

## PATENT LICENCE AGREEMENT

**THIS AGREEMENT** dated October 15, 2013 is between:

- 1) **NUMEDICUS LIMITED** a company incorporated in England and Wales whose registered office is at 5 Tenison Avenue, Cambridge CB1 2DX ("**Licensor**"); and
- 2) **REVIVE THERAPEUTICS INC.** a company incorporated in the Province of Ontario, Canada whose registered office is at 5 Director Court, Suite 105, Vaughan, Ontario L4L 4S5 ("**Licensee**").

### RECITALS:

- A. The Licensee wishes to acquire rights under the Patents and to use the Technology for the development and commercialisation of Licensed Products in the Territory, in accordance with the provisions of this Agreement.
- B. The previous licence agreements dated 04 September 2012 and March 7, 2013 between the Parties concerning the Patents are hereby terminated.

**IT IS AGREED** as follows:

### 1 Definitions

In this Agreement, the following words shall have the following meanings:

Affiliate	in relation to a Party, means any entity or person other than the Licensee that controls, is controlled by, or is under common control with that Party.
Agreement Year	means the period of 12 months from the Commencement Date and each subsequent 12 month period thereafter until termination of this Agreement.
Change of Control	means a transaction or series of related transactions that results in the sale or other disposition of all or substantially all of Licensee's assets; or (ii) a merger or consolidation in which Licensee is not the surviving corporation or in which, if Licensee is the surviving corporation, the shareholders of Licensee immediately prior to the consummation of such merger or consolidation do not, immediately after consummation of such merger or consolidation, own shares or other securities of Licensee that possess a majority of the voting power of all Licensee's outstanding shares and other securities and the power to elect a majority of the members of Licensee's board of directors; or (iii) a transaction or series of related transactions (which may include without limitation a tender offer for Licensee's shares or the issuance, sale or exchange of shares of Licensee) if the shareholders of Licensee immediately prior to the initial such transaction do not, immediately after consummation of such transaction or any of such related transactions, own shares or other securities of Licensee that possess a majority of the voting power of all Licensee's outstanding shares and other securities and the power to elect a majority of the members of Licensee's board of directors.
Claims	means all demands, claims and liability (whether criminal or civil, in contract, tort or otherwise) for losses, damages, legal costs and other expenses of any nature whatsoever and all costs and expenses (including without limitation

legal costs) incurred in connection therewith.

Commencement Date means 04 September 2012.

Indemnified has the meaning given in Clause 7.4.

Licensed Products means any and all products that are manufactured, sold or otherwise supplied by the Licensee or its sub-licensee (including any Affiliate of the Licensee) and which are within any Valid Claim of any of the Patents granted in the country or countries in which the products are sold.

Net Receipts



(1)

Net Sales Value



(1)

Redactions:

(1) Confidential commercial terms related to calculation of payments.



Parties	means Licensor and the Licensee, and " <b>Party</b> " shall mean either of them.
Patents	means the patent documents referred to in Schedule 1 as well as any continuation, extension, reissue, division, and supplementary protection certificate and any similar rights in any part of the world that are based on or derive priority therefrom.
Technology	means any and all teachings disclosed in the Patents, and any and all methods, processes, products and other art, owned by the Licensor at the Commencement Date, as necessary to work the Licensed Products.
Territory	means any countries in the world in which there is at least one Valid Claim covering a Licensed Product.
Valid Claim	means a claim of one or more of the Patents that has not expired or been held invalid or unenforceable by a court of competent jurisdiction in a final and non-appealable judgment.

**2 Grant of rights**

2.1 *Licence.* Licensor hereby grants to the Licensee, subject to the provisions of this Agreement, an exclusive licence to exploit the Patents and, to develop, manufacture, have manufactured, use and sell Licensed Products in the Territory with the right to sub-licence, subject to Clause 2.3 below, its rights under this Clause 2.1. Licensor grants to the Licensee the right to make use of the Technology to the extent necessary for fully exercising the aforementioned exclusive licence.

2.2 *Formal licences.* The Parties shall execute such formal licences as may be necessary or appropriate for registration with patents offices and/or other relevant authorities in particular territories in order to record and/or give full effect and force to this Agreement and the licences granted herein. In the event of any conflict in the meaning between any such formal licence and the provisions of this Agreement, the provisions of this Agreement shall prevail wherever possible. Prior to the execution of the formal licence(s) referred to above, the Parties shall so far as possible have the same rights and obligations towards one another as if such licence(s) had been granted. The Parties shall use reasonable endeavours to ensure that, to the extent permitted by relevant authorities, this Agreement shall not form part of any public record.

