
EXCLUSIVE LICENSE AGREEMENT

AMONGST

ISOTROPIC IMAGING CORP.,

IZOTROPIC CORPORATION,

AND

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

FOR

**BREAST CT FOR EARLY CANCER DETECTION AND DIAGNOSIS,
CONTRAST-ENHANCED CONE BEAM X-RAY IMAGING,
EVALUATION,
MONITORING AND TREATMENT DELIVERY, AND
3D BEAM MODULATION FILTER FOR EQUALIZING DOSE AND
IMAGE
QUALITY IN BREAST CT**

UC Case Nos. 2005-543 (UCSD Case No. 2005-204),
2006-740, and 2015-976

TABLE OF CONTENTS

1.	DEFINITIONS	3
2.	GRANT	7
3.	SUBLICENSES.....	9
4.	FEES.....	10
5.	ROYALTIES	11
6.	DILIGENCE	12
7.	PROGRESS AND ROYALTY REPORTS	14
8.	BOOKS AND RECORDS	15
9.	LIFE OF THE AGREEMENT	16
10.	TERMINATION BY THE REGENTS	17
11.	TERMINATION BY LICENSEE.....	17
12.	DISPOSITION OF LICENSED PRODUCTS UPON TERMINATION	18
13.	PATENT PROSECUTION AND MAINTENANCE	18
14.	MARKING	20
15.	USE OF NAMES AND TRADEMARKS.....	20
16.	LIMITED WARRANTIES.....	21
17.	PATENT INFRINGEMENT	22
18.	INDEMNIFICATION	24
19.	COMPLIANCE WITH LAWS/EXPORT CONTROLS.....	26
20.	GOVERNMENT APPROVAL OR REGISTRATION.....	27
21.	ASSIGNMENT	27
22.	NOTICES	27
23.	PAYMENTS.....	28
24.	WAIVER	29
25.	CONFIDENTIALITY	29
26.	SEVERABILITY	31
27.	APPLICABLE LAW; VENUE; ATTORNEYS' FEES.....	31
28.	SCOPE OF AGREEMENT	31

**EXCLUSIVE LICENSE AGREEMENT FOR
BREAST CT FOR EARLY CANCER DETECTION AND DIAGNOSIS,
CONTRAST-ENHANCED CONE BEAM X-RAY IMAGING, EVALUATION,
MONITORING AND TREATMENT DELIVERY, AND
3D BEAM MODULATION FILTER FOR EQUALIZING DOSE AND IMAGE
QUALITY IN BREAST CT**

UC Case Nos. 2005-543 (UCSD Case No. 2005-204),
2006-740, and 2015-976

This exclusive license agreement (“Agreement”) is effective April 25, 2017 (“Effective Date”) amongst (a) The Regents of the University of California (“The Regents”), a public corporation, having its statewide administrative offices at 1111 Franklin Street, 12th Floor, Oakland, California 94607-5200, acting through UC Davis InnovationAccess, with an address at 1850 Research Park Drive, Suite 100, Davis, California 95618-6153, USA, (b) Izotropic Corporation (“Izotropic”), a Canadian corporation, and (c) Isotropic Imaging Corp. (“Isotropic”), a Nevada corporation, both Isotropic and Izotropic having a principal place of business at 15718 39A Avenue, Surrey, British Columbia, V3Z 0L1, Canada. Isotropic is a wholly owned subsidiary of Izotropic. Isotropic and Izotropic will be collectively referred to herein as “Licensee”. The Regents and Licensee will be referred to herein, on occasion, individually as “Party” or collectively as “Parties”.

RECITALS

Whereas, The Regents has assignments of title to the inventions entitled “Breast CT for Early Cancer Detection and Diagnosis”, “Contrast-Enhanced Cone Beam X-Ray Imaging, Evaluation, Monitoring and Treatment Delivery”, and “3D Beam Modulation Filter for Equalizing Dose and Image Quality in Breast CT” (the “Inventions”), as described in The Regents' Case Nos. 2005-543 (UCSD Case No. 2005-204), 2006-740, and 2015-976, invented by Dr. John M. Boone, Ph.D., et al., employed by the University of California, Davis, and to the patents and patent applications under Patent Rights as defined below, which are directed to the Inventions;

Whereas, certain Patent Rights referenced as UC Case No. 2005-543 (UCSD Case No. 2005-204) were jointly made by researchers of University of California, Davis (“UCD”) and by the University of California, San Diego (“UCSD”), who are employed by The Regents, and UCD entered into an interinstitutional agreement with UCSD (UC Agreement Control No. 2005-18-0575), effective June 6, 2005 (“UCSD IIA”), under which UCD has the authority to license The Regents’ entire interest in such Patent Rights referenced as UC Case No. 2005-543 (UCSD Case No. 2005-204) exclusively to Licensee subject to the terms and conditions herein;

Whereas, certain Patent Rights referenced as UC Case No. 2006-740 are jointly-owned with the Varian Medical Systems, Inc. (“Varian”), who may license its undivided interest separately, and The Regents has the right to license The Regents’ undivided interest in such jointly-owned Patent Rights exclusively to Licensee subject to the terms and conditions herein;

Whereas, Varian controls the patent prosecution under a Power of Attorney at the U.S. Patent and Trademark Office (“USPTO”) for the Patent Rights referenced as UC Case No. 2006-740; however, The Regents, as a joint owner of such Patent Rights, is paying for the maintenance fees at the USPTO;

Whereas, The Regents and Isotropic entered into Confidential Disclosure Agreements (UC Agreement Control Nos. 2016-20-0791 and 2017-20-0160) effective May 12, 2016 and August 25, 2016, respectively (“Confidentiality Agreement”), for the purpose of allowing Isotropic to evaluate its interest in a license agreement covering the Inventions;

Whereas, The Regents and Izotropic entered into a Confidential Disclosure Agreement (UC Agreement Control No. 2017-20-0066) effective August 10, 2016 (“Confidentiality Agreement”), for the purpose of allowing Izotropic to evaluate its interest in a license agreement covering the Inventions;

Whereas, The Regents and Licensee entered into a Letter Agreement for UC Case No. 2005-543 (UCSD Case No. 2005-204) (UC Agreement Control No. 2016-30-0792) effective May 12, 2016 (“Letter Agreement”), for the purpose of granting Licensee an exclusive right to negotiate an exclusive license under Patent Rights;

Whereas, Licensee has provided The Regents with a commercialization plan for the Inventions in order to allow The Regents to evaluate Licensee's capabilities;

Whereas, the development of the Inventions was sponsored in part by one or more agencies of the United States Government; The Regents elected to retain title to the Inventions subject to the rights of the United States Government under 35 U.S.C. 200-212 and implementing regulations; and The Regents has granted to the United States Government a non-exclusive, non-transferable, irrevocable, paid-up license to practice or have practiced the Inventions for or on behalf of the United States Government throughout the world;

Whereas, Licensee is a "small entity" as defined in 37 C.F.R. 1.27;

Whereas, The Regents and Licensee desire to have the Inventions developed and commercialized so that products resulting therefrom may be available for public use and benefit; and

Whereas, Licensee desires to acquire, and The Regents desires to grant, a license under Patent Rights to make, use, sell, offer for sale, and import products, methods, and services in accordance with the terms herein.

