherwise by operation of law, and shall be binding upon and inure to the benefit of the heirs, executors and administrators of JOYCE.

15. Descriptive Headings. The descriptive headings in this Agreement are included for the convenience of the parties only and shall not affect the construction of this Agreement.

16. Counterparts. This Agreement may be executed in two counterparts, both

of which taken together shall constitute one document.

17. Amendment. No amendment, modification, termination or cancellation of this Agreement shall be effective unless made in writing and signed by each of the parties hereto.

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

The Company: BISHOP EQUITIES, INC.
a Nevada corporation

By: -----
Its Duly Authorized Officer

JOYCE:

JAMES A. JOYCE

INDEMNITY AGREEMENT

THIS INDEMNITY AGREEMENT, dated as of February 12, 1999, is made and entered into by and between BISHOP EQUITIES, INC., a Nevada corporation (the "Company"), and EDWARD G. BROENNIMAN ("BROENNIMAN").

WHEREAS, BROENNIMAN is currently serving as a director of the Company;

WHEREAS, the Articles of Incorporation (the "Charter") of the Company provides that the Company will indemnify, in the manner and to the fullest extent permitted by the Nevada Revised Statutes (the "NRS"), certain persons against specified expenses arising out of certain threatened, pending or completed actions, suits or proceedings; and

WHEREAS, in order to induce BROENNIMAN to continue to serve the Company in his present capacity, and to provide BROENNIMAN with specific contractual assurance that the protection authorized by the Charter will be available to BROENNIMAN, the Company wishes to enter into this Agreement.

NOW THEREFORE, the Company and BROENNIMAN hereby agree as follows:

1. Definitions. The following terms, as used herein, shall have the following meanings.

(a) "Suit" shall mean any claim, demand, action, suit, lawsuit, arbitration, mediation, hearing, or proceeding.

(b) "Covered Claim" shall mean any threatened, pending or completed Suit, whether civil, criminal, administrative or investigative, by reason of the fact that BROENNIMAN is or was a director of the Company.

(c) "Determination" shall mean a determination, based upon the facts known at the time, made by:

(i) the Board of Directors of the Company, by the vote of a majority of the directors who are not parties to the Suit in question, even though less than a quorum;

(ii) if there are no such disinterested directors, or if such disinterested directors so direct, by independent legal counsel in a written opinion;

(iii) the stockholders of the Company; or

(iv) a court or arbitrator of competent jurisdiction in a final, nonappealable adjudication.

In the event that there are conflicting determinations, the determination shall be given effect in the following order of precedence: First, by a court or arbitrator of competent jurisdiction in a final, nonappealable adjudication; second, to the stockholders of the Company; third, to the independent legal counsel in a written opinion; and last, to the Board of Directors of the Company.

(d) "Payment" shall mean all costs and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by BROENNIMAN in connection with or relating to a Covered Claim.

2. Indemnification. The Company shall indemnify and hold harmless BROENNIMAN against and from any and all Payments to the extent that:

(a) the Company shall not have advanced expenses to BROENNIMAN pursuant to the provisions of the Charter or otherwise and no Determination shall have been made pursuant to such Charter provision or the NRS that BROENNIMAN is not entitled to indemnification;

(b) BROENNIMAN shall not already have received payment on account of such Payments from any third party, including, without limitation, pursuant to one or more valid and collectible insurance policies; and

(c) such indemnification by the Company is not unlawful.

Notwithstanding anything contained in this Agreement to the contrary, except for proceedings to enforce rights to indemnification or advancement of expenses pursuant to Section 4 hereof, the Company shall have no obligation to indemnify BROENNIMAN in connection with a proceeding (or part thereof) initiated by BROENNIMAN unless such proceeding (or part thereof) was authorized or consented to by the Board of Directors of the Company. Further, the Company shall have no obligation to indemnify BROENNIMAN under this Agreement for any amounts paid in a settlement of any Suit effected without the Company's prior written consent, which consent shall not be unreasonably withheld. The Company shall not settle any Suit in any manner that would impose any obligation on BROENNIMAN (regardless of whether BROENNIMAN would be entitled to indemnification for obligations) without BROENNIMAN's prior written consent, which consent shall not be unreasonably withheld.

3. Indemnification Procedure; Advancements of Expenses.

(a) If at the time of receipt of any notice pursuant to Section 9 hereof the Company has directors' and officers' liability insurance in effect, the Company shall give prompt notice of the commencement of such Suit to the insurers in accordance with the procedures set forth in the respective policies in favor of BROENNIMAN. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of BROENNIMAN, all Payments payable as a result of such Suit in accordance with the terms of such policies.

(b) All expenses, including attorneys' fees, incurred by BROENNIMAN in defending any Covered Claim shall be paid by the Company in advance of the final disposition of such Covered Claim upon an undertaking by or on behalf of BROENNIMAN to repay such amount if it shall ultimately be determined by a court or arbitrator of competent jurisdiction in a final, nonappealable adjudication that he is not entitled to be indemnified by the Company as authorized herein. BROENNIMAN hereby undertakes to and agrees that he will repay the Company for any expenses advanced by or on behalf of the Company pursuant to this Section 3(b) if it shall ultimately be determined by a court of competent jurisdiction in a final, nonappealable adjudication that BROENNIMAN is not entitled to indemnification under this Agreement.

(c) If the Company shall advance the expenses of any such Suit pursuant to Section (b) hereof, it shall be entitled to assume the defense of such Suit, if appropriate, with counsel reasonably satisfactory to BROENNIMAN, upon delivery to BROENNIMAN of written notice of its election so to do. After delivery of such notice, the Company shall not be liable to BROENNIMAN under this Agreement for any expenses subsequently incurred by BROENNIMAN in connection with such defense other than reasonable expenses of investigation; provided, however, that:

(i) BROENNIMAN shall have the right to employ separate counsel in any such Suit provided that the fees and expenses of such counsel incurred after delivery of notice by the Company of its assumption of such defense shall be at BROENNIMAN's own expense; and

(ii) the fees and expenses of counsel employed by BROENNIMAN shall be at the expense of the Company if (x) the employment of counsel by BROENNIMAN has previously been authorized by the Company, (y) BROENNIMAN shall have reasonably concluded that there may be a conflict of interest between the Company and BROENNIMAN in the conduct of any such defense (provided, that the Company shall not be required to pay for more than one counsel to represent two or more indemnitees where such indemnitees have reasonably concluded that there is no conflict of interest among them in the conduct of such defense) or (z) the Company shall not, in fact, have employed counsel reasonably satisfactory to BROENNIMAN to assume the defense of such Suit.

(d) All payments on account of the Company's advancement obligations under Section (b) hereof shall be made within 20 days of BROENNIMAN's written request therefor. All other payments on account of the Company's obligations under this Agreement shall be made within 60 days of BROENNIMAN's written request therefor, unless a Determination is made that the claims giving rise to BROENNIMAN's request are not payable under this Agreement. Each request for payment hereunder shall be accompanied by evidence reasonably satisfactory to the Company of BROENNIMAN's incurrence of the expenses for which such payment is

sought.

4. Enforcement of Indemnification; Burden of Proof. If a claim for indemnification or advancement of expenses under this Agreement is not paid in full by or on behalf of the Company within the time period specified in Section 3(d) hereof, BROENNIMAN may at any time thereafter bring suit against the Company to recover the unpaid amount of such clam. In any such action the Company shall have the burden of proving that indemnification is not required under this Agreement.

5. Partial Indemnification. If BROENNIMAN is entitled under any provision of this Agreement to indemnification by the Company for some portion of any Payments, but not, however, for the total amount thereof, the Company shall nevertheless indemnify BROENNIMAN for the portion of any such Payments to which BROENNIMAN is entitled.