2.3 *Sub-licensing.* The Licensee shall thereafter be entitled to grant sub-licences of its rights under Clause 2.1 to any person ("**Sub-Licensee**"), provided that:

2.3.1

**Redactions:**

- (1) Confidential commercial terms related to calculation of payments.

(1)

2.3.2

2.3.3

2.3.4

2.3.5

2.4 *No other licence.* Except for the licences expressly granted under this Clause 2, Licensor reserves all its rights.

2.5 *Quality.* The Licensee shall ensure, to the extent possible within reasonable cost and effort, that all of the Licensed Products marketed by it and its Sub-Licensees are of satisfactory quality and comply with all applicable laws and regulations in each part of the Territory.

2.6 *Responsibility for development of Licensed Products.* The Licensee shall be exclusively responsible for the technical and commercial development and manufacture of Licensed Products and for incorporating any modifications or developments thereto that may be necessary or desirable and for all Licensed Products sold or supplied, and accordingly the Licensee shall indemnify Licensor in the terms of Clause 7.4.

### 3 **Know-how and Confidential Information**

3.1 *Confidentiality obligations.* Each Party ("**Receiving Party**") undertakes:

- 3.1.1 to maintain as secret and confidential all know-how and other technical or commercial information obtained directly or indirectly from the other Party ("**Disclosing Party**") in the course of or in anticipation of this Agreement and to respect the Disclosing Party's rights therein;
- 3.1.2 to use the same exclusively for the purposes of this Agreement; and
- 3.1.3 to disclose the same only to those of its employees, contractors and Sub-Licensees pursuant to this Agreement (if any) to whom and to the extent that such disclosure is reasonably necessary for the purposes of this Agreement.

3.2 *Exceptions to obligations.* The provisions of Clause 3.1 shall not apply to know-how and other information which the Receiving Party can demonstrate by reasonable, written evidence:

Redactions:

- (1) Confidential commercial terms related to the terms and conditions upon which Revive may grant sublicenses.

- 3.2.1 was, prior to its receipt by the Receiving Party from the Disclosing Party, in the possession of the Receiving Party and at its free disposal; or
- 3.2.2 is subsequently disclosed to the Receiving Party without any obligations of confidence by a third party who has not derived it directly or indirectly from the Disclosing Party; or
- 3.2.3 is or becomes generally available to the public through no act or default of the Receiving Party or its agents, employees, Affiliates or Sub-Licensees; or
- 3.2.4 the Receiving Party is required to disclose to the courts of any competent jurisdiction, or to any government regulatory agency or financial authority, provided that the Receiving Party shall:
  - 3.2.4.1 inform the Disclosing Party as soon as is reasonably practicable; and.
  - 3.2.4.2 at the Disclosing Party's request seek to persuade the court, agency or authority to have the information treated in a confidential manner, where this is possible under the court, agency or authority's procedures.

3.3 *Disclosure to employees.* The Receiving Party shall procure that all of its employees, contractors and Sub-Licensees pursuant to this Agreement (if any) who have access to any of the Disclosing Party's information to which Clause 3.1 applies, shall be made aware of and subject to these obligations and shall have entered into written undertakings of confidentiality at least as restrictive as Clauses 3.1 and 3.2 and which apply to the Disclosing Party's information.

#### 4 **Payments**

4.1 *Annual Licence Fee.* The Licensee shall pay to Licensor the sum of £10,000 on the first and each subsequent anniversary of the Commencement Date.

4.2 *Milestone payments.* The Licensee shall pay to Licensor the following milestone payments upon the milestone events specified below:

- 4.2.1  (1)
  - 4.2.2 
  - 4.2.3 
  - 4.2.4 
  - 4.2.5 
  - 4.2.6 
- 

4.3 *Royalties on Net Sales Value*

- 4.3.1 The Licensee shall pay to Licensor a royalty on the Net Sales Value in any Agreement Year at a royalty rate of 3.00%
- 4.3.2 *Royalties on combination products.* If any Licensed Product is incorporated in any other product ("**Combination Product**") supplied by the Licensee and the Licensed

Redactions:

- (1) Confidential commercial terms related to milestones payments.

