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Dated 28th November

1997

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THE UNIVERSITY OF BIRMINGHAM

- and -

THEREXSYS LIMITED

ASSIGNMENT

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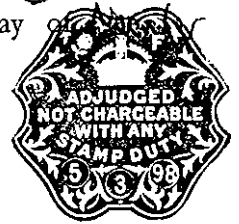
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PATENT ASSIGNMENT

THIS ASSIGNMENT is made the
1997

28th

day



BETWEEN:

1. **THE UNIVERSITY OF BIRMINGHAM** of Edgbaston, Birmingham, B15 2TT, UK ("the University") and
2. **THEREXSYS LIMITED** of The Science Park, University of Keele, Keele, Staffordshire ST5 5SP ("Therexsys").

WHEREAS:

- (A) Situated within the University are research laboratories which carry out bioscience research called the CRC Institute for Cancer Studies (the "Institute").
- (B) The scientists working in the Institute are each funded by grant income which is received from different sources in respect of each individual scientist. Professor Kerr and Professor Young of the University are two such scientists working in the Institute.
- (C) The University has agreed to assign to Therexsys the Patent Applications (as hereinafter defined) and any and all intellectual property which the University solely owns either as a matter of law or as a result of the University's arrangements with any grant provider arising from research conducted within the Institute during the period of 10 years from the date hereof ("Effective Date").
- (D) For the avoidance of doubt it is declared and agreed that this Agreement does not relate to intellectual property which is solely owned by Cancer Research Campaign Technology Limited at the date hereof.

IT IS AGREED as follows:

1. Definitions

In this Agreement the following words and phrases shall have the following meanings unless the context requires otherwise:

"CTX": (Clinical Trial Exemption): authorisation through the negative clearance procedure to carry out a clinical trial.

"Deductible Costs" shall mean the following insofar as they are actually incurred insurance and transportation charges; sales taxes; excise taxes; value added taxes; any other taxes or similar charges other than income taxes; customs duties, tariffs or other imposts; and insofar as they are granted or allowed, discounts; commissions paid to independent third parties including (without limitation) sales representatives, agents and distributors; allowances and credits on account of rejection or return of product; free samples of product.

"Gross Revenues": the amounts received by Therexsys directly attributable to the sale of products or materials covered by the Patent Applications or the licensing or assignment of the Patent Applications.

"Intellectual Property": any and all Patent Rights or Know How and any and all other trade marks, registered designs and applications for any thereof, unregistered trade marks, trade names, service marks, topography rights, copyrights and any similar or other monopoly or proprietary rights of such nature arising from research conducted within the Institute during the period of 10 years from the Effective Date.

"Know How": unpatented technical and other information which is not in the public domain including information comprising or relating to concepts, discoveries, data, designs, formulae, ideas, inventions, methods, models, assays, research plans, procedures, designs for experiments and tests and results of experimentation and testing (including results of research or development) processes (including manufacturing processes, specifications and techniques), laboratory records, chemical, pharmacological, toxicological, clinical, analytical and quality control data, trial data, case report forms, data analyses, reports or

summaries and information contained in submissions to and information from ethical committees and regulatory authorities.

"Net Revenues": Gross Revenues less Deductible Costs.

"Parties": the University and Therexsys and "Party" means either of them.

"Patent Applications": the patent applications listed in Schedule 1.

"Patent Rights": patent applications or patents, author certificates, inventor certificates, utility certificates, improvement patents and models and certificates of addition and all foreign counterparts of them and includes any divisions, renewals, continuations, continuations-in-part, extensions, reissues, substitutions, confirmations, registrations, revalidation or additions of or to them, as well as any supplementary protection certificate in respect of them.

"University IP": any and all Intellectual Property which the University solely owns either as a matter of law or as a result of the University's arrangements with any of the grant providers.

2. Condition Precedent

Notwithstanding signature of this Agreement by the parties hereto, this Agreement shall become effective only upon an ordinary resolution of the Company having been passed approving (either specifically or in general terms) the subject matter of this Agreement. Upon such a resolution being passed this Agreement shall automatically come into full force and effect without any further action being required by the parties hereto. In the event that such a resolution has not been passed on or before 31 January 1998 this Agreement shall automatically terminate and no party shall have any claim of any nature against any other party under this Agreement.

3. Assignment

- 3.1 The University with full title guarantee hereby assigns to Therexsys the Patent Applications, the rights to apply for patent or similar protection in relation to the Patent Applications in any part of the world (including the right to rely on any

convention priority period) and all property, right, title and interest therein together with the right to sue for and recover damages in respect of all infringements and threatened infringements of the Patent Applications prior to the date hereof.