Now, therefore, the Parties agree as follows:

1. DEFINITIONS

1.1 "Affiliate" of Licensee (or of a Sublicensee, respectively) means any entity that, as of the applicable point in time during the term of this Agreement, directly or indirectly Controls Licensee (or a Sublicensee, respectively), is Controlled by Licensee (or a Sublicensee, respectively), or is under common Control with Licensee (or a Sublicensee, respectively). "Control" means (a) having the actual, present capacity to elect a majority of the directors of such entity, (b) having the power to direct at least fifty percent (50%) of the voting rights entitled to elect directors of such entity, or (c) in any country where the local law will not permit foreign equity participation of a majority of the outstanding stock or voting rights

of such entity, the ownership or control, directly or indirectly, of the maximum percentage of such outstanding stock or voting rights permitted by local law.

- 1.2 “Licensed Field of Use” means human diagnostics and therapeutics.
- 1.3 “Licensed Method” means any process or method the use or practice of which, (a) but for the license granted pursuant to this Agreement, would infringe, or contribute to or induce the infringement of, a Valid Claim of any issued, unexpired patent under Patent Rights, or (b) is covered by a claim in a pending patent application under Patent Rights. As used in Subparagraph (b) of this Paragraph 1.3, “covered by a claim in a pending patent application” means that such use or practice would, but for the license granted pursuant to this Agreement, constitute infringement, contributory infringement, or inducement of infringement, of such claim if such claim were issued.
- 1.4 “Licensed Product” means any product, material, kit, or other article of manufacture or composition of matter, the making, use, Sale, offer for Sale, or import of which (a) but for the license granted pursuant to this Agreement, would infringe, or contribute to or induce the infringement of, a Valid Claim of any issued, unexpired patent under Patent Rights, (b) is covered by a claim in a pending patent application under Patent Rights, or (c) or would require the performance of the Licensed Method. As used in Subparagraph (b) of this Paragraph 1.4, “covered by a claim in a pending patent application” means that such making, use, Sale, offer for Sale, or import would, but for the license granted pursuant to this Agreement, constitute infringement, contributory infringement, or inducement of infringement, of such claim if such claim were issued.
- 1.5 “Licensed Service” means a service provided using Licensed Products or Licensed Methods, including, but not limited to, performing medical imaging scans or CT scans, and/or providing information from such scans and including, without limitation, any such service provided in the form of contract research or other research performed by Licensee on behalf of a third party.

- 1.6 “Licensed Territory” means the United States and its territories and possessions, and any foreign countries where approvals are granted or where Patent Rights exist may result in future.
- 1.7 “Net Sales” means the gross invoice price charged by, and the value of non-cash consideration owed to, Licensee or a Sublicensee for Sales of Licensed Products, Licensed Methods, and Licensed Services, less the sum of the following actual and customary deductions to the extent applicable: (a) cash, trade or quantity discounts; (b) sales, use, tariff, import or export duties, or other excise taxes, when included in Sales, but not value-added taxes assessed on (or income taxes derived from) such Sales; and (c) allowances or credits to customers because of rejections or returns. For purposes of calculating Net Sales, a Sale by Licensee to a Sublicensee for end use by the Sublicensee will be treated as a Sale at Licensee’s list price.
- 1.8 “Patent Rights” means The Regents’ rights in the claims of the following patents and patent applications:
- (a) U.S. Provisional Patent Application No. 60/677,704, filed May 3, 2005, entitled “Biopsy Systems for Breast Computed Tomography”, developed by Drs. John M. Boone and Thomas R. Nelson, and assigned to The Regents (UC Case No. 2005-543-1; UCSD Case No. 2005-204-1), now abandoned;
 - (b) International Patent Application No. PCT/US06/17146, filed May 3, 2006, entitled “Biopsy Systems for Breast Computed Tomography”, developed by Drs. John M. Boone and Thomas R. Nelson, and assigned to The Regents, (UC Case No. 2005-543-1; UCSD Case No. 2005-204-2), now abandoned, application proceeded into national phase;
 - (c) U.S. Patent Application No. 11/913,494, filed May 3, 2006, entitled “Biopsy Systems for Breast Computed Tomography”, developed by Drs. John M. Boone and Thomas R. Nelson, and assigned to The Regents (UC Case No. 2005-543-2; UCSD Case No. 2005-204-2);
 - (d) U.S. Patent No. 7,394,889, issued July 1, 2008, from U.S. Patent Application No. 11/437,076, filed May 18, 2006, entitled “Contrast-Enhanced Cone Beam X-Ray Imaging, Evaluation, Monitoring and Treatment Delivery”, developed by Drs. John M. Boone, et al., and assigned to The Regents and Varian (UC Case No. 2006-740-1);

- (e) U.S. Patent No. 7,660,384, issued February 9, 2010, from U.S. Patent Application No. 12/126,224, filed May 23, 2008, entitled “Contrast-Enhanced Cone Beam X-Ray Imaging, Evaluation, Monitoring and Treatment Delivery”, developed by Drs. John M. Boone, et al., and assigned to The Regents and Varian (UC Case No. 2006-740-2);
- (f) U.S. Provisional Patent Application No. 62/260,169, filed November 25, 2015, entitled “3D Beam Modulation Filter for Equalizing Dose and Image Quality in Breast CT”, developed by Drs. John M. Boone, et al., and assigned to The Regents (UC Case No. 2015-976-1), now abandoned;
- (g) International Patent Application No. PCT/US16/063701, filed November 23, 2016, entitled “3D Beam Modulation Filter for Equalizing Dose and Image Quality in Breast CT”, developed by Drs. John M. Boone, et al., and assigned to The Regents (UC Case No. 2015-976-2); and

continuing applications thereof, including divisions, substitutions, extensions and continuation-in-part applications (only to the extent, however, that claims in the continuation-in-part applications are entitled to the priority filing date of the applicable above-listed parent patent application); patents issuing on said applications or continuing applications; reissues of such patents; and corresponding foreign patents or applications of any of the foregoing.

- 1.9 “Sale” means the act of selling, leasing, or otherwise transferring or providing Licensed Products, Licensed Methods, and Licensed Services for any consideration. Correspondingly, “Sell” means to make or cause to be made a Sale, and “Sold” means to have made or caused to be made a Sale.
- 1.10 “Sublicense” means a sublicense under this Agreement.
- 1.11 “Sublicensee” means a sublicensee under this Agreement.
- 1.12 “Sublicense Agreement” means a sublicense agreement under this Agreement.
- 1.13 “Valid Claim” means a claim of a patent in any country, which claim (a) has not expired and (b) has not been held to be invalid by a final judgment of a court of competent jurisdiction from which no appeal can be or is taken.

- 1.14 "Milestone Events" mean the Licensee Financing and a Change of Control Transaction.
- 1.15 "Change of Control Transaction" means the acquisition, consolidation, merger, reorganization or other transaction or series of transactions in which (i) Izotropic or Isotropic, as the case may be, is a constituent party, or (ii) a subsidiary of Izotropic or Isotropic is a constituent party and Izotropic or Isotropic, as the case may be, issues shares of its capital stock pursuant to such transaction, and pursuant to which greater than fifty percent (50%) of the voting power of Izotropic or Isotropic or a subsidiary of Licensee is transferred to a third party. However, a transaction involving a third party will not be considered as a Change of Control Transaction if such transaction or series of transactions does not provide liquidity to at least a majority of Izotropic's or Isotropic's stockholders, as the case may be, existing prior to such transaction, either in the form of cash or stock that is freely tradable and listed on a national or international securities exchange or market.
- 1.16 "Licensee Financing" means the issuance of debt or equity securities of either Izotropic or Isotropic, as the case may be, in a bona fide financing transaction or a series of related bona fide financing transactions with cumulative proceeds to Izotropic or Isotropic, as the case may be, of Three Million Dollars U.S. (\$3,000,000 U.S.) excluding the conversion of any convertible debt and in which the proceeds to be received by either Izotropic or Isotropic, as the case may be, are principally from investors who are venture capital, private equity, or similar investors.

2. GRANT

- 2.1 Subject to the limitations set forth in this Agreement, including, without limitation, the license granted to the United States Government referred to in the Recitals above and the rights reserved in Paragraph 2.2, The Regents hereby grants to Licensee:
- (a) an exclusive license in Patent Rights for UC Cases Numbered 2005-543 and 2015-976, in the Licensed Field of Use in the Licensed Territory, (a) to

make, have made, use, offer for Sale, import, and Sell Licensed Products and Licensed Services, and (b) to practice Licensed Methods; and

- (b) an exclusive license to The Regents' undivided interest (but not to Varian's undivided interest) in Patent Rights for UC Case Number 2006-740, in the Licensed Field of Use in the Licensed Territory, (a) to make, have made, use, offer for Sale, import, and Sell Licensed Products and Licensed Services, and (b) to practice Licensed Methods.

2.2 The Regents reserves the right to do any one or more of the following:

- (a) publish any technical data resulting from research performed by The Regents relating to the Inventions;
- (b) make, use, and import the Inventions and associated technology for educational and research purposes;
- (c) practice Patent Rights for educational and research purposes, including in order to make, use, and import products, and in order to use and practice methods; and
- (d) allow other educational and non-profit institutions to do any one or more of the activities of Subparagraphs (a), (b), and (c) of this Paragraph 2.2, for educational and research purposes.

2.3 Licensee will promptly inform The Regents (a) of any change in Licensee's small entity status, as defined in 37 C.F.R. 1.27, and (b) of any Sublicense to an entity which does not have small entity status, as defined in 37 C.F.R. 1.27. Subject to the foregoing, The Regents acknowledges Licensee's intent to become a publicly listed company in Canada in 2017.

2.4 To the extent required by 35 U.S.C. 204 and implementing regulations, any Licensed Products which are sold in the United States will be substantially manufactured in the United States.

3. SUBLICENSES

- 3.1 The Regents hereby further grants to Licensee the right to grant to Affiliates of Licensee, to Affiliates of Sublicensees, and to third parties a Sublicense under the rights granted to Licensee hereunder, provided that Licensee has exclusive rights under this Agreement at the time of the grant of the Sublicense. Every Sublicense will include:
- (a) a statement setting forth the date upon which Licensee's exclusive license rights hereunder will expire;
 - (b) a provision requiring the performance by the Sublicensee of all the obligations owed by Licensee to The Regents (and, if applicable, the United States Government) under this Agreement other than those rights and obligations specified in Article 4 (License Issue Fee/Maintenance Fees) and Paragraph 5.3 (Minimum Annual Royalty);
 - (c) a provision requiring payment of royalties to Licensee in an amount sufficient to permit Licensee to meet Licensee's royalty obligations to The Regents at the rates and bases set forth in this Agreement;
 - (d) a prohibition on the grant of further Sublicenses; and
 - (e) a provision imposing on the Sublicensee the same obligation of indemnification which Licensee has under Article 18 (Indemnification).
- 3.2 Licensee will pay to The Regents twenty-five percent (25%) of any cash consideration, and of the cash equivalent of all other consideration, which is due to Licensee for the grant of rights under a Sublicense, excluding payments due to Licensee as a royalty based on Sales by the Sublicensee. Payment owed to The Regents under this Paragraph 3.2 is in addition to payments owed by Licensee to The Regents as Earned Royalties under Paragraph 5.1 below based on Sales by the Sublicensee.
- 3.3 Within thirty (30) days of execution of each Sublicense Agreement, or amendment thereof, Licensee will inform The Regents of such executed

Sublicense Agreement or amendment, and Licensee will furnish to The Regents a copy of such Sublicense Agreement or amendment.

- 3.4 Affiliates of Licensee and Affiliates of Sublicensees will have no licenses under Patent Rights except as granted by Licensee in a Sublicense pursuant to this Agreement.
- 3.5 For the purposes of this Agreement, the operations of Sublicensees under their respective Sublicense Agreements will be deemed to be the operations of Licensee, for which Licensee will be responsible.
- 3.6 Licensee will collect and guarantee payment of all monies and other consideration due The Regents under this Agreement from Sublicensees.
- 3.7 Upon termination of this Agreement for any reason, at The Regents' discretion, all Sublicenses that are granted by Licensee pursuant to this Agreement, where the Sublicensee is in compliance with its Sublicense Agreement as of the date of such termination, will remain in effect and will be assigned to The Regents, except that The Regents will not be bound to perform any obligations set forth in any Sublicenses that extend beyond the obligations of The Regents set forth in this Agreement.

4. FEES

- 4.1 Licensee will pay to The Regents a non-creditable, non-refundable license issue fee ("License Issue Fee") of Ten Thousand Dollars (\$10,000) due within thirty (30) days after the execution of this Agreement by the Parties. The License Issue Fee is non-refundable and not an advance against royalties or other payments due under this Agreement. The duty to pay the License Issue Fee will survive any expiration or termination of this Agreement.
- 4.2 Within thirty (30) days of the completion of a "Licensee Financing" or a "Change of Control", Izotropic or Isotropic as the case may be will pay to The Regents a cash payment of Two Hundred Thousand Dollars U.S. (\$200,000 U.S.).