Product is not priced separately from the Combination Product, the Net Sales Value of such Licensed Product shall be deemed to be [REDACTED] (1)

4.3.3



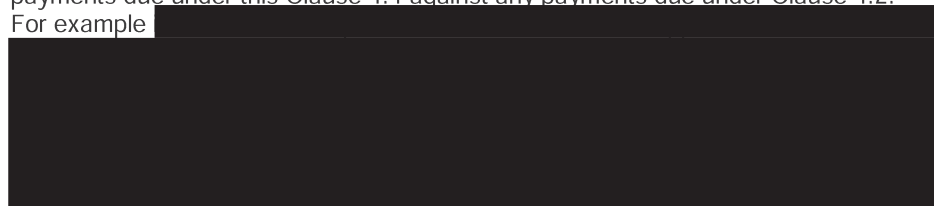
4.4

*Royalties on Net Receipts*

4.4.1 In respect of Net Receipts obtained in relation to a grant of a sub-licence of any of the Patents, the Licensee shall pay to Licensor a royalty rate of [REDACTED] (2)

4.4.2 If the Parties disagree as to the calculation of any items referred to in Clause 4.9.1, including without limitation any disagreement as to the cash value of any non-monetary receipt, but excluding any dispute as to whether a product is a Licensed Product, such disagreement shall be referred to an independent expert who shall be appointed and act in accordance with the provisions of Schedule 3 and whose decision shall be final and binding on the Parties.

4.4.3 Where a milestone payable in relation to a grant of a sub-licence matches the milestones described in Clause 4.2, the Licensee shall be entitled to off-set the payments due under this Clause 4.4 against any payments due under Clause 4.2. For example [REDACTED] (3)



4.5 *Payment frequency.* Royalties due under this Agreement shall be paid [REDACTED] (4)



4.6 *Payment terms.* All sums due under this Agreement:

4.6.1 are exclusive of Value Added Tax which where applicable will be paid by the Licensee

**Redactions:**

- (1) Commercial terms related to payment calculation.
- (2) Royalty rate.
- (3) Example calculation of royalty payable on net receipts.
- (4) Payment terms.

- to Licensor in addition;
- 4.6.2 shall be paid in pounds sterling in cash by transferring an amount in aggregate to the following account:



(1)

- or other account nominated by the Licensor, and in the case of sums received by the Licensee in a currency other than pounds sterling, the royalty shall be calculated in the other currency and then converted into equivalent pounds sterling at the buying rate of such other currency as quoted by HSBC plc in London as at the close of business on the last business day of the quarterly period with respect to which the payment is made;
- 4.6.3 shall be made without deduction of income tax or other taxes, charges or duties that may be imposed, except insofar as the Licensee is required to deduct the same to comply with applicable laws. The Parties shall cooperate and take all steps reasonably and lawfully available to them, at the expense of Licensor, to avoid deducting such taxes and to obtain double taxation relief. If the Licensee is required to make any such deduction it shall provide Licensor with such certificates or other documents as it can reasonably obtain to enable Licensor to obtain appropriate relief from double taxation of the payment in question; and
- 4.6.4 shall be made by the due date, failing which Licensor may charge interest on any outstanding amount on a daily basis at a rate equivalent to 3% above the HSBC base lending rate then in force in London.

4.7 *Exchange controls.* If at any time during the continuation of this Agreement the Licensee is prohibited from making any of the payments required hereunder by a governmental authority in any country then the Licensee shall within the prescribed period for making the said payments in the appropriate manner use its best endeavours to secure from the proper authority in the relevant country permission to make the said payments and shall make them within 7 days of receiving such permission. If such permission is not received within 30 (thirty) days of the Licensee making a request for such permission then, at the option of Licensor, the Licensee shall deposit the royalty payments due in the currency of the relevant country either in a bank account designated by Licensor within such country or such royalty payments shall be made to an associated company of Licensor designated by Licensor and having offices in the relevant country designated by Licensor.

4.8 *Royalty statements.* The Licensee shall send to Licensor at the same time as each royalty payment is made in accordance with Clause 4.3 and 4.4 a statement setting out:

- 4.8.1 In respect of Net Sales Value under Clause 4.3, in respect of each region within the Territory, in which Licensed Products are sold, the types of Licensed Product sold and the quantity of units sold and the total Net Sales Value in respect of each type, expressed both in local currency and pounds sterling and showing the conversion rates used, during the period to which the royalty payment relates; and
- 4.8.2 in respect of Net Receipts under Clause 4.4, a statement of all Net Receipts in the preceding quarter expressed, if applicable, both in local currency and pounds sterling and showing the conversion rates used, during the period to which the statement relates.

Redactions:

- (1) Account information.

#### 4.9 *Records*

- 4.9.1 The Licensee shall keep at its normal place of business detailed and up to date records and accounts showing
  - 4.9.1.1 the quantity, description and value of Licensed Products sold by it, and the amount of Net Sales Value received by it or its Sub-Licensees in respect of Licensed Products, on a country by country basis, and being sufficient to ascertain the payments due under this Agreement; and
  - 4.9.1.2 all Net Receipts.
- 4.9.2 The Licensee shall make such records and accounts available, on reasonable notice, for inspection during business hours by an independent chartered accountant nominated by Licensor for the purpose of verifying the accuracy of any statement or report given by the Licensee to Licensor under this Clause 4. The accountant shall be required to keep confidential all information learnt during any such inspection, and to disclose to Licensor only such details as may be necessary to report on the accuracy of the Licensee's statement or report. Licensor shall be responsible for the accountant's charges unless the accountant certifies that there is an inaccuracy (in favour of Licensor) of more than 5% (five percent) in any royalty statement, in which case the Licensee shall pay the accountant's charges in respect of that inspection.

### 5 **Commercialisation**

- 5.1 The Licensee shall use and ensure that its Affiliates and sub-licensees shall use all diligent and commercially reasonable efforts, which shall never be less than the efforts expended by Licensee in respect of its other high priority development projects, to develop and commercially exploit the Patents to the maximum extent in the Territory where there is a Valid Claim in respect of such Patents in such part of the Territory.
- 5.2 Without prejudice to the generality of the Licensee's obligations under Clause 5.1, the Licensee shall provide at least annually to Licensor an updated, written development plan, showing all past, current and planned activities taken or to be taken by the Licensee to bring the Licensed Products to market and maximise the sale of the Licensed Products throughout the Territory. The Licensee shall deliver such development plan within 30 days of the end of each Agreement Year. Licensor's receipt or approval of any such plan shall not be taken to waive or qualify the Licensee's obligations under Clause 5.1.
- 5.3 If Licensor considers at any time during the period of this Agreement that the Licensee has without legitimate reason failed to proceed diligently to develop and commercially exploit the Patents and produce and sell the Licensed Products, Licensor shall be entitled to refer to an independent expert the following questions:
  - 5.3.1 whether the Licensee has acted diligently in accordance with Clause 5.1; and if not
  - 5.3.2 what specific action the Licensee should have taken ("**Specific Action**") in order to have acted diligently.
- 5.4 The independent expert shall be appointed in accordance with the provisions of Schedule 2 and his decision shall be final and binding on the Parties.
- 5.5 If the expert determines that the Licensee has failed to comply with its obligations under this Agreement, and if the Licensee fails to take the Specific Action within three months of the expert giving his decision in accordance with Schedule 2, Licensor shall be entitled, by giving, at any time within three months after the end of the three month period, not less than one month's notice to terminate this Agreement and the licences granted to the Licensee under Clause 2 with respect to such country.

### 6 **Intellectual property**



- 6.1 *Patent management.* The Licensee and Licensor shall cooperate in order to:
- 6.1.1 endeavour to obtain valid patents in the name of Licensor pursuant to each of the patent applications listed in Schedule 1 so as to secure the broadest monopoly reasonably available;
  - 6.1.2 consult with each other in relation to all changes to patent claims or specifications that would have the effect of reducing or limiting the extent of the Patents' coverage or any Valid Claim thereof and offer Licensor the reasonable notice in order that Licensor has the opportunity to file divisional or other applications covering any claims or subject matter that the Licensee intends to remove from the Patent;
  - 6.1.3 ensure that Licensor shall receive copies of all correspondence to and from all relevant patent offices in respect of the Patents, including copies of all documents generated in or with such correspondence; and
  - 6.1.4 pay all renewal fees in respect of the Patents as and when due;

provided that if the Licensee wishes to abandon any such application or not to maintain any such Patent (or to cease funding such application or Patent) in any country it shall give three months' prior written notice to Licensor and on the expiry of such notice period the Licensee shall cease to be licensed under the terms of this Agreement under the patent application or patent identified in the notice.

6.2 *Patent expenses.*

6.2.1

6.2.2

(1)

- 6.3 *Assignment of the Patents.* Licensor shall assign the Patents to the Licensee upon the Licensee having received at least [REDACTED] from the commercialisation of the Patents.

(2)

6.4 *Infringement of the Patents*

6.4.1 Each Party shall inform the other Party promptly if it becomes aware of any infringement or potential infringement of any of the Patents, and the Parties shall consult with each other to decide the best way to respond to such infringement.

6.4.2 If the Parties fail to agree on a joint programme of action, including how the costs of any such action are to be borne and how any damages or other sums received from such action are to be distributed, then the Licensee shall be entitled to take action against the third party at its sole expense, subject to the following provisions of this Clause 6.4 ("**Legal Action**").