6. Right Not Exclusive. The rights to indemnification and advancement of expenses provided hereunder shall not be deemed exclusive of any other rights to which BROENNIMAN may be entitled under any bylaw, agreement, vote of stockholders or disinterested directors or otherwise as to action in BROENNIMAN's official capacity or as to action in another capacity while holding such office.

7. Subrogation. In the event of payment under this Agreement by or on behalf of the Company, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of BROENNIMAN, who shall execute all papers that may be required and shall do all things that may be necessary to secure such rights, including, without limitation, the execution of such documents as may be necessary to enable the Company effectively to bring suit to enforce such rights.

8. Notice of Claim. Promptly after receipt by BROENNIMAN of notice of the commencement or threat of commencement of any civil, criminal, administrative or investigative Suit, BROENNIMAN shall, if indemnification with respect thereto may be sought from the Company under this Agreement, notify the Company thereof in writing at its principal office and directed to the Corporate Secretary (or such other address as the Company shall designate in writing to BROENNIMAN); notice shall be deemed received if sent by prepaid mail properly addressed, the date of such notice being the date postmarked. In addition, BROENNIMAN shall give the Company such information and cooperation as it may reasonably require and as shall be within BROENNIMAN's power.

9. Choice of Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Nevada, without giving effect to the principals of conflict of laws thereunder.

10. Jurisdiction. The Company and BROENNIMAN hereby irrevocably consent to the jurisdiction of the courts of the State of Nevada for all purposes in connection with any Suit that arises out of or relates to this Agreement, and agree that any action instituted under this Agreement shall be brought only in the state courts of the State of Nevada.

11. Coverage. The provisions of this Agreement shall apply to BROENNIMAN's service as a director, officer, employee or agent of the Company or at the Company's request, as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise with respect to all periods of such service prior to and after the date of this Agreement, even though BROENNIMAN may have ceased such service at the time of indemnification hereunder.

12. Attorneys' Fees. If any Suit is commenced in connection with or related to this Agreement, the prevailing party shall be entitled to have its costs and expenses, including, without limitation, reasonable attorneys' fees and reasonable expenses of investigation, paid by the losing party.

13. Severability. In the event that any provision of this Agreement is determined by a court to require the Company to do or to fail to do an act that is in violation of any applicable law, such provision shall be limited or modified in its application to the minimum extent necessary to avoid a violation of law, and, as so limited or modified, such provision and the balance of this Agreement shall be enforceable in accordance with their terms.

14. Successors and Assigns. The Agreement shall be binding upon all successors and assigns of the Company, including any transferee of all or substantially all of its assets and any successor by merger or otherwise by operation of law, and shall be binding upon and inure to the benefit of the heirs, executors and administrators of BROENNIMAN.

15. Descriptive Headings. The descriptive headings in this Agreement are included for the convenience of the parties only and shall not affect the construction of this Agreement.

16. Counterparts. This Agreement may be executed in two counterparts, both of which taken together shall constitute one document.

17. Amendment. No amendment, modification, termination or cancellation of this Agreement shall be effective unless made in writing and signed by each of the parties hereto.

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

The Company: BISHOP EQUITIES, INC.
a Nevada corporation

By: -----
Its Duly Authorized Officer

BROENNIMAN:

EDWARD G. BROENNIMAN

EXHIBIT "F"

COPIES OF EXCHANGED SHARES OR
LOST CERTIFICATE AFFIDAVITS

NONE

POWER OF ATTORNEY

THE UNDERSIGNED SHAREHOLDER (the "Shareholder") of HEMEX, INC. ("HEMEX") does hereby:

(i) sells, assigns and transfers unto BISHOP EQUITIES, INC., a Nevada corporation ("BISHOP"), the number of shares of HEMEX set forth opposite his name in Exhibit "A" (the "Shares") to that certain Agreement and Plan of Reorganization for the Acquisition of All of the Outstanding Shares of Common Stock of HEMEX, INC. by BISHOP EQUITIES, INC. dated February 12, 1999 (the "Agreement");

(ii) irrevocably constitutes and appoints FRANKLYN S. BARRY, JR. ("BARRY") as attorney-in-fact to transfer the Shares on the books of HEMEX to BISHOP as set forth in the Agreement, with full power of substitution in the premises;

(iii) constitutes and appoints BARRY as his true and lawful attorney-in-fact- and agent, with full power of substitution, for him and in his name, place, and stead, in any and all capacities (until revoked in writing) to act on behalf of such Shareholder in connection with the Agreement and the exchange of the Shares for the BISHOP shares; and

(iv) grants unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite or necessary to be done in and about the premises as fully to accomplish all intents and purposes of the Agreement as such Shareholder might or could do in person, hereby ratifying and confirming all that the attorney-in-fact, or his substitute, may lawfully do or cause to be done by virtue of this power of attorney.

IN WITNESS WHEREOF, the undersigned has executed this Power of Attorney this -- day of February, 1999.

(Signature of Shareholder)

(Printed Name of Shareholder)

MAUREEN ABATO
ATTORNEY AT LAW
330 EAST 39th STREET - #36-C
New York, NY 10016
Tel: (212) 883-0878; Fax: (212) 883-0877

-----, 1999

To the Shareholders of Aethlon, Inc.

Ladies and Gentlemen:

I have acted as counsel to Bishop Equities, Inc., a Nevada corporation (the "Company") in connection with the Agreement and Plan of Reorganization for the Acquisition of all of the outstanding shares of common stock of Aethlon, Inc. ("Aethlon") by the Company ("the Plan"). This opinion is furnished to you pursuant to Section 1.3.6 of the Plan.

I have participated in the preparation of and have examined the proceedings of the Company in connection with the approval thereof and the authorization of the transactions contemplated thereby, and have further examined such corporate records and documents of the Company and certificates of officers of the Company, and public officials, as I have deemed relevant and necessary to enable me to render this opinion. I have relied on the accuracy of certain representations and warranties of the Company and Aethlon contained in the Plan and have relied upon such records, documents and certificates with respect to the accuracy of certain factual matters, without independent verification of the matters covered thereby. In my examination of such records, documents and certificates, I have assumed the authenticity of all documents submitted to me as originals, the conformity to original documents of all documents submitted to me as certified or photostatic copies of original documents, the authenticity of the originals of such latter documents, and the accuracy of the statements contained in such certificates.

Based upon and in reliance upon the foregoing, I am of the opinion that:

1. The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Nevada and has all requisite corporate power and authority to own and lease its properties and to conduct its business as presently conducted.

2. The authorized capital stock of the Company consists of 25,000,000 common shares, par value \$.001 per share, of which 511,500 are issued and outstanding; and all of the issued and outstanding shares of capital stock have been duly and validly authorized and issued and are fully paid and nonassessable, and to the best of my knowledge have not been issued in violation of any preemptive right, co-sale right, registration right, right of first refusal or other similar right, and such shares are free and clear of any liens or other encumbrances.

Shareholders of Aethlon, Inc.
Page Two.

3. The Company has the corporate power and authority to authorize the issuance of the common stock under the Plan, and the Board of Directors of the Company has consented to and approved the issuance of the shares pursuant to the Plan.

4. The delivery of the shares of common stock to the Aethlon stockholders pursuant to the Plan has been duly authorized by all necessary corporate action on the part of the Company. The 728,500 common shares to be issued to the Aethlon shareholders, as and when delivered to the Aethlon shareholders pursuant to the Plan, are validly issued and outstanding, fully paid and nonassessable, and are not subject to any preemptive or similar right.

5. The Plan has been duly authorized, executed and delivered by the Company and, assuming the execution and delivery thereof by Aethlon, constitutes a valid and legally binding obligation of the Company, enforceable in accordance with its terms, except as the enforceability thereof may be limited by any applicable bankruptcy, insolvency, reorganization or other similar laws relating to or affecting the enforcement of creditors' rights generally and by general equitable principles, regardless of whether such enforceability is considered in a proceeding in equity or at law.