- 4.3 Additionally, within thirty (30) days of the completion of a “Change of Control”, Izotropic or Isotropic as the case may be, will pay The Regents an additional fee equal to two percent (2%) of the total consideration received by Izotropic or Isotropic in connection with such Change of Control.
- 4.4 For the avoidance of doubt, The Regents shall be eligible to receive the payments set forth herein upon the occurrence of a Milestone Event for either of Izotropic and Isotropic, so long as Izotropic or Isotropic, as applicable, continue to maintain a business in connection with the exclusive license or non-exclusive license under this Agreement. Such payments set forth herein shall be in priority and preference to payment to any holders of equity or other securities of Izotropic or Isotropic, as the case may be.

5. ROYALTIES

- 5.1 Licensee will pay to The Regents three percent (3%) of Net Sales from first commercial Sale of Licensed Product including, but not limited to, all CT scanners or medical imaging devices in U.S. and for first fifteen (15) Sales in any country. Licensee will also pay to The Regents earned royalties (“Earned Royalties”) at the rate of one percent (1%) of the Net Sales of all Licensed Methods, and Licensed Services including, but not limited to, performing medical imaging scans or CT scans, and/or providing information from such scans.
- 5.2 Earned Royalties accruing to The Regents will be paid to The Regents, to be accompanied by the corresponding royalty report as required in Paragraph 7.4, quarterly within sixty (60) days after the end of each calendar quarter as follows: May 31 (for first quarter), August 31 (for second quarter), November 30 (for third quarter), and February 28 (for fourth quarter).
- 5.3 All payments due The Regents will be payable in United States dollars. When Licensed Products and Licensed Services are Sold for monies other than United States dollars, Earned Royalties will first be determined in the foreign currency of the country in which the Sale was made and then converted into equivalent United States dollars. The exchange rate will be that rate quoted in the *Wall Street Journal* on the last business day of the reporting period.

- 5.4 Earned Royalty payments due to The Regents for Sales occurring in any country outside the United States will not be reduced by any taxes, fees, or other charges imposed by the government of such country on the remittance of royalty income. Licensee will also be responsible for all bank transfer charges for payments to The Regents.
- 5.5 Licensee will make all payments under this Agreement either by check or electronic transfer, payable to “The Regents of the University of California” and Licensee will forward such payments to The Regents at the address shown in Paragraph 23.1.
- 5.6 If any patent or patent application, or any claim thereof, included within Patent Rights expires, or is held invalid or unpatentable in a final decision by a court of competent jurisdiction and last resort and from which no appeal has been or can be taken, all obligations to pay Earned Royalties based on such patent, patent application, or claim will cease as of the date of such expiration or final decision. Licensee will not, however, be relieved from paying any Earned Royalties that accrued before such expiration or final decision or that are based on another patent, patent application, or claim within Patent Rights which is not expired, or which is not held invalid or unpatentable in such final decision.
- 5.7 No Earned Royalties will be collected or paid hereunder on Sales to, or Sales for use by, the United States Government. Licensee will reduce the amount charged for such Sales by an amount equal to the Earned Royalties otherwise due The Regents as provided herein.

6. DILIGENCE

- 6.1 Licensee will diligently proceed with the development, manufacture, marketing, and Sale of Licensed Products, Licensed Methods, and Licensed Services in quantities sufficient to meet the market demand.

- 6.2 In addition to Licensee's obligations under Paragraph 6.1, Licensee will accomplish the following milestones in Licensee's activities under this Agreement:
- (a) submit an application covering a Licensed Product or Licensed Service to the U.S. Food and Drug Administration ("FDA") or equivalent foreign agency by June 30, 2018;
 - (b) obtain FDA or equivalent foreign agency approval covering a Licensed Product or Licensed Service by December 31, 2021; and
 - (c) achieve first commercial Sale and fill the market demand of a Licensed Product or Licensed Service in the United States by June 30, 2022.
- 6.3 If Licensee is unable to meet any of its diligence obligations set forth in Paragraphs 6.1 and 6.2, then The Regents will so notify Licensee of failure to perform. Licensee will have the right and option to extend the target date of any such diligence obligation for a period of twelve (12) months upon the payment of Ten Thousand Dollars (\$10,000) within the thirty (30)-day period prior to the date to be extended, for each such extension option exercised by Licensee. Licensee may further extend the target date of any diligence obligation for an additional twelve (12) months upon payment of an additional Fifteen Thousand Dollars (\$15,000). Additional extensions may be granted only by written agreement of the Parties. Notwithstanding the above, under no circumstance will the total diligence period described in Paragraph 6.2 exceed seven (7) years from Effective Date without written agreement of the Parties. These payments are in addition to any other payments owed under this Agreement. Should Licensee opt not to extend the obligation or fail to meet the obligation by the extended target date, then The Regents will have the right and option either to terminate this Agreement or to reduce Licensee's exclusive license to a non-exclusive license. This right, if exercised by The Regents, supersedes the rights granted in Article 2 (Grant).
- 6.4 To exercise either the right to terminate this Agreement or to reduce the license to a non-exclusive license for lack of diligence under Paragraph 6.1 or 6.2, The Regents will give Licensee written notice of the deficiency. Licensee thereafter will have sixty (60) days to cure the deficiency. If The Regents has not received

satisfactory written evidence that the deficiency has been cured by the end of the sixty (60)-day period, then The Regents may, at its option, either terminate the Agreement or reduce Licensee's exclusive license to a non-exclusive license by giving written notice to Licensee. These notices will be subject to Article 22 (Notices).

7. PROGRESS AND ROYALTY REPORTS

- 7.1 For the six (6)-month period commencing June 30, 2017, and within sixty (60) days of each December 31 and June 30 following the end of such six (6)-month period, Licensee will submit to The Regents a semi-annual progress report covering Licensee's activities related to the development and testing of Licensed Products, Licensed Services, and Licensed Methods, including the obtaining of necessary governmental approvals, if any, for marketing in the United States. These progress reports will be made until the first Sale occurs in the United States.
- 7.2 Each progress report will be a sufficiently detailed summary of activities of Licensee and any Sublicensees so that The Regents may evaluate and determine Licensee's progress in the development of Licensed Products, Licensed Services, and Licensed Methods, and in meeting Licensee's diligence obligations under Article 6, and will include (but not be limited to) the following: (a) summary of work completed and in progress; (b) current schedule of anticipated events and milestones, including diligence milestones under Paragraph 6.2; (c) anticipated market introduction dates for the Licensed Territory; and (d) Sublicensees' activities during the reporting period.
- 7.3 If Licensee's progress report is immediately subsequent to the first Sale of a Licensed Product, Licensed Method, or a Licensed Service by Licensee or by a Sublicensee, Licensee will report the date of such first Sale.
- 7.4 After the first Sale of a Licensed Product, Licensed Method, or a Licensed Service, Licensee will make quarterly royalty reports to The Regents, to be accompanied by the corresponding Earned Royalty payment as required in Paragraph 5.2, within sixty (60) days after the quarters ending March 31, June

30, September 30, and December 31, of each year. Each such royalty report will include at least the following:

- (a) the volume of Licensed Products, Licensed Method, and Licensed Services Sold;
- (b) gross revenue from Sale of Licensed Products, Licensed Method, and Licensed Services;
- (c) Net Sales pursuant to Paragraph 1.7, and the calculation of Net Sales, including all deductions taken, so that The Regents can confirm the calculation;
- (d) total Earned Royalties due The Regents;
- (e) names and addresses of Sublicensees for any new Sublicenses entered into during the reporting quarter; and
- (f) indicate which patent or patent application covers each Licensed Product and Licensed Service Sold.