6.4.3 Before starting any Legal Action under this Clause 6.4, the Licensee shall consult with Licensor as to the advisability of the action or settlement, its effect on the good name of Licensor, the public interest, and how the action should be conducted.

6.4.4

(3)

6.4.5 The Licensee indemnifies and secures Licensor in relation to any costs (legal or otherwise, including the costs to Licensor of retaining its own legal counsel which, for

Redactions:

- (1) Commercial terms relating to responsibility for payment of patent expenses.
- (2) Amount.
- (3) Allocation of legal expenses associated with patent protection.

the avoidance of doubt, Licensor shall have the right to do), damages, expenses or other liability arising out of any Legal Action.

#### 6.5 *Infringement of third party rights*

- 6.5.1 If any warning letter or other notice of infringement is received by a Party, or legal suit or other action is brought against a Party alleging infringement of third party rights in the development, manufacture, use or sale of any Licensed Product or use of any of the Patents, that Party shall promptly provide full details to the other Party, and the Parties shall discuss the best way to respond.
- 6.5.2 Notwithstanding the terms of Clause 4.3.3 the Licensee shall have the right but not the obligation to defend such suit to the extent it relates to its activities and shall have the right to settle with such third party, provided that if any action or proposed settlement involves the making of any statement, express or implied, concerning the validity of any of the Patents, the consent of Licensor must be obtained before taking such action or making such settlement, such consent not to be unreasonably withheld or delayed.

### 7 **Warranties and Liability**

#### 7.1 *Warranties by Licensor.*

- 7.1.1 Licensor warrants and undertakes that it has not done, and shall not do nor agree to do during the continuation of this Agreement, any of the following things if to do so would be inconsistent with the exercise by the Licensee of the rights granted to it under this Agreement, namely:
  - 7.1.1.1 grant or agree to grant any rights to the Patents in the Territory; or
  - 7.1.1.2 assign, mortgage, charge or otherwise transfer any of the Patents or any of its rights or obligations under this Agreement, except by express written agreement of the Licensee.
- 7.1.2 Licensor warrants and undertakes to Licensee that it is the sole owner of the patent and, as at the Commencement Date, it is the absolute and unencumbered owner of the Patents and it has not assigned, mortgaged, charged or otherwise transferred any of the Patents or any of its rights or obligations under this Agreement to any third party.

#### 7.2 *Warranty by Licensee.* The Licensee warrants to Licensor that as at the Commencement Date neither Licensee nor any of its Affiliates has any product which would compete with the Licensed Product in development or on the market

#### 7.3 *No other warranties*

- 7.3.1 Each of the Licensee and Licensor acknowledges that, in entering into this Agreement, it does not do so in reliance on any representation, warranty or other provision except as expressly provided in this Agreement, and any conditions, warranties or other terms implied by statute or common law are excluded from this Agreement to the fullest extent permitted by law.
- 7.3.2 Without limiting the scope of paragraph 7.3.1 above, Licensor does not make any representation nor give any warranty or undertaking:
  - 7.3.2.1 as to the efficacy or usefulness of any of the Patents; or
  - 7.3.2.2 that any of the Patents is or will be valid or subsisting or (in the case of an application) will proceed to grant; or
  - 7.3.2.3 that the development, manufacture, sale or use of the Licensed Products or

the exercise of any of the rights granted under this Agreement will not infringe any intellectual property rights or other rights of any third party; or

7.3.2.4 that any other information communicated by Licensor to the Licensee under or in connection with this Agreement will produce Licensed Products of satisfactory quality or fit for the purpose for which the Licensee intended; or

7.3.2.5 as imposing any obligation on Licensor to bring or prosecute actions or proceedings against third parties for infringement or to defend any action or proceedings for revocation of any of the Patents; or

7.3.2.6 as imposing any liability on Licensor in the event that any third party supplies Licensed Products to customers located in the Territory.

7.4 *Indemnity.* The Licensee shall indemnify Licensor (the "**Indemnified**") against all third party Claims that may be asserted against or suffered by any of the Indemnified and which relate to the use by the Licensee or any of its sub-licensees of any of the Patents or otherwise in connection with the development, manufacture, use or sale of or any other dealing in any of the Licensed Products by Licensee or any of its Sub-licensees, or subsequently by any customer or any other person in connection with any Licensed Product, including Claims based on product liability laws.

7.5 *Liability.*

7.5.1 To the extent that any of the Indemnified has any liability in contract, tort, or otherwise under or in connection with this Agreement, including any liability for breach of warranty, their liability shall be limited in accordance with the following provisions of this Clause 7.5.

