

MATERIAL TRANSFER AGREEMENT

This Materials Transfer Agreement (this “Agreement”) is entered into as of the ___ day of Month, Year (the “Effective Date”), by and between YOUR COMPANY, a Delaware corporation, with offices located at ADDRESS, PHONE (“Your Company”), and OTHER GROUP, a not-for-profit academic institution organized under the laws of PLACE, with offices located at ADDRESS (“Recipient”). (YOUR COMPANY and Recipient may each be referred to individually in this Agreement as a “Party”, and collectively, as the “Parties”).

WHEREAS, YOUR COMPANY owns or controls certain tangible materials of a confidential or proprietary nature which Recipient desires to access for certain limited research purposes, as specified in this Agreement; and

WHEREAS, prior to the Effective Date, Recipient has conceived the research plan attached hereto (Appendix A) and made a part hereof to use the compounds to DO WHAT (in one sentence);

WHEREAS, YOUR COMPANY is willing to provide access to such materials on the terms and conditions specified in this Agreement;

NOW THEREFORE, in consideration of the foregoing premises and the mutual covenants contained in this Agreement, the Parties hereby agree as follows:

1. Transfer of Materials and Use.

1.1. Transfer of Materials for Research Purposes. Subject to the terms and conditions contained in this Agreement, YOUR COMPANY agrees to provide to Recipient the type and quantity of materials described on Schedule A, solely for use by Recipient in the specific research plan described in Schedule A (the “Research”). For purposes of this Agreement, the term “Materials” shall mean the materials provided to Recipient by or on behalf of YOUR COMPANY under the foregoing sentence. Recipient agrees that the Research will be conducted under the oversight of the principal investigator identified in Schedule A, or, if principal investigator is at any time no longer employed by Recipient, by such other employee of Recipient as YOUR COMPANY may approve, (the “Principal Investigator”), in each case who shall sign and agree to abide by the terms of this Agreement.

1.2. Restrictions on Use and Access. Recipient agrees that it will not use the Materials except in the conduct of the Research unless YOUR COMPANY otherwise agrees in writing. For the sake of clarity and not intending to limit the foregoing, Recipient acknowledges that the Materials are intended exclusively for investigational use in *in vitro* or *in vivo* studies, and are not intended for use in human subjects. Recipient will not transfer the Materials or provide access to the Materials to any third party, and will provide access only to those employees of Recipient who have a need for such Materials for purposes of conducting the Research. Recipient will exercise due care to ensure that the Materials are handled only by trained laboratory personnel. Without limiting the other restrictions contained in this paragraph, Recipient agrees that it will not perform any structural analysis, reverse engineering or compound modification of the Materials. Recipient will maintain true and accurate records regarding the handling, storage and physical movement of Materials, and shall provide such records to YOUR COMPANY upon written request. In handling, storing, utilizing and disposing of Materials, Recipient shall, at all times, comply with all applicable laws, regulations and generally accepted industry standards, and will strictly follow all written instructions, directions and procedures provided by YOUR COMPANY. Recipient shall perform the Research in accordance with academic standards and all laws and regulations that apply to such standards. YOUR COMPANY recognizes and agrees that Recipient shall not conduct the Research in accordance with US Food and Drug Administration Good Laboratory Practice regulatory standards (“GLP”) and YOUR COMPANY agrees that all Research Results (as defined below) generated may not be used by YOUR COMPANY for any filings that require a certification of GLP compliance.

1.3. Results and Reports. Within fifteen (15) business days of completion or termination of each phase of the Research, Recipient shall provide full written or electronic disclosure of the findings, results, data and other information that are generated by Recipient in the conduct of the Research under this Agreement (the “Results”) in a form reasonably acceptable to YOUR COMPANY. YOUR COMPANY shall have the right to use Results for any and all legal corporate purposes and subject to the GLP limitation in Section 1.2. During conduct of the Research, Recipient will inform YOUR COMPANY immediately of any unexpected events or results that arise related to the Materials, including, but not limited to any toxicity issues identified.

2. Confidential Information and Publication.

2.1. Definition of Confidential Information. For purposes of this Agreement, the term “YOUR COMPANY Confidential Information” means (i) the Materials and (ii) any and all information of a confidential, secret, and/or proprietary nature provided by or on behalf of YOUR COMPANY or any of its affiliates to Recipient in connection with this Agreement, regardless of whether such information is in written, oral, electronic or in any other form and regardless of whether such information is specifically designated as “confidential”. YOUR COMPANY Confidential Information may include, without limitation: know-how; inventions; technical data; specifications; protocols; procedures; information related to chemical or biological compounds, including but not limited to information on structure and activity; testing methods; information related to products, product candidates or research and development programs; the results of research and development activities, including but not limited to clinical trial results; and all information, reports, evaluations and copies generated or derived by Recipient from any of the foregoing. YOUR COMPANY Confidential Information may also include information obtained from collaborators, customers, suppliers or vendors of YOUR COMPANY or any of its affiliates or other third parties who have entrusted their confidential information to YOUR COMPANY or such affiliates. YOUR COMPANY warrants that it has the right to disclose to Recipient any such YOUR COMPANY Confidential Information from the aforementioned parties for the conduct of the Research.

2.2. Restrictions on Disclosure and Use. Recipient agrees that it will maintain all YOUR COