LICENSE AGREEMENT

This Agreement is made this 31st day of March, 1981 by and between THE WISTAR INSTITUTE OF ANATOMY AND BIOLOGY, a Corporation organized and existing under the laws of the Commonwealth of Pennsylvania (hereinafter referred to as "WISTAR"), located at 36th Street at Spruce, Philadelphia, Pennsylvania and [

].

The background of this Agreement is as follows:

A. Dr. Stanley A. Plotkin, a member of WISTAR, has through invention developed:

(1) in human diploid tissue culture the Wistar RA 27/3 Rubella Virus Strain, which strain may also be utilized as a vaccine known as the Wistar Rubella Vaccine RA 27/3 and which vaccine can be administered by subcutaneous injection; and

(2) a method for the intranasal administration of the Wistar Rubella Vaccine RA 27/3.

B. On May 2, 1972 United States Letters Patent No. 3,660,565 relating to Wistar's Rubella vaccine was issued in the name of WISTAR.

On December 1, 1970 United States Letters Patent No. 3,544,680 relating to the intranasal administration of Wistar's Rubella vaccine was issued in the name of WISTAR.

On October 30, 1973 Canadian Patent No. 936,095 relating to Wistar's Rubella vaccine was issued in the name of WISTAR.

C. WISTAR is prepared to make the results of its work on its Rubella virus strain and/or vaccine and methods for administering the vaccine available for use in the public interest, in a manner that will promote the most effective development, distribution and use of the vaccine consistent with the HEW Determination Letter attached hereto.

D. [ ] wishes to obtain from WISTAR and WISTAR is willing to provide [ ] with a quantity of Wistar's Rubella virus strain and/or vaccine at the various passage levels necessary to establish a seed which will be used to prepare a vaccine and such technical information and know-how regarding commercial production of the strain and vaccine which are presently in the possession of WISTAR or acquired hereafter by WISTAR during the term of this Agreement.

E. [ ] wishes to obtain from WISTAR and WISTAR is willing to grant to [ ] the right and license to use Wistar's Rubella virus strain and/or vaccine and WISTAR's

know-how in the production of Rubella vaccine as well as licenses under WISTAR's patents relevant thereto upon the terms hereinafter set forth.

NOW THEREFORE, in consideration of the premises and the covenants and agreements herein set forth, and intending to be legally bound hereby, WISTAR and [ ] agree as follows:

1. The following definitions will apply throughout this Agreement:

(a) The term WISTAR shall mean The Wistar Institute of Anatomy and Biology.

(b) The term [ ] shall mean [ ] and its AFFILIATES.

(c) The term AFFILIATES shall mean any corporation, firm, partnership or other entity, whether de jure or de facto, which directly or indirectly owns, is owned by or is under common ownership with the party in question to the extent of at least fifty per cent (50%) of the equity having the power to vote on or direct the affairs thereof, and any person, firm, partnership or corporation actually controlled by the party in question.

(d) The term STRAIN shall mean the Wistar RA 27/3 Rubella Virus Strain developed in human diploid tissue.

(e) The term VACCINE shall mean the Wistar Rubella Vaccine RA 27/3 derived from the STRAIN.

(f) The term WISTAR KNOW-HOW shall mean and include all technical information and know-how regarding propagation of the STRAIN and commercial production of the VACCINE which are presently in the possession of WISTAR or acquired hereafter by WISTAR during the term of this Agreement. Excluded from the term WISTAR KNOW-HOW is any information which: (i) at the time of disclosure by WISTAR is in the public domain; (ii) after the time of disclosure by WISTAR becomes part of the public domain; (iii) [ ] can establish by reasonable proof was in its possession at the time of disclosure by WISTAR; and (iv) may be disclosed to [ ] by a third party who has the right to do so.

(g) The term LICENSED PATENTS shall mean and include, both individually and collectively, United States Letters Patents No. 3,544,680 and No. 3,660,565 and Canadian Patent No. 936,095 and any and all divisions, continuations, continuations-in-part, reissues, renewals or extensions thereof.