7.5.2 The aggregate liability of the Indemnified shall be limited to the total sums that Licensor has received from the Licensee under the terms of this Agreement (less any expenses that Licensor has incurred in obtaining, maintaining or defending any of the Patents to the extent not reimbursed by Licensee) during the period of 3 (three) years preceding the date on which the liability arises; and,

7.5.3 in no circumstances shall any of the Indemnified be liable for any loss, damage, costs or expenses of any nature whatsoever incurred or suffered by the Licensee or its Affiliates;

7.5.3.1 that is of an indirect, special or consequential nature or

7.5.3.2 any loss of profits, revenue, business opportunity or goodwill.

7.5.4 Nothing in this Agreement excludes any person's liability to the extent that it may not be so excluded under applicable law, including any such liability for death or personal injury caused by that person's negligence, or liability for fraud.

## 8 Term and Termination

8.1 *Commencement and Termination by Expiry.* This Agreement, and the licences granted hereunder shall come into effect on the Commencement Date and unless terminated earlier in accordance with this Clause 8 shall continue in force:

8.1.1 if the Licensee succeeds in securing investment in excess of £500,000 for the commercialization of the Patents within 365 days of the Commencement Date, until the expiry of the last to expire of the Patents;

8.1.2 if the Licensee fails to secure investment in excess of £500,000 for the commercialization of the Patents within 365 days and subject to Licensor issuing the Licensee a written notice in accordance with Clause 8.2.2, until expiry of 365 days from the Commencement Date.

8.2 *Early termination.* Without prejudice to any other right or remedy, either Party may terminate this Agreement at any time by notice in writing to the other Party ("**Other Party**"), such notice to take

effect as specified in the notice:

- 8.2.1 if the Other Party is in material breach of this Agreement and, in the case of a breach capable of remedy within 90 days, the breach is not remedied within 90 days of the Other Party receiving notice specifying the breach and requiring its remedy;  
  
or if any of the following occurs;
  - 8.2.1.1 the Other Party becomes insolvent or unable to pay its debts as and when they become due;
  - 8.2.1.2 an order is made or a resolution is passed for the winding up of the Other Party (other than voluntarily for the purpose of solvent amalgamation or reconstruction);
  - 8.2.1.3 a liquidator, administrator, administrative receiver, receiver or trustee is appointed in respect of the whole or any part of the Other Party's assets or business;
  - 8.2.1.4 the Other Party makes any composition with its creditors;
  - 8.2.1.5 the Other Party ceases to continue its business; or
  - 8.2.1.6 as a result of debt and/or maladministration the Other Party takes or suffers any similar or analogous action.
- 8.2.2 Licensor may terminate this Agreement by giving written notice to the Licensee, such termination to take effect forthwith or as otherwise stated in the notice:
  - 8.2.2.1 in the event that the Licensee shall not have obtained funding as required under Clause 2.3 before the expiry of a period of 365 days from the Commencement Date;
  - 8.2.2.2 in accordance with the provisions of Clause 5.5; or
  - 8.2.2.3 if the Licensee or its Affiliate or sub-licensee commences legal proceedings, or assists any third party to commence legal proceedings, to challenge the validity or ownership of any of the Patents.
- 8.2.3 The Licensee may terminate this Agreement by giving Licensor 30 days' written notice.

### 8.3 *Consequences of termination*

- 8.3.1 Termination of this Agreement for any reason shall not absolve the Licensee's obligations to pay the costs of the Patents subject to Clause 6.2 of this Agreement where such costs are in respect of a period prior to the date of termination.
- 8.3.2 Upon termination of this Agreement for any reason otherwise than in accordance with Clause 8.1:
  - 8.3.2.1 the Licensee and its sub-licensees shall be entitled to sell, use or otherwise dispose of (subject to payment of royalties under Clause 4) any unsold or unused stocks of the Licensed Products for a period of 12 months following the date of termination;
  - 8.3.2.2 subject to paragraph 8.3.2.1 above, the Licensee shall no longer be licensed to use or otherwise exploit in any way, either directly or indirectly, the Patents, in so far and for as long as the Patents remains in force;
  - 8.3.2.3 subject to paragraph 8.3.2.1 above, the Licensee shall consent to the cancellation of any formal licence granted to it, or of any registration of it in any register, in relation to any of the Patents; and
  - 8.3.2.4 subject to Clause 2.3.2, all sub-licenses granted by the Licensee shall terminate upon termination of this Agreement and the Licensee shall take necessary action to notify such sub-licensees of the termination of their sub-licenses;
  - 8.3.2.5 subject to Clause 2.3.2, the Parties shall, at the request of Licensor, negotiate in good faith the terms of an agreement between them on

reasonable terms under which the Licensee will:

- 8.3.2.5.1 transfer to Licensor exclusively all clinical and other data relating to the development of Licensed Products;
- 8.3.2.5.2 to the extent possible, seek to have any product licences, pricing approvals and other permits and applications in respect of any Licensed Products transferred into the name of Licensor or its nominee;
- 8.3.2.5.3 grant Licensor an exclusive, worldwide licence, with the rights to grant sub-licences, under any improvements and other intellectual property owned or controlled by the Licensee relating to any Licensed Products; and
- 8.3.2.5.4 grant Licensor or its nominee the right to continue to use any product name that had been applied to any Licensed Products prior to termination of this Agreement;

if the Parties are unable to agree the terms of an agreement as described in Clause 8.3.2.5 within 90 days of Licensor requesting the negotiation of such an agreement, either Party may refer the terms for settlement by an independent expert who shall be appointed in accordance with the provisions of Schedule 3 and whose decision shall be final and binding on the Parties. At the request of Licensor, the Parties shall promptly execute an agreement on the terms agreed between them or settled by the expert.

- 8.3.3 Subject as provided in this Clause 8.3. and except in respect of any accrued rights, neither Party shall be under any further obligation to the other.
- 8.3.4 Upon termination of this Agreement for any reason the provisions of Clauses 3.1 to 3.3, 4 (in respect of sales made prior to termination or under Clause 8.3.2.1), 7.3, 7.4, 7.5, 8.3 and 9 shall remain in force.

## 9 General

9.1 *Force majeure.* Neither Party shall have any liability or be deemed to be in breach of this Agreement for any delays or failures in performance of this Agreement which result from circumstances beyond the reasonable control of that Party, including without limitation labour disputes involving that Party. The Party affected by such circumstances shall promptly notify the other Party in writing when such circumstances cause a delay or failure in performance and when they cease to do so.

9.2 *Amendment.* This Agreement may only be amended in writing signed by duly authorised representatives of Licensor and the Licensee.

9.3 Assignment and third party rights.

- 9.3.1 Subject to Clauses 9.3.2 – 9.3.4 below and subject to the Licensee being allowed to grant sub-licences in accordance with Clause 2.3 above, neither Party shall assign, mortgage, charge or otherwise transfer any rights or obligations under this Agreement, nor any of the Patents or rights under any of the Patents, without the prior written consent of the other Party
- 9.3.2 Subject to Clauses 9.3.3 and 9.3.4 below, either Party may assign any or all its rights and obligations under this Agreement together with its rights in any of the Patents to any company to which it transfers all or substantially all of its assets or business.
- 9.3.3 Neither Party may assign any or all of its rights under Clause 9.3.2 unless, on any such assignment, the assignor shall procure that its assignee shall, and the assignor and the other Party shall, execute an agreement novating this Agreement (or the

relevant part thereof) so as to give effect to any such assignment and so as to bind the other Party and the assignee to all of the provisions of this Agreement (or in the relevant part or parts of this Agreement)

9.3.4 Neither Party may assign any or all of its rights under Clause 9.3.2 if it or the assignee is insolvent or any other circumstance described in Clause 8.2.1.2 applies to it or to the assignee.

9.4 *Waiver.* No failure or delay on the part of either Party to exercise any right or remedy under this Agreement shall be construed or operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy preclude the further exercise of such right or remedy.

9.5 *Invalid clauses.* If any provision or part of this Agreement is held to be invalid, amendments to this Agreement may be made by the addition or deletion of wording as appropriate to remove the invalid part or provision but otherwise retain the provision and the other provisions of this Agreement to the maximum extent permissible under applicable law.

9.6 *No Agency.* Neither Party shall act or describe itself as the agent of the other, nor shall it make or represent that it has authority to make any commitments on the other's behalf.

9.7 *Interpretation.* In this Agreement:

9.7.1 the headings are used for convenience only and shall not affect its interpretation;

9.7.2 references to persons shall include incorporated and unincorporated persons; references to the singular include the plural and vice versa; and references to the masculine include the feminine;

9.7.3 references to Clauses and Schedules mean clauses of, and schedules to, this Agreement;

9.7.4 references in this Agreement to termination shall include termination by expiry; and

9.7.5 where the word "including" is used it shall be understood as meaning "including without limitation".