6. The execution, delivery and performance of the Plan by the Company, and the delivery by the Company to Aethlon of the shares of common stock pursuant to the terms of the Plan, will not result in a breach or violation of, or constitute a default under, the Company's Articles of Incorporation or Bylaws, or any statute, law, rule or regulation applicable to the Company or any of its properties, provided that the required "blue sky" filings are made as will be provided in the closing minutes.

7. The execution, delivery and performance of the Plan by the Company and the delivery by the Company to Aethlon of the shares of common stock pursuant to the terms of the Plan will not violate or conflict with or result in a breach of or constitute (or event which might, with the passage of time or the giving of

notice, or both, constitute a default) under, or result in the creation or imposition of any claim, lien, security interest, mortgage, pledge, charge or other encumbrance of any nature upon any of the properties or assets of the Company pursuant to the terms of any indenture, mortgage, agreement, contract, deed of trust, promissory note, or other agreement or instrument to which the Company is subject.

8. No consent, approval, authorization or order of, or registration or qualification with, any court or governmental agency or body or national securities exchange is required to be obtained by the Company for the delivery of the shares of common stock to Aethlon shareholders pursuant to the Plan, which has not been made or obtained by the Company.

Shareholders of Aethlon, Inc.
Page Three.

9. To the best of my knowledge after due inquiry, except as disclosed in the Plan, there are no actions, suits, investigations or proceedings pending to which the Company is a party, before or by any court or governmental agency or body which in my opinion would result, individually or in the aggregate, in any material adverse change in the prospects, financial condition or results of operations of the Company or which would materially and adversely affect the properties or assets thereof, taken as a whole, or which seeks to restrain or prohibit the transactions contemplated by the Plan; and, to the best of my knowledge after due inquiry, no such actions, suits, investigations or proceedings are threatened by any person, corporation or governmental agency or body.

This opinion is rendered solely for the benefit of Aethlon with respect to the shares of common stock to be delivered under the Plan, and is not to be used, circulated, quoted or referred to, or otherwise relied upon by any person, without my prior written consent.

Sincerely,

Maureen Abato

EXHIBIT I

HEMEX SCHEDULE OF EXCEPTIONS

Section 3.6 Financial Statements

1. Hemex Financial Statements for December 31, 1997 and September 30, 1998 have been prepared internally, and have not been subject to audit or review. While management believes that these statements represent in all material respects the financial condition of Hemex on these dates, they have not applied generally accepted accounting principals in a manner consistent with the audited statements for the year ended December 31, 1996 in the following respects:

Generally accepted accounting principals require that a deferred compensation liability be discounted from its face value, to the extent of the time between the statement date and the point in the future when such deferred compensation is likely to be paid, usually when the company expects to sell its product. The face value of deferred compensation has been used in internal statements.

Generally accepted accounting principals require that Hemex, as a Development Stage Enterprise, present cumulative results from inception of the company as well as results for the period. This format is used in the audited statements for the year ended December 31, 1996, but not in the internal statements.

Section 3.16 Contracts and Commitments

1. Hemex is party to an Employment Agreement dated April 1, 1997 with its President and CEO, Franklyn S. Barry, Jr. This agreement requires, among other provisions, payment of salary of \$9,000 per month and contribution to health insurance of \$350 per month. Upon completion of the reorganization between Bishop and Hemex, Barry will become an employee of Bishop and this Agreement will cease. Through September 30, 1998, Barry had received no payments of salary or contribution to health insurance under this Agreement.

Section 3.19 Arrangements with Employees

1. Although there is no formal deferred compensation plan between Hemex and

its former and current officers, the Board of Directors of Hemex has directed that all unpaid salary of officers be accrued as a liability of the company. Four officers have the following deferred compensation accrued at September 30, 1998:

Clara M. Ambrus	Chairman of the Board	\$189,744
Franklyn S. Barry, Jr.	President and CEO	\$162,000
Linda A. Broenniman	Former President and CEO	\$ 65,770
Edward M. Broenniman	Former Chief Operating Officer	\$132,212

HEMEX, INC.
BALANCE SHEET DECEMBER 31, 1997

Feb-22-98

ASSETS

Cash	\$	110
Prepaid Insurance		1200

TOTAL CURRENT ASSETS	\$	1,310
Equipment	\$	157,428
Less: Accumulated Depreciation	\$	103,585

NET FIXED ASSETS	\$	53,843
Patents, Net of Amortization	\$	55,267
TOTAL ASSETS	\$	110,780

LIABILITIES & SHAREHOLDERS EQUITY

Accounts Payable	\$	373,043
Accrued Payroll Taxes		1,250
Accrued Interest		42,415
Accrued Wages		1,022
Accrued Income Taxes		3,191
Accrued Expenses - Other		-

TOTAL CURRENT LIABILITIES	\$	420,191
Loans Payable - Stockholders	\$	291,732
Loans Payable - Others	\$	50,000
Deferred Compensation	\$	402,059

TOTAL LONG-TERM LIABILITIES	\$	743,791
STOCKHOLDERS EQUITY	\$	(1,053,932)
TOTAL LIABILITIES & STOCKHOLDERS EQUITY	\$	110,780

HEMEX, INC.
PROFIT & LOSS STATEMENT 1997

Feb-22-98

RECEIPTS	\$	-
EXPENDITURES		
Salaries Wages and Payroll Taxes	\$	359,169
Fringe Benefits		10,684

Subtotal - Personnel	\$	369,853
Consulting Services	\$	34,409
Legal and Accounting Services		48,645
Production & Engineering		540
R & D Services & Supplies		18,684
G & A Services & Supplies		7,471
Rent		35,292
Travel & Other Reimburseables		44,295
Insurance		3,111
Patent Fees		8,770
Depreciation & Amortization		22,349

Subtotal - Operations	\$	223,566
LOSS FROM OPERATIONS	\$	593,419
Interest Expense	\$	28,118

Provision for Income Taxes	\$	3,191
NET LOSS	\$	624,728

HEMEX, INC. Nov 1 1998
BALANCE SHEET SEPTEMBER 30, 1998

ASSETS

Cash	\$	181
Prepaid Insurance		-
TOTAL CURRENT ASSETS	\$	181
Equipment	\$	157,428
Less: Accumulated Depreciation	\$	117,585
NET FIXED ASSETS	\$	39,843
Patents, Net of Amortization	\$	52,562
TOTAL ASSETS	\$	92,586

LIABILITIES & SHAREHOLDERS EQUITY

Accounts Payable	\$	401,986
Accrued Payroll Taxes		-
Accrued Interest		60,987
Accrued Wages		-
Accrued Income Taxes		2,393
Accrued Expenses - Other		-
TOTAL CURRENT LIABILITIES	\$	465,366
Loans Payable - Stockholders	\$	291,732
Loans Payable - Others	\$	77,000
Deferred Compensation	\$	543,059
TOTAL LONG-TERM LIABILITIES	\$	911,791
STOCKHOLDERS EQUITY	\$	(1,284,571)

TOTAL LIABILITIES & STOCKHOLDERS EQUITY	\$	92,586
---	----	--------

HEMEX, INC. 1-Nov-98
PROFIT & LOSS STATEMENT 9 MONTHS 1998

RECEIPTS	\$	-
EXPENDITURES		
Salaries Wages and Payroll Taxes	\$	149,040
Fringe Benefits		880
Subtotal - Personnel	\$	149,920
Consulting Services	\$	-
Legal and Accounting Services		33,110
Production & Engineering		-
R & D Services & Supplies		1,322
G & A Services & Supplies		1,639
Rent		22,696
Travel & Other Reimbursables		2,661
Insurance		(2,771)
Patent Fees		10,145
Depreciation & Amortization		16,762
Miscellaneous Taxes		320
Subtotal - Operations	\$	85,884
LOSS FROM OPERATIONS	\$	235,804
Interest Expense	\$	18,572
Provision for Income Taxes	\$	2,393
NET LOSS	\$	256,769

EXHIBIT K

REAL PROPERTY OF HEMEX

Hemex occupies three laboratories at the University at Buffalo Foundation Incubator, Baird Research park, 1576 Sweet Home Road, Amherst, NY 14228. Occupancy is on a month to month basis under the terms of a Revocable Permit dated November 12, 1993, with 30 days notice required to vacate the Premises. Monthly rent is \$2,640.17 as of February 1, 1999.