(h) The term NET PROCEEDS OF SALES shall mean the gross receipts from sales of VACCINE to third parties less deductions for (i) transportation charges, including insurance; (ii) sales and excise taxes and duties paid or allowed by a selling party; (iii) normal and customary trade, quantity and cash allowances or discounts

permitted; and (iv) allowances or credits to customers on account of retroactive price reductions. Sales by to its AFFILIATES, distributors or sub-licensees shall not be included in the NET PROCEEDS OF SALES, except where such AFFILIATES, distributors or sub-licensees are end users, but royalties shall be payable on the subsequent final sales to third parties by such AFFILIATES, distributors or sub-licensees. The term NET PROCEEDS OF SALES shall include the gross receipts of only one sale with respect to any one unit of VACCINE.

2. Upon the signing of this Agreement WISTAR shall furnish to [ ] such quantity of the STRAIN and/or VACCINE, serially passaged 21 to 30 times as [ ] deems is necessary to establish a seed, and the WISTAR KNOW-HOW.

3. WISTAR hereby grants to [ ] a non-exclusvie right and license, with the right to grant sub-licenses upon WISTAR's prior approval of party and terms, to use the STRAIN, VACCINE and/or WISTAR KNOW-HOW in the production of Rubella vaccine for sale throughout the world, alone or in combination with other vaccines.

4. WISTAR hereby grants to [ ] a non-exclusive license under the LICENSED PATENTS to make, have made, use and/or sell rubella vaccine produced by use of the STRAIN and/or VACCINE, alone or in combination with other vaccines, in Canada, the United States and territories or possessions thereof.

5. In consideration for the furnishing of the STRAIN and/or VACCINE, technical consultation and the WISTAR KNOW-HOW and the granting of the above rights and licenses, [ ] shall make the following payments to WISTAR:

(a) Upon the signing of this Agreement, Thirty Thousand Dollars (U. S. Dollars $30,000) in partial payment for the STRAIN and/or VACCINE.

(b) Beginning on the second anniversary date of this Agreement and on each anniversary date thereafter, Thirty Thousand Dollars (U. S. Dollars $30,000). Said payments shall continue on a per annum basis until but not including the year [ ] first markets a Rubella vaccine derived from the WISTAR STRAIN, VACCINE and/or WISTAR KNOW-HOW or utilizing the LICENSED PATENTS, alone or in combination with other vaccines, or until such time as

notifies WISTAR that it has discontinued commercial development of such a Rubella vaccine utilizing the WISTAR STRAIN, VACCINE and/or WISTAR KNOW-HOW.

[ ] shall give WISTAR written notice of the date of its first commercial sale of a Rubella vaccine derived from the STRAIN, VACCINE and/or WISTAR KNOW-HOW or utilizing the LICENSED PATENTS, alone or in combination with other vaccines, or of its decision to discontinue commercial development of such a Rubella vaccine.

Payments made by [ ] to WISTAR under this paragraph 5(b) shall be retained by WISTAR in the event

[ ] discontinues commercial development of such a Rubella vaccine or credited against the running royalties and/or minimum royalty provided for in paragraphs 5(d) and/or 5(e) below in the event [ ] makes a commercial sale of such a Rubella vaccine.

(c) At the time of first commercial sale by [ ] of a Rubella vaccine derived from the STRAIN, VACCINE and/or WISTAR KNOW-HOW or utilizing the LICENSED PATENTS, alone or in combination with other vaccines, Fifty Thousand Dollars (U. S. Dollars $50,000) less any payments made by [ ] under paragraph 5(b) above which may be credited against royalties described in paragraphs 5(d) and/or 5(e) below. Said payment of fifty thousand dollars ($50,000) by [ ] shall be credited against the running royalties provided for in paragraphs 5(d) and/or 5(e) below.

(d) Commencing with the first commercial sale by [ ] and thereafter, a running royalty at the following rates:

(i) Four and one half percent (4 1/2%) of NET PROCEEDS OF SALES of any Rubella vaccine the manufacture, use or sale of which would infringe any claim of a valid and unexpired LICENSED PATENT were this agreement not in effect. Said payments shall continue for the life of the applicable LICENSED PATENT and no longer; or

(ii) Four percent (4%) of the NET PROCEEDS OF SALES of any Rubella vaccine where neither the manufacture, use nor sale thereof would infringe any claim of a LICENSED PATENT, but which Rubella vaccine is derived directly or indirectly from the STRAIN, VACCINE and/or WISTAR KNOW-HOW. Said payments shall continue for a period of ten (10) years from the date of [ ]'s first commercial sale of such Rubella vaccine and no longer.