9.8 *Notices*

9.8.1 Any notice to be given under this Agreement shall be in writing and shall be sent by email, first class mail or air mail, or by fax (confirmed by first class mail or air mail) to the address of the relevant Party set out at the head of this Agreement, or to the relevant fax number as that Party may from time to time notify to the other Party in accordance with this Clause 9.10.

9.8.2 Notices sent as above shall be deemed to have been received three working days after the day of posting (in the case of inland first class mail), or seven working days after the date of posting (in the case of air mail), or on the next working day after transmission (in the case of fax or email messages, but only if a transmission report is generated by the sender's fax machine or email system recording a message from the recipient's fax machine or email, confirming that the fax or email was successfully transmitted).

9.9 *Law and Jurisdiction.* The validity, construction and performance of this Agreement shall be governed by English law and shall be subject to the exclusive jurisdiction of the English courts to which the Parties hereby submit, except that a Party may seek an interim injunction in any court of competent jurisdiction.

9.10 *Further action.* Each Party agrees to execute, acknowledge and deliver such further instruments, and do all further similar acts, as may be necessary or appropriate to carry out



the purposes and intent of this Agreement.

- 9.11 *Announcements.*
- 9.11.1 Subject to Clause 9.11.2 below and with the exception that either Party may publicise the existence and nature (but not the terms) of this Agreement, neither Party shall make any press or other public announcement concerning any aspect of this Agreement, or make any use of the name of the other Party in connection with or in consequence of this Agreement, without the prior written consent of the other Party.
- 9.11.2 Any Party may make press or public announcement or issue a circular or communication concerning this Agreement or the subject matter of it if required by law or by any securities exchange or regulatory or governmental body to which that Party is subject (including without limitation the London Stock Exchange, the UK Listing Authority and the Takeover Panel) provided that the Party making it shall use all reasonable endeavours to consult with the other Party prior to its making or despatch.
- 9.12 *Entire agreement.* This Agreement, including its Schedules, sets out the entire agreement between the Parties relating to its subject matter and supersedes all prior oral or written agreements, arrangements or understandings between them relating to such subject matter. The Parties acknowledge that they are not relying on any representation, agreement, term or condition which is not set out in this Agreement.
- 9.13 *Third parties.* Except for the rights of the Indemnified as provided in Clause 7.4, who may in their own right enforce the provisions of that Clause, this Agreement does not create any right enforceable by any person who is not a party to it ("**Third Party**") under the Contracts (Rights of Third Parties) Act 1999, but this Clause does not affect any right or remedy of a Third Party which exists or is available apart from that Act. The Parties may amend, renew, terminate or otherwise vary all or any of the provisions of this Agreement, including Clause 7.4, without the consent of the Indemnified.

AGREED by the Parties through their authorised signatories

For and on behalf of

LICENSOR

Signed

Name

Title Director

Date October 15, 2013

(1)

For and on behalf of

LICENSEE

Signed

Name Fabio Chianelli

Title President

Date October 15, 2013

(2)

Redactions:

- (1) Signature and personal identifying information.
- (2) Signature.



**Schedule 1**

**The Patents**

***GB Patent Priority Document***

***Filing Date***

1208315.0

11 May 2012

***Patent document***

PCT/GB2013/051213

10 May 2013

## Schedule 2

### Appointment of expert

1. Pursuant to Clauses 4.3.2, 4.4.2, 5.3-5.5 and 8.3.2, Licensor may serve notice on the Licensee ("**Referral Notice**") that it wishes to refer to an expert (the "**Expert**") the questions set out in those Clauses.
2. The Parties shall agree on the identity of a single independent, impartial Expert to determine such questions. In the absence of such agreement within 30 days of the Referral Notice, the questions shall be referred to an Expert appointed by the President of Law Society of England and Wales.
3. 60 days after the giving of a Referral Notice, the Parties shall exchange simultaneously statements of case in no more than 10,000 words, in total, and each side shall simultaneously send a copy of its statement of case to the Expert.
4. Each Party may, within 30 days of the date of exchange of statement of case pursuant to paragraph 3 above, serve a reply to the other side's statement of case of not more than 10,000 words. A copy of any such reply shall be simultaneously sent to the Expert.
5. The Expert shall make his decision on the said questions on the basis of written statements and supporting documentation only and there shall be no oral hearing. The Expert shall issue his decision in writing within 30 days of the date of service of the last reply pursuant to paragraph 4 above or, in the absence of receipt of any replies, within 60 days of the date of exchange pursuant to paragraph 3 above.
6. The Expert's decision shall in the absence of manifest error be final and binding on the Parties.
7. The Expert's charges shall be borne equally by the Parties
8. Such Expert shall act as an expert and not as an arbitrator.