EXHIBIT L

LIST OF PERSONAL PROPERTY OF HEMEX

DESCRIPTION	ORIGINAL COST	ACQUIRED
Perkin Elmer Atomic Absorbtion Spectrophotometer	\$48,033	1989
Sigma Centrifuge	4,100	1990
Perkin Elmer HPLC System	21,425	1990
Perkin Elmer Infrared Spectrophotometer	7,800	1991
Baker Sterilgard Hood	7,000	1991
Environmental Equipment Low Temperature Freezer	3,250	1991
Corning Mega-Pure System	2,356	1991
SWECO Grinding Mill	9,111	1992
Sorval Refrigerated Centrifuge	25,400	1993
Cary UV-VIS Spectrophotometer	9,995	1993
Mettler Balance	4,100	1993
ISCO Fraction Collector & Control	3,193	1993
Precision Shaking Water Bath	3,295	1993
Hemochrome HE 401C	3,688	1996
Ferro Chem II	5,500	1996
Bio-Rad Econo-Pump Column Pump	2,678	1996
Schmadzu UV Spectrophotometer	7,140	1996

Note: All other fixed assets, with original cost under \$2,000, have an Aggregate cost of \$27,934

EXHIBIT M

HEMEX PATENTS, TRADEMARKS, AND SERVICE MARKS

Hemex owns the following patents:

USA:No.4,612,122 Removing Heavy Metal Ions From Blood Issued September 16, 1986
 USA:No.4,714,556 Blood Purification Issued December 22, 1987
 USA:No.4,787,974 Blood Purification Issued November 29, 1988

Hemex has applied for assignment of the following foreign patents from Dr. Clara Ambrus:

EEC:No.0,073,888 Removing Heavy Metal Ions From Blood Issued April 23, 1986
 Japan:No.110,047/82 Removing Heavy Metal Ions From Blood Issued June 7, 1994

Hemex has applied for the following patent:

USA:No.09/123,029 Process For Immobilizing a Chelator Applied For July 27, 1998
 On Silica, Device Containing
 Immobilized Chelator, and Use
 Thereof

EXHIBIT N

HEMEX INSURANCE POLICIES

Hemex has the following Insurance Policies in effect:

POLICY	UNDERWRITER	TERMS
Worker's Compensation and Employer's Liability	The Hartford	NY State Required WC Coverage \$100M/accident, \$500M/disease
New York Disability	Zurich Insurance	NY State Required DBL Coverage

EXHIBIT O

HEMEX BANK ACCOUNTS
AND
BANKING AUTHORITY

Hemex has one bank account:

Checking Account: Marine Midland Bank, NA
529 Elmwood Avenue
Buffalo, New York 14222
Acct No: D773799443

Authorized Signatures:

Dr. Clara Ambrus, Chairman of the Board
Franklyn S. Barry, Jr., President and CEO

Banking Authority:

Checks to \$5,000 Ambrus or Barry
Checks over \$5,000 Ambrus and Barry

Borrowings to \$10,000 Ambrus or Barry
Borrowings over \$10,000 Ambrus and Barry

Commitment Authority:

Purchase Orders to \$5,000 Ambrus or Barry
Purchase Orders over \$5,000 Ambrus and Barry
Any Project over \$25,000 Board of Directors

EXHIBIT "P"

SCHEDULE OF EXCEPTIONS OF BISHOP

NONE

EXHIBIT "R"

BISHOP EQUITIES, INC. BANK ACCOUNTS

Operating Account:

Citibank
Account Number: 092 36255
Signatory: Deborah Salerno