(iii) In the event that [ ] markets a multicomponent vaccine incorporating a Rubella virus derived from the STRAIN, VACCINE and/or the WISTAR KNOW-HOW, the royalty shall be calculated on the NET PROCEEDS OF SALES of the multicomponent vaccine divided by the number of vaccine components using the running royalty of paragraph 5(d)(i) or 5(d)(ii), whichever is appropriate.

(e) In the event that in any year during the first ten (10) years following the first commerical sale of the Rubella vaccine by [ ] the amounts of running royalties under paragraphs 5(d)(i) and 5(d)(ii) do not exceed the minimum for such year in the schedule below, [ ] shall have the option of either paying the difference between such running royalties and such minimum or terminating this agreement and surrendering the license granted hereby.

SCHEDULE OF MINIMUM ROYALTIES

| | |
|---|---|
| First year after first commercial sale | U. S. Dollars $10,000 |
| Second year after first commercial sale | U. S. Dollars $15,000 |
| Third year after first commercial sale | U. S. Dollars $20,000 |
| Each of fourth through tenth years after first commercial sale | U. S. Dollars $25,000 |

(f) In the event that any claim or claims of a LICENSED PATENT shall be held invalid or unenforceable by a court of last resort or by any other court of competent jurisdiction from whose judgement or decree no appeal is taken, [ ] shall thereafter be relieved from the payment of royalties under paragraph 5(d)(i) with respect to the claim or claims held invalid or unenforceable, but shall not be relieved from the payment of royalties required by paragraphs 5(d)(ii), 5(d)(iii) and 5(e).

6. Royalties due and payable hereunder shall be paid by to WISTAR in the United States in United States currency, even though governmental restrictions prevent the remittance of such payments from the country of sale. WISTAR, upon request by [ ] may at WISTAR's sole option agree to accept all or partial royalty payments on account of NET PROCEES OF SALES in such country by remittances to it or its nominee in the currency of such country, or in such other manner as may be mutually agreeable and conformable to the laws and regulations of such country. Where it is necessary to convert the amount of royalties due from a local currency into United States currency, such conversion shall be made at the official exchange rate applicable to the type of remittance in

effect in the country involved on the date the royalty remittance is due. If there is no such official exchange rate, the conversion shall be made at the rate for such remittance on that date as certified by Citibank, N.A., New York.

7. Within ninety (90) days after the end of each calendar quarter of each year, [ ] shall remit to WISTAR royalty payments in accordance with paragraphs 5(d) and/or 5(e) and statements of sales for each quarter year then ended. WISTAR shall have the right to employ a certified public accountant of its own selection, to whom [ ] has no unreasonable objection, to inspect the pertinent books and records of [ ] for the two-year period immediately preceding the date of inspection for the sole purpose of determining the amount of royalties due, but this provision shall not shorten the period established by any applicable statute of limitations.

8. (a) In the event WISTAR hereafter shall enter into an agreement with any third party outside [ ] providing for the acquisition by such third party of equal or greater rights to the STRAIN, VACCINE and/or WISTAR KNOW-HOW or under the claims of the LICENSED PATENTS, and such agreement shall contain running royalty terms more favorable to such third party than those granted to [ ] under this Agreement, WISTAR will promptly notify [ ] in writing of the grant of such license and [ ] shall be entitled to such more favorable running royalty terms effective upon commencement of sales by such third party.

(b) If, in any country to which the licenses granted herein extend, a third party sells a Rubella vaccine derived from the STRAIN, VACCINE and/or WISTAR KNOW-HOW or utilizing the LICENSED PATENTS, without having been licensed by WISTAR to do so, to what [ ] deems is [ ]'s significant economic disadvantage, WISTAR and [ ] shall negotiate on the reduction of royalties payable hereunder with respect to said country.