7.5 If no Sales of Licensed Products, Licensed Method, or Licensed Services have occurred during the report period, the royalty report will contain a statement to this effect.

8. BOOKS AND RECORDS

8.1 Licensee will keep full, true, and accurate books of accounts containing all particulars that may be necessary for the purpose of showing (a) the amount of Earned Royalties payable to The Regents, and (b) Licensee's compliance with obligations under this Agreement. For five (5) years following the end of the calendar year to which they pertain, said books and the supporting data will be open, during normal business hours upon reasonable notice, to the inspection and audit by representatives of The Regents for the purpose of verifying Licensee's royalty reports or compliance in other respects with this Agreement. Such representatives will be required to hold all information in confidence except as necessary to communicate Licensee's non-compliance with this Agreement to The Regents.

8.2 The fees and expenses of The Regents' representatives performing such an examination will be borne by The Regents, provided that if an error in underpaid royalties to The Regents of more than five percent (5%) of the total Earned Royalties due for any year is discovered, then the fees and expenses of these representatives in conducting such examination will be borne by Licensee.

9. LIFE OF THE AGREEMENT

9.1 Unless otherwise terminated by operation of law or by acts of the Parties in accordance with the terms of this Agreement, this Agreement will be in effect from the Effective Date and will remain in effect for the life of the last-to-expire patent or last-to-be-abandoned patent application licensed under this Agreement, whichever is later.

9.2 Any termination of this Agreement will not affect the rights and obligations set forth in the following:

Article 1	Definitions
Article 3	Sublicenses
Article 4	Fees/Equity
Article 8	Books and Records
Article 9	Life of the Agreement
Article 12	Disposition of Licensed Products Upon Termination
Paragraphs 13.3	Payment of Patent Costs
Article 15	Use of Names and Trademarks
Article 16	Limited Warranties
Article 18	Indemnification
Article 22	Notices
Article 23	Payments
Article 25	Confidentiality
Article 28	Applicable Law; Venue; Attorneys' Fees
Article 29	Scope of Agreement

- 9.3 Any termination of this Agreement will not relieve Licensee of Licensee's obligation to pay any payment due or owing at the time of such termination and will not relieve any obligations, owed by either Party to the other Party, established prior to termination.

10. TERMINATION BY THE REGENTS

- 10.1 If Licensee should violate or fail to perform any term of this Agreement, then The Regents may give written notice of such default ("Notice of Default") to Licensee. If Licensee should fail to repair such default within sixty (60) days of the effective date of such notice, The Regents will have the right to terminate this Agreement and the licenses herein by a second written notice ("Notice of Termination") to Licensee. If a Notice of Termination is sent to Licensee, this Agreement will automatically terminate on the effective date of such notice. Such termination will not relieve Licensee of Licensee's obligation to pay any royalty or license fees owing at the time of such termination and will not impair any accrued rights of The Regents. These notices will be subject to Article 22 (Notices).
- 10.2 Notwithstanding Paragraph 10.1, this Agreement will terminate immediately, if Licensee files a claim including in any way the assertion that any portion of Patent Rights is invalid or unenforceable, where the filing of such claim is by Licensee, by a third party on behalf of Licensee, or by a third party at the urging of Licensee.
- 10.3 Notwithstanding Paragraph 10.1, this Agreement will terminate immediately in the event of Licensee's insolvency or the filing of a petition for relief under the United States Bankruptcy Code by or against Licensee as a debtor or alleged debtor.

11. TERMINATION BY LICENSEE

- 11.1 Licensee will have the right at any time to terminate this Agreement in whole or as to any portion of Patent Rights by giving notice in writing to The Regents. Such notice of termination will be subject to Article 22 (Notices) and such

termination of this Agreement in whole or in part will be effective ninety (90) days after the effective date of such notice of termination.

- 11.2 Any termination pursuant to Paragraph 11.1 will not relieve Licensee of any obligation or liability accrued hereunder prior to such termination or rescind anything done by Licensee or any payments made to The Regents hereunder prior to the time such termination becomes effective, and such termination will not affect in any manner any rights of The Regents arising under this Agreement prior to such termination.

12. DISPOSITION OF LICENSED PRODUCTS UPON TERMINATION

- 12.1 Upon termination of this Agreement, for a period of one hundred and twenty (120) days after the date of termination, Licensee may complete the making of, and may Sell, any partially made Licensed Products, and Licensee may continue the practice of Licensed Methods only to the extent necessary to do the foregoing; provided that all such Sales will be subject to the terms of this Agreement including, but not limited to, the payment of royalties at the rate and at the time provided herein and the rendering of reports thereon.

13. PATENT PROSECUTION AND MAINTENANCE

- 13.1 The Regents will prosecute and maintain the patent applications and patents under Patent Rights, subject to Licensee's reimbursement of The Regents' out-of-pocket costs under Paragraph 13.3. All patent applications and patents under Patent Rights will be held in the name of The Regents. The Regents will have sole responsibility for retaining and instructing patent counsel. The Regents will promptly provide Licensee with copies of all official patent office correspondence, and Licensee agrees to keep this documentation confidential in accordance with Article 25 (Confidentiality). Licensee may comment upon such documentation, and The Regents will take such comments into account, provided that if Licensee has not commented upon such documentation in reasonable time for The Regents to sufficiently consider Licensee's comments prior to the deadline for filing a response with the relevant government patent office, The Regents will be free to respond appropriately without consideration of Licensee's comments.

Notwithstanding the above, Varian controls the patent prosecution under a Power of Attorney at the USPTO for the Patent Rights referenced as UC Case No. 2006-740. The Regents, as a joint owner of such Patent Rights, is paying for the maintenance fees at the USPTO.

- 13.2 The Regents will use reasonable efforts to prepare or amend any patent application within Patent Rights to include claims reasonably requested by Licensee to protect the Licensed Products or Licensed Services contemplated to be Sold or Licensed Methods to be practiced under this Agreement.
- 13.3 Subject to Paragraph 13.4, all past, present, and future costs for preparing, filing, prosecuting, and maintaining all patent applications and patents under Patent Rights (including, without limitation, the cost of interferences, reexaminations, oppositions, post-grant review, inter partes review, supplemental examinations, and other patent office administrative proceedings, and their appeals) (“Patent Costs”), which have not been previously reimbursed to The Regents, will be paid by Licensee, so long as the licenses granted to Licensee herein are exclusive. Such payments by Licensee for such costs are due within thirty (30) days after receipt by Licensee of invoice from The Regents. With respect to Patent Costs that are not Past Patent Costs (as defined below), if The Regents so requests, Licensee will make such Patent Costs payments in advance, with any such payment in advance to be made by the date specified by The Regents. In the event of such request by The Regents for payment of Patent Costs in advance and failure of Licensee to make such payment in advance by the date specified, The Regents will have no obligation to incur such costs and Licensee will no longer have rights to the patent application or patent for which such costs are due. If, however, The Regents reduces the exclusive licenses granted herein to non-exclusive licenses pursuant to Paragraph 6.3 or Paragraph 6.4, and The Regents grants one or more additional licenses, the subsequent costs of preparing, filing, prosecuting, and maintaining such patent applications and patents will be divided equally among the licensed parties from the effective date of each subsequently granted license agreement.

All Patent Costs incurred prior to the Effective Date of this Agreement, which have not been previously reimbursed to The Regents, are approximately

Seventy-nine Thousand Eight Hundred Seventy-one Dollars and Eighty Cents (\$79,871.80) ("Past Patent Costs"). Licensee will reimburse The Regents for the Past Patent Costs according to the following schedule: one-third of Past Patent Costs due on or before the first anniversary of the Effective Date of this Agreement, one-third of Past Patent Costs due on or before the second anniversary of the Effective Date of this Agreement, and one-third of Past Patent Costs due on or before the third anniversary of the Effective Date of this Agreement.

- 13.4 Licensee's obligation to pay all patent preparation, filing, prosecution, and maintenance costs for Patent Rights will continue for so long as this Agreement remains in effect, provided that Licensee may terminate Licensee's obligations with respect to any given patent application or patent under Patent Rights in any designated country upon three (3) months' written notice to The Regents. In the event of such notice to The Regents, The Regents will undertake to curtail applicable Patent Costs billable to Licensee. The Regents may continue prosecution and maintenance of such patent applications or patents at The Regents' sole discretion and expense, provided that Licensee will have no further right or licenses thereunder.

14. MARKING

- 14.1 Licensee will mark all Licensed Products made, used, offered for Sale, imported, or Sold under this Agreement, or their containers, in accordance with applicable patent marking laws.

15. USE OF NAMES AND TRADEMARKS

- 15.1 Nothing contained in this Agreement will be construed as conferring upon either Party any right to use in advertising, publicity, or other promotional activities any name, trademark, trade name, or other designation of the other Party (including any contraction, abbreviation, or simulation of any of the foregoing). Unless required by law or consented to in writing by The Regents, Licensee will not use the name "The Regents of the University of California" or the name of any

University of California campus in advertising, publicity, or other promotional activities. Notwithstanding the foregoing, Licensee hereby grants permission for The Regents (including UC Davis) to include Licensee's name, company logo, a short description of the company, and a link to Licensee's website in The Regents' and UC Davis' annual reports and similar presentations, and on The Regents' (including UC Davis') websites that showcase technology transfer-related stories. Notwithstanding the preceding, Licensee has the right to disclose all aspects of its business plans or other information required by Canadian securities and regulatory bodies in the course of pursuing a public offering, including in its "prospectus filing", website and collateral materials used in normal course business.

16. LIMITED WARRANTIES

- 16.1 The Regents warrants to Licensee that The Regents has the lawful right to grant this license.
- 16.2 This license and the associated rights to the Inventions are provided to Licensee WITHOUT WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR ANY OTHER WARRANTY, EXPRESS OR IMPLIED. THE REGENTS MAKES NO REPRESENTATION OR WARRANTY THAT PRACTICE OF THE INVENTIONS OR PATENT RIGHTS (INCLUDING MAKING, USING, SELLING, OFFERING TO SELL, OR IMPORTING LICENSED PRODUCTS, LICENSED SERVICES, OR LICENSED METHODS) WILL NOT INFRINGE ANY PATENT OR OTHER PROPRIETARY RIGHT.
- 16.3 IN NO EVENT WILL THE REGENTS BE LIABLE FOR ANY INCIDENTAL, SPECIAL, OR CONSEQUENTIAL DAMAGES RESULTING FROM EXERCISE OF THIS LICENSE OR A SUBLICENSE, OR THE USE OF THE INVENTIONS, PATENT RIGHTS, LICENSED METHODS, LICENSED SERVICES, OR LICENSED PRODUCTS.
- 16.4 Nothing in this Agreement is or will be construed as:

- (a) a warranty or representation by The Regents as to the patentability, validity, enforceability, or scope of Patent Rights;
- (b) a warranty or representation that anything made, used, Sold, offered for Sale, or imported under any license granted in this Agreement is or will be free from infringement of patents of third parties;
- (c) an obligation to bring or prosecute actions or suits against third parties for patent infringement;
- (d) conferring by implication, estoppel, or otherwise any license or rights under any patent applications or patents of The Regents other than Patent Rights, regardless of whether such patent applications or patents are dominant or subordinate to Patent Rights; or
- (e) an obligation to furnish any know-how not provided in the patents and patent applications under Patent Rights.

17. PATENT INFRINGEMENT

- 17.1 In the event that Licensee learns of the substantial infringement of any Patent Rights, Licensee will promptly provide The Regents with notice and reasonable evidence of such infringement (“Infringement Notice”). During the time period and in a jurisdiction where Licensee has exclusive rights under this Agreement, neither Party will notify a third party, including the infringer, of the infringement without first obtaining consent of the other Party, which consent will not be unreasonably withheld. The Parties will use diligent efforts, in cooperation with each other, to terminate such infringement without litigation.
- 17.2 (a) If such infringing activity has not been abated within ninety (90) days following the effective date of the Infringement Notice, Licensee may initiate suit for patent infringement against the infringer. The Regents may voluntarily join as a party in such suit at The Regents’ expense, but The Regents may not thereafter separately initiate suit against the infringer for the acts of infringement that are the subject of Licensee’s suit or any judgment rendered in that suit. Licensee may not cause The Regents to be joined as a party in a suit initiated by Licensee without The Regents’ prior written consent. If, in a suit initiated by Licensee, The

Regents is involuntarily caused to be joined as a party, Licensee will pay any costs incurred by The Regents arising out of such suit, including, but not limited to, any legal fees of counsel that The Regents selects and retains to represent it in the suit.

(b) If, within a hundred and twenty (120) days following the effective date of the Infringement Notice, the infringing activity has not been abated and if Licensee has not initiated suit against the infringer, The Regents may in its sole discretion initiate suit for patent infringement against the infringer. If The Regents initiates such suit, Licensee may not join such suit without The Regents' consent, and Licensee may not thereafter separately initiate suit against the infringer for the acts of infringement that are the subject of The Regents' suit or any judgment rendered in that suit.