- 3.2 The University with full title guarantee shall from the date hereof assign to Therexsys and Therexsys shall accept the University IP, the right to apply for patent or similar protection in relation to the University IP in any part of the world (including the right to rely on any convention priority period) and all property, right, title and interest therein together with the right to sue for and recover injunctive relief, damages and all other relief in respect of any infringements or misuse (whether past, present or future) of the University IP or of the rights conferred by publication of the same.
- 3.3 At the request and cost of Therexsys and without unreasonable delay the University shall:
- 3.3.1 assist Therexsys with the prosecution of the Patent Applications and the University IP and execute all such documents and do all such acts as may be necessary or proper to procure the grant of patents or other protection pursuant to the Patent Applications and the University IP in the name of Therexsys;
 - 3.3.2 in the event that any proceedings are commenced relating to the validity, scope, inventorship of, or ownership of any patent granted pursuant to the Patent Applications and the University IP pursuant to which the University has or can procure information which may assist in defending such challenge, supply or procure the supply of such information; and
 - 3.3.3 at any time execute any further documents and carry out any acts reasonably required to give effect to this Assignment.
- 3.4 In the case of University IP jointly owned by the University and a third party, the University shall if so requested by Therexsys use its best endeavours in accordance with Therexsys's instructions and at the cost of Therexsys to take an assignment or licence of that third party's right title and interest in such jointly owned University IP and following any such assignment or licence in the case of

an assignment the University shall then assign such jointly owned University IP to Therexsys on the terms of this Assignment free of further charge to Therexsys and in the case of a licence shall grant to Therexsys an exclusive worldwide perpetual irrevocable fully paid up royalty-free licence to such jointly owned University IP

- 3.5 If Therexsys does not make a request pursuant to Clause 3.4 and if the University receives licence or other income directly from the exploitation of such jointly owned University IP either through the direct sale of products or materials which are covered by such jointly owned University IP, licensing activities or the assignment of such jointly owned IP then the University shall promptly pay such income to Therexsys.

4. Payment

- 4.1 In consideration of the Patent Applications assigned to Therexsys pursuant to Clause 3.1, Therexsys shall allot and issue to the University 338,418 ordinary shares of 10 pence each in the capital of Therexsys credited as fully paid:
- 4.2 In consideration of the assignment to Therexsys of the University IP pursuant to Clause 3.2 Therexsys shall pay to the University the sum of £50,000 provided that this Assignment is executed by both parties on or before 30 November 1997.
- 4.3 Therexsys shall also pay to the University 50% of Net Revenues until the cumulative amount paid to the University totals £250,000 and thereafter Therexsys shall be entitled to 100% of Net Revenues.
- 4.4 The University agrees that should Therexsys wish to collaborate with, or sponsor clinical trials at, any department of the University, then the overhead rate which shall be applied shall be calculated as a percentage of salary and shall be no greater than the minimum rate which has been charged to any other industrial partner. At the date of this Assignment, this overhead rate is a standard rate of 45% and in the case of Therexsys it shall in no circumstances exceed 50%.
- 4.5 Therexsys recognises and acknowledges that there may be a need from time to time to provide the scientists working at the Institute with incentives in order to ensure that patent applications in relation to any University IP are made in a

timely manner and to secure the assistance of the scientists in the commercial exploitation of the University IP.

- 4.6 All sums payable by Therexsys to the University hereunder are exclusive of value added tax which shall be payable in addition, if appropriate, at the rate and in the manner for the time being prescribed by law.

5. Warranties and Undertakings

- 5.1 The University warrants that:

5.1.1 it has no reason to believe that the Patent Applications infringe any patent or other rights held by third parties;

5.1.2 it has not done or omitted and will not do or omit to be done any act, matter or thing whereby the patent applied for in the Patent Applications may be invalidated or whereby the Patent Applications may be subject to a compulsory licence;

5.1.3 all renewal fees relating to the Patent Applications have been paid.

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5.2 The University hereby undertakes that Professor Kerr and Professor Young will be free to spend 40 working days per annum on Therexsys related work.

6. Press Release

- 6.1 Neither Therexsys nor the University will issue or procure to be issued a press release relating to this Agreement or to the arrangements envisaged by this Agreement or otherwise in connection with this Agreement ("Press Release") without the prior consent of the other party to this Agreement such consent not to be unreasonably withheld or delayed.

- 6.2 Subject to 6.1 above should either party to this Agreement propose to issue or procure the issue of a Press Release it will provide the other party with a copy of such Press Release no later than 48 hours prior to the date of its issue.

7. Governing Law and Jurisdiction

This Assignment shall be governed by English law and the Parties submit to the exclusive jurisdiction of the English Courts.

SCHEDULE 1

Patent Applications

1. British Application No. GB 9613455.6, filed 27 June 1996, entitled "Analogues or Derivatives of Quercetin".
2. PCT Application No. PCT/GB97/01727, filed 27 June 1997, entitled "Analogues or Derivatives of Quercetin".

IN WITNESS WHEREOF the Parties have executed this Assignment on the day and year first above written.

SIGNED for and on behalf of
THE UNIVERSITY OF
BIRMINGHAM

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X J. R. Holmes, Registrar and Secretary

SIGNED for and on behalf of
THEREXSYS LIMITED

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X [Signature]