(c) In the event that a governmental agency in any country or territory compels WISTAR to grant a license to any third party for the STRAIN, VACCINE and/or WISTAR KNOW-HOW, [ ] shall have the benefit of the same terms as those granted to such third party.

(d) In the event [ ] is required to pay royalties to any third party on account of making, having made, using or selling the STRAIN and/or VACCINE, or any multicomponent vaccine containing the VACCINE, by virtue of such third party having rights under a patent which dominates the rights granted to [ ] hereunder or otherwise, WISTAR and [ ] shall negotiate on the reduction of royalties payable hereunder.

9. (a) This Agreement shall terminate when no running royalty thereafter can become due under paragraph 5(d) of this Agreement. All rights and licenses granted hereunder shall be royalty free and non-cancellable after such termination date.

(b) [ ] may terminate this Agreement with respect to any country or territory by giving WISTAR at least ninety (90) days written notice thereof.

(c) If [ ] shall at any time make default in the payment of any royalty, or the making of any report hereunder, or shall commit any material breach of any covenant or agreement herein contained or shall make any false report, and shall fail to remedy any such default or breach within thirty (30) days after written notice thereof by WISTAR, WISTAR may, at its option, cancel this agreement and revoke the rights and licenses herein granted by notice in writing to such effect, but such act shall not prejudice the right of WISTAR to recover any royalty or other sums due to the time of such cancellation, it being understood, however, that if within thirty (30) days after delivery of any such notice, [ ] shall have rectified its default, then the rights and licenses herein granted shall remain in force as if no breach or default had occurred on the part of [ ] If WISTAR shall at any time be in default or shall commit any breach of any covenant herein contained and shall fail to remedy such default or breach within thirty (30) days after written notice thereof by [ ] [ ] may, at its option, cancel this agreement, surrender the licenses herein granted and incur no further obligation hereunder, without prejudice to any rights of [ ] which had accrued prior to cancellation, it being understood, however, that if within thirty (30) days after delivery of any such notice, WISTAR shall have rectified its default, then the licenses herein granted shall remain in force as if no breach or default had occurred on the part of WISTAR.

(d) If [ ] shall become insolvent, or shall make any assignment for the benefit of creditors, or if [ ] is adjudged bankrupt, or if a receiver or trustee of [ ] properly shall be appointed, the license herein granted shall thereupon automatically terminate.

10. This Agreement and the licenses granted hereunder are subject to the conditions of the HEW Determination Letter, a copy of which is attached hereto as Appendix A. WISTAR will inform [ ] if WISTAR receives a written inquiry regarding compliance with paragraph 2(b) of the HEW Determination Letter.

11. In order that WISTAR may provide the United States Department of Health, Education and Welfare with the information required of WISTAR under paragraph 2(c) of the HEW Determination Letter, [ ] shall provide written annual reports to WISTAR regarding the current state of the development and commercial use of the STRAIN and/or VACCINE covered by the United States patents licensed herein that is being made and is intended to be made by it, including the amounts of money expended in such development.

12. This agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective legal successors, but otherwise shall not be assignable or transferable by either party without prior written consent of the other, unless the assigning or transferring party holds, directly or indirectly, a majority interest in the assignee or transferree or if a majority interest in both of them is held,

directly or indirectly, by a common parent company.

13. Any controversy or claim arising out of or relating to this agreement, or the breach thereof, shall be referred to a panel of three arbitrators, one chosen by each of the parties and the third selected by the two chosen by the parties and shall be settled by arbitration by such panel. Such arbitration shall take place in Philadelphia, Pennsylvania, U.S.A. and shall be in accordance with the Rules of the American Arbitration Association. The decision of the arbitrators shall be final and binding and judgement upon the award rendered by the arbitrators may be entered by the United States District Court for the Eastern District of Pennsylvania.

14. To the extent not in conflict with the United States Arbitration Act, 9 U.S.C. § et seq., and federal substantive law, this Agreement shall be governed by the law of the Commonwealth of Pennsylvania.

15. All notices, documents, statements, reports and other writings required or permitted to be given by the terms of this Agreement shall be in English and shall be deemed to be adequately given if posted as prepaid registered mail, properly addressed to WISTAR and to [ ] at their respective addresses first given above or at such other address as one party hereto may from time to time designate by notice in writing to the other.

IN WITNESS WHEREOF, the parties hereto have duly executed this agreement on the day first above written.

WITNESS:

THE WISTAR INSTITUTE OF ANATOMY AND BIOLOGY

H. D. Putney

John W. Eckman

WITNESS:

JEW-3-3/12/81-EX.

# LICENSE AGREEMENT

THIS AGREEMENT is made as of _____ by and between THE WISTAR INSTITUTE OF ANATOMY AND BIOLOGY, a Corporation organized and existing under the laws of the Commonwealth of Pennsylvania (hereinafter referred to as "Wistar"), located at 36th Street and Spruce, Philadelphia, Pennsylvania and DAMON BIOTECH, INC., located at 116 Fourth Avenue, Needham Heights, Massachusetts 02194 (hereinafter "Damon").

The background of this Agreement is as follows:

A. Carlo M. Croce ("Croce") through invention developed human myeloma mutant cell lines, GM 1500 6TG-A1-1 and GM 1500 6tG-A1-2, (hereinafter referred to as the "GM 1500 mutant cell lines"), and on November 7, 1980, filed in the U.S. Patent and Trademark Office an application for Letters Patent thereon, such Application being Application SN. 204,832 entitled "Production of Human Monoclonal Antibodies by Human Hybridomas."

B. By Agreement dated October 16, 1981, Croce assigned to Wistar the full and exclusive right to said invention as described in said Application and in and to any

Letters Patent of the United States or any foreign country which may issue thereon.

C. Wistar has filed patent applications corresponding to U.S. Patent Application SN. 204,832 in the foreign countries listed in Exhibit 1.

D. Wistar has loaned to Damon a quantity of the GM 1500 mutant cell lines to be used by Damon in the production of certain monoclonal antibodies.

E. Damon desires to obtain a license under the product claims of U.S. Patent Application SN. 204,832 and the product claims of the corresponding foreign patent applications to use the GM 1500 mutant cell lines for the production of certain monoclonal antibodies and Wistar is prepared to grant such a license.

NOW THEREFORE, in consideration of the mutual promises and covenants herein contained and intending to be legally bound hereby, Wistar and Damon agree as follows:

## ARTICLE I - LOAN OF GM 1500 MUTANT CELL LINES

1.01. Wistar has loaned to Damon a sufficient quantity of the GM 1500 mutant cell lines to enable Damon to perform this Agreement.

1.02. The GM 1500 mutant cell lines have been loaned by Wistar to Damon and Damon shall acquire no title to the GM 1500 mutant cell lines by reason of such loan.

1.03. Damon will use the GM 1500 mutant cell lines loaned to it by Wistar hereunder only for the production of monoclonal antibodies in the fields set forth in Exhibit 2 to this Agreement, pursuant to the license granted by Wistar to Damon in paragraph 3.01 of this Agreement.

1.04. Damon will not lend, sell, transfer or deliver the GM 1500 mutant cell lines loaned to Damon hereunder, to any third party without Wistar's prior written consent.

## ARTICLE II - CONFIDENTIAL INFORMATION

2.01. Damon agrees to maintain in confidence and not to disclose to any third party the GM 1500 mutant cell lines and information relating thereto, including without limitation, information relating to the composition and use of said cell lines.

2.02. The parties agree that U.S. Patent Application SN. 204,832, a copy of which is attached as Exhibit 3 to this Agreement, is part of the confidential information to which reference is made in paragraph 2.01.

2.03. The obligation of Damon contained in paragraph 2.01 shall not apply

(a) where this material and information relating thereto, is generally available to the public, or subsequent to the receipt thereof, becomes available to the public through no act or failure to act by Damon;

(b) to materials and information relating thereto, which is known to Damon at the time of receipt thereof from Wistar; and,

(c) to materials and information relating thereto, which is disclosed to Damon by a third party not

under obligation to Wistar to maintain such materials and information relating thereto in confidence.

However, the provisions of this paragraph 2.03 shall not confer upon Damon any right or license to make, use or sell the GM 1500 mutant cell lines, under any information relating thereto, under U.S. Patent Application SN. 204,832, or otherwise.

## ARTICLE III - LICENSE GRANT

3.01. Subject to the terms of the Institutional Patent Agreement between the United States of America and Wistar dated June 6, 1980, a copy of which is annexed to this Agreement as Exhibit 4, any other applicable institutional patent agreements, laws of the United States and regulations promulgated thereunder, Wistar hereby grants to Damon a non-exclusive license, without right of sublicense under the product claims, but not the process claims, of U.S. Patent Application SN. 204,832, and the corresponding foreign patent applications listed on Exhibit 1, and under any patents which may issue thereon, to use, but not to make, have made or sell the GM 1500 mutant cell lines for the production of monoclonal antibodies in the fields set forth in Exhibit 2 to this Agreement.

## ARTICLE IV - PAYMENTS BY DAMON

4.01 Damon shall pay to Wistar an amount(s) equal to fifty percent (50%) of all direct and indirect option, pre-commercialization and commercialization payments, management or advisor fees, and/or other payments in the nature thereof, and/or of the fair value of material(s), rights and information given or granted in lieu of payments, based upon, as a result of and/or in connection with the licenses granted in paragraph 3.01, which Damon receives from any source prior to, in addition to and/or in lieu of royalty payments and/or sales price for monoclonal antibodies.

4.02. Commencing with the date of this Agreement, on sales by Damon of monoclonal antibodies made through use of the GM 1500 mutant cell lines and/or under the license granted by paragraph 3.01, a running royalty at the rate of [ ] of net proceeds of such sales.

4.03. In each year following the first anniversary date of this Agreement during which this Agreement is in effect, Wistar shall be entitled to receive from Damon a minimum royalty in an amount equal to [ ]. In the event that in any year following the first anniversary date of this Agreement the running royalties and/or other amount(s)

payable to Wistar under paragraphs 4.01 and 4.02 above do not exceed said minimum royalty and Damon fails to pay to Wistar the difference between such running royalties and/or other amounts and such minimum, this Agreement shall terminate.

4.04. Damon shall pay the annual minimum royalty provided for in subparagraph 4.03 above to Wistar each year in advance on the anniversary date of this Agreement.

4.05. Damon shall pay to Wistar [ ] for the loan of GM 1500 mutant cell lines. One-half (1/2) of the [ ] payment shall be credited at the rate of [ ] per year for five (5) years against earned royalties in excess of minimum royalties payable by Damon to Wistar in each of said five (5) years. The balance of [ ] shall be retained by Wistar.

4.06. "Net proceeds of sales" for the purposes of this Agreement shall mean gross sales less allowances for returns.

4.07. Royalties due and payable hereunder shall be paid by Damon to Wistar in the United States in United States currency, even though governmental restrictions

prevent the remittance of such payments from the country of sale. Where it is necessary to convert the amount of royalties due from a local currency into United States currency, such conversion shall be made at the exchange rate applicable to the type of remittance in effect in the country involved on the date the royalty remittance is due.

4.08. Within ninety (90) days after the close of each calendar quarter, Damon shall furnish to Wistar statements of sales by it and its sublicensees, if any, for such quarter then ended. To the extent that running royalties and/or other amounts due to Wistar on such sales under paragraphs 4.01 and 4.02 hereof exceed the annual advance payment of minimum royalty for such year payable by Damon under paragraphs 4.03 and 4.04 hereof, Damon shall remit payment of said running royalties to Wistar with said quarterly statements of sales. Wistar shall have the right to employ a Certified Public Accountant of its own selection, to whom Damon has no reasonable objection, to inspect the pertinent books and records of Damon for the two-year period immediately preceding the date of inspection for the purpose of determining the amount of royalties due but this provision shall not shorten the period established by any applicable statute of limitations.

## ARTICLE V - REPORTS BY DAMON

5.01. Damon shall make a report to Wistar on its operations under this Agreement on March 1 of each year covering its progress during the previous calendar year towards commercialization. Such report need not include company proprietary information but must be in sufficient detail to enable Wistar to evaluate Damon's progress towards commercialization. The report shall contain a statement of funds expended by Damon in the previous calendar year and an estimate of when Damon will be ready to apply for marketing approval from the relevant agency or department of the United States government.