- 17.3 Such suit initiated under Paragraph 17.2 will be at the expense of the initiating Party and all recoveries recovered thereby will belong to such Party, provided that suits initiated jointly by The Regents and Licensee will be at the joint expense of the Parties and all recoveries will be allocated in the following order: (a) to each Party reimbursement for its attorneys' costs, fees, and other related out-of-pocket expenses, to the extent such Party paid for such costs, fees, and expenses until all such costs, fees, and expenses are consumed for such Party; and (b) any remaining amount shared jointly by the Parties in proportion to the share of expenses paid by each Party, but in no event will The Regents' share be less than twenty-five percent (25%) of such remaining amount. The foregoing notwithstanding, if such suit is initiated by Licensee and The Regents is not a party, The Regents' share of any recoveries will be twenty-five percent (25%) of the amount of such recoveries remaining after reimbursement to Licensee of Licensee's attorneys' costs, fees and other related out-of-pocket expenses. In any suit initiated by The Regents, any recovery will belong to The Regents.
- 17.4 Each Party will cooperate with the other Party in litigation initiated hereunder but at the expense of the initiating Party. Such litigation will be controlled by the initiating Party bringing the action, except that The Regents may be represented by counsel of its choice in any suit initiated by Licensee.

17.5 Any agreement made by Licensee for the purposes of settling litigation initiated hereunder or other related dispute will comply with the requirements of Article 3 (Sublicenses). In no event may Licensee admit liability or wrongdoing on behalf of The Regents without The Regents' prior written consent.

18. INDEMNIFICATION

18.1 Licensee will, and will require Sublicensees to, indemnify, hold harmless, and defend The Regents and its officers, employees, and agents; sponsors of the research that led to the Inventions; and the inventors of any patents and patent applications under Patent Rights and their employers; against any and all claims, suits, losses, damages, costs, fees, and expenses resulting from or arising out of exercise of this license or any Sublicense. This indemnification will include, but not be limited to, any product liability.

18.2 Licensee, at its sole cost and expense, will insure its activities in connection with any work performed hereunder and will obtain, keep in force, and maintain the following insurance:

(a) Prior to Licensee's or Sublicensee's first use of Licensed Product, Licensed Service, or Licensed Method in humans including clinical trials, the Commercial Form General Liability Insurance (contractual liability included) with limits will be as follows:

Each Occurrence	\$500,000
Products/Completed Operations Aggregate.....	\$1,000,000
Personal and Advertising Injury	\$500,000
General Aggregate	\$1,000,000

For clarity, if Licensee or Sublicensee is not making, using, or Selling Licensed Product, Licensed Service, or Licensed Method, Licensee or Sublicensee will not be required to obtain Products/Completed Operations Aggregate insurance coverage at the level indicated above in Paragraph 18.2(a). Licensee or Sublicensee will maintain the Commercial Form General Liability Insurance (contractual liability included) with above limits for the other items listed above.

However, upon Licensee or Sublicensee making, using, or Selling a Licensed Product, Licensed Service, or Licensed Method, Licensee or Sublicensee shall procure Products/Completed Operations Aggregate insurance coverage at the level indicated above in Paragraph 18.2(a).

- (b) Upon Licensee's or Sublicensee's first use of Licensed Product, Licensed Service, or Licensed Method in humans including clinical trials, the Commercial Form General Liability Insurance (contractual liability included) with limits as follows:

Each Occurrence	\$5,000,000
Products/Completed Operations Aggregate.....	\$10,000,000
Personal and Advertising Injury.....	\$5,000,000
General Aggregate.....	\$10,000,000

If the above insurance is written on a claims-made form, it will continue for three (3) years following termination or expiration of this Agreement. The insurance will have a retroactive date of placement prior to or coinciding with the Effective Date of this Agreement; and

- (c) Worker's Compensation as legally required in the jurisdiction in which Licensee is doing business.

18.3 The coverage and limits referred to in Subparagraphs 18.2(a), 18.2(b), and 18.2(c) will not in any way limit the liability of Licensee under this Article 18 (Indemnification). Upon the execution of this Agreement, Licensee will furnish The Regents with certificates of insurance evidencing compliance with all requirements, and Licensee will promptly notify The Regents of any material modification of the insurance coverages. Such certificates will:

- (a) provide for thirty (30) days' (ten (10) days for non-payment of premium) advance written notice to The Regents of any cancellation of insurance coverages;
- (b) indicate that The Regents has been endorsed as an additional insured under the coverage described in Subparagraphs 18.2(a) and 18.2(b); and

- (c) include a provision that the coverage will be primary and will not participate with, nor will be excess over, any valid and collectable insurance or program of self-insurance maintained by The Regents.
- 18.4 The Regents will promptly notify Licensee in writing of any claim or suit brought against The Regents for which The Regents intends to invoke the provisions of this Article 18 (Indemnification). In no event may Licensee admit liability or wrongdoing on behalf of The Regents or any other indemnitee without The Regents' prior written consent. Licensee will keep The Regents informed of Licensee's defense of any claims pursuant to this Article 18 (Indemnification).

19. COMPLIANCE WITH LAWS/EXPORT CONTROLS

- 19.1 Licensee will comply with all applicable international, national, state, regional, and local laws and regulations in performing its obligations hereunder and in Licensee's use, manufacture, Sale, offer for Sale, or import of the Licensed Products or Licensed Services, or in Licensee's practice of Licensed Methods. Without limitation, Licensee will observe all applicable United States and foreign laws and regulations governing the transfer to other countries of technical data related to Licensed Products, Licensed Services, or Licensed Methods, including, without limitation, with respect to the International Traffic in Arms Regulations (ITAR) and the Export Administration Regulations.
- 19.2 Licensee understands that The Regents is subject to United States laws and regulations (including the Arms Export Control Act, as amended, and the Export Administration Act of 1979) controlling the export of technical data, computer software, laboratory prototypes, and other commodities, and The Regents' obligations to Licensee under this Agreement are contingent on and subject to compliance with such laws and regulations. The transfer of certain technical data or commodities may require a license from an agency of the United States Government or written assurances by Licensee or a Sublicensee that Licensee or a Sublicensee will not export such technical data or commodities to certain foreign countries without prior approval of such agency. The Regents neither represents that such a license will not be required nor that, if required, it will be issued.

20. GOVERNMENT APPROVAL OR REGISTRATION

- 20.1 If this Agreement or any associated transaction is required by the law of any nation to be either approved or registered with any governmental agency, Licensee will assume all legal obligations to do so. Licensee will notify The Regents if Licensee becomes aware that this Agreement is subject to a United States or foreign government reporting or approval requirement. Licensee will make all necessary filings and pay all costs, including fees, penalties, and all other out-of-pocket costs, associated with such reporting or approval process.

21. ASSIGNMENT

- 21.1 This Agreement is binding upon and will inure to the benefit of The Regents and to The Regents' successors and assigns. This Agreement is personal to Licensee and assignable by Licensee only with the written consent of The Regents, provided that Licensee may, on written notice to The Regents, assign this Agreement, including, without limitation, all obligations owed to The Regents hereunder, to an acquiror of all or substantially all of Licensee's stock or assets.

22. NOTICES

- 22.1 All notices under this Agreement will be deemed to have been fully given and effective when done in writing and (a) delivered in person, (b) mailed by registered or certified United States mail, or (c) deposited with a carrier service requiring signature by recipient, and addressed as follows:

To The Regents: UC Davis InnovationAccess
1850 Research Park Drive, Suite 100
Davis, CA 95618-6153, USA
Attn: Executive Director
Ref: UC Case No. 2005-543

To Licensee: Isotropic Imaging Corp.
 15718 39A Avenue
 Surrey, British Columbia, V3Z 0L1
 Canada
 Attn: _____

Either Party may change its address upon written notice to the other Party.

23. PAYMENTS

23.1 Payments to The Regents will be made by check or bank wire transfer to the address below. Licensee will be responsible for any bank fees associated with such wire transfers:

Checks: [redacted]

Bank wire: [redacted]

23.2 If monies owed to The Regents under this Agreement are not received by The Regents when due, Licensee will pay to The Regents interest charges at a rate of ten percent (10%) per annum. Such interest will be calculated from the date

payment was due until actually received by The Regents. Such accrual of interest will be in addition to, and not in lieu of, enforcement of any other rights of The Regents related to such late payment. Acceptance of any late payment will not constitute a waiver under Article 24 (Waiver).

24. WAIVER

- 24.1 The failure of either Party to assert a right hereunder or to insist upon compliance with any term or condition of this Agreement will not constitute a waiver of that right or excuse a similar subsequent failure to perform any such term or condition by the other Party. None of the terms and conditions of this Agreement can be waived except by the written consent of the Party waiving compliance.

25. CONFIDENTIALITY

- 25.1 Subject to Paragraph 15.1 of this Agreement, with respect to disclosures by one Party (“Disclosing Party”) to the other Party (“Receiving Party”) under this Agreement, the Receiving Party will, subject to Paragraphs 25.2 and 25.3, hold the Disclosing Party’s proprietary business and technical information, patent prosecution material, and other proprietary information, including the negotiated terms of this Agreement (all such proprietary information referred to collectively herein as “Proprietary Information”), in confidence and against disclosure to third parties, with at least the same degree of care as the Disclosing Party exercises to protect the Disclosing Party’s own data and information of a similar nature. This obligation will expire five (5) years after the termination or expiration of this Agreement.
- 25.2 With respect to Proprietary Information disclosed by the Disclosing Party to the Receiving Party, nothing contained herein will in any way restrict or impair the right of the Receiving Party to use, disclose, or otherwise deal with any information or data which:
- (a) at the time of disclosure to the Receiving Party by the Disclosing Party is available to the public by publication or otherwise, or thereafter becomes

available to the public by publication or otherwise through no act of the Receiving Party;

- (b) the Receiving Party can show by written record was in the Receiving Party's possession prior to the time of disclosure to the Receiving Party hereunder and was not acquired by the Receiving Party from the Disclosing Party;
- (c) is independently made available to the Receiving Party without restrictions as a matter of right by a third party, as demonstrated by written record;
- (d) is independently developed by employees or agents of the Receiving Party who did not have access to the information disclosed by the Disclosing Party, as demonstrated by written record; or
- (e) is subject to disclosure under the California Public Records Act or other requirements of law, and self-regulatory bodies in Canada, including the policies of any stock exchange upon which the shares of Licensee are listed.

25.3 The Regents will be free to release to the inventors, The Regents' senior administrators, and individual Regents the terms and conditions of this Agreement upon their request. If such release is made, The Regents will inform such individuals of the confidentiality obligations set forth above and will request that such individuals not disclose such terms and conditions to others. Subject to Paragraph 15.1, should a third party inquire whether a license to Patent Rights is available, The Regents may disclose the existence of this Agreement and the extent of the grant in Articles 2 (Grant) and 3 (Sublicenses) to such third party but, unless Licensee so consents, The Regents will not otherwise disclose the name of Licensee (or other negotiated terms of this Agreement) unless (a) Licensee or a third party has already made such disclosure publicly, or (b) such disclosure is required under the California Public Records Act or other requirements of law.

25.4 With respect to Proprietary Information that has not already been made public, each Party agrees that within fifteen (15) days following the effective date of termination or expiration of this Agreement it will destroy or return to the Disclosing Party Proprietary Information received from the Disclosing Party which

is in the possession of the Receiving Party. However, each Receiving Party may retain one copy of Proprietary Information received from the Disclosing Party for archival purposes in non-working files for the sole purpose of verifying the ownership of the Proprietary Information, provided such Proprietary Information will be subject to the confidentiality provisions set forth in this Article 25 (Confidentiality). Subject to such right to retain for archival purposes, each Receiving Party agrees to provide to the Disclosing Party, within thirty (30) days following termination of this Agreement, a written notice that Proprietary Information received from the Disclosing Party has been returned or destroyed.

26. SEVERABILITY

- 26.1 The provisions of this Agreement are severable, and in the event that any provision of this Agreement is determined to be invalid or unenforceable under any controlling law, such invalidity or enforceability will not in any way affect the validity or enforceability of the remaining provisions hereof.

27. APPLICABLE LAW; VENUE; ATTORNEYS' FEES

- 27.1 Except where required by regulatory bodies in Canada, this Agreement will be construed, interpreted, and applied in accordance with the laws of the State of California, excluding any choice-of-law rules that would direct the application of the laws of another jurisdiction, except that the scope and validity of any patent or patent application under Patent Rights will be determined by the applicable law of the country of such patent or patent application. Any legal action brought by one Party against the other Party relating to this Agreement will be conducted in San Francisco, California. The prevailing Party in any such legal action under this Agreement will be entitled to recover its reasonable attorneys' fees in addition to its costs and necessary disbursements.

28. SCOPE OF AGREEMENT

- 28.1 Neither Party will use this Agreement as a basis to invoke the CREATE Act, 35 U.S.C. 102(c), without the written consent of the other Party.

28.2 This Agreement incorporates the entire agreement between the Parties with respect to the subject matter hereof and supersedes all previous communications, representations, or understandings, whether oral or written, between the Parties relating to the subject matter hereof. The Confidentiality Agreements specified in the Recitals above, effective May 12, 2016, August 10, 2016, August 25, 2016, and the Letter Agreement specified in the Recitals above, effective May 12, 2016, are hereby superseded.

28.3 This Agreement may be modified only by written amendment duly executed by the Parties.

In witness whereof, the Parties have executed this Agreement in duplicate originals by their respective authorized officers or representatives on the respective dates below.

ISOTROPIC IMAGING CORP.

THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

By: “Robert L. Thast”
Signature

By: William T. Tucker”
Signature

Name: Robert L. Thast

Name: William T. Tucker
Executive Director

Title: _____

Title: UC Davis InnovationAccess

Date: _____

Date: _____

IZOTROPIC CORPORATION

By: “Robert L. Thast”
Signature

Name: Robert L. Thast

Title: _____

Date: _____