## ARTICLE VI - INDEMNIFICATION BY DAMON

6.01. Damon agrees to indemnify and save Wistar harmless from and against any and all claims, loss, damage, injuries and liability including legal expenses and costs, however caused, resulting from, arising out of, or in any way connected with the use of the GM 1500 mutant cell lines by Damon or any third party with the consent of Damon whether or not caused or contributed to by any action or inaction or alleged action or inaction (including any negligence or alleged negligence) on the part of Wistar.

## ARTICLE VII - EFFECTIVE DATE AND TERM

7.01. This Agreement will become effective on the day and year first above written and, unless previously terminated in accordance with any of the provisions hereof, shall terminate as to each patent application licensed hereby upon the expiration of the patent issuing upon such application.

## ARTICLE VIII - TERMINATION

8.01. Failure by Damon or Wistar to comply with any of the respective obligations and conditions contained in this Agreement shall entitle the other party to give to the party in default notice requiring it to make good such default. If such default be not made good within ninety (90) days after receipt of such notice, the notifying party shall be entitled (without prejudice to any of its other rights conferred on it by this Agreement) to terminate this Agreement by giving notice to take effect immediately. The right of either party to terminate this Agreement as hereinabove provided shall not be affected in any way by its waiver of, or failure to take action with respect to, any previous default.

8.02. In the event that one of the parties shall go into liquidation, a receiver or a trustee be appointed for the property or estate of that party, or the party makes an assignment for the benefit of creditors, and whether any of the aforesaid events be the outcome of the voluntary act of that party, or otherwise, the other party shall be entitled to terminate this Agreement forthwith by giving written notice to the first party.

8.03. Upon termination of this Agreement, prior to the expiration of its term, all licenses granted by this Agreement shall terminate and

(a) Damon shall return to Wistar the GM 1500 mutant cell lines loaned by Wistar to Damon and all information relating thereto supplied by Wistar to Damon, and

(b) Damon shall destroy all products derived from the GM 1500 mutant cell lines loaned by Wistar to Damon.

## ARTICLE IX - ASSIGNMENT

9.01. The rights of Damon under this Agreement may not be assigned and the duties of Damon under this Agreement may not be delegated without the prior written consent of Wistar.

## ARTICLE X - INTERPRETATION

10.01. To the extent not in conflict with the United States Arbitration Act, 9 U.S.C. §1 et seq. and federal substantive law, this Agreement shall be deemed to have been made in the Commonwealth of Pennsylvania and shall be governed and interpreted in all respects under the laws of that Commonwealth.

## ARTICLE XI - ARBITRATION

11.01. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be referred to a panel of three arbitrators, one chosen by each of the parties and the third selected by the two chosen by the parties and shall be settled by arbitration by such panel. Such arbitration shall take place in Philadelphia, Pennsylvania, U.S.A., shall be governed by the United States Arbitration Act, 9 U.S.C. §1 et seq., and shall be in accordance with the Rules of the American Arbitration Association. The decision of the arbitrators shall be final and binding and judgment upon the award rendered by the arbitrators may be entered by the United States District Court for the Eastern District of Pennsylvania.

## ARTICLE XII - NOTICES

12.01. Any notice required to be given by either party under the terms of this Agreement shall be given by registered letter addressed to the party for whom it is intended at the address set forth in the preamble of this Agreement or such other address as such party shall designate in writing. Such notice shall be deemed to have been given upon mailing.

## ARTICLE XIII - TITLES

13.01. It is agreed that marginal headings appearing at the beginning of the numbered articles hereof have been inserted for convenience only and do not constitute any part of this Agreement.

## ARTICLE XIV - ENTIRE AGREEMENT

14.01. This Agreement constitutes the entire agreement between the parties, and no variation or modification of this Agreement or waiver of any of its terms or provisions shall be deemed valid unless in writing and signed by both parties.

IN WITNESS WHEREOF and for making this Agreement come into force from the date first above written, both parties cause this Agreement to be duly signed by their respective competent representatives.

WITNESS

THE WISTAR INSTITUTE OF ANATOMY AND BIOLOGY

_____ By_____

WITNESS

DAMON BIOTECH, INC.

_____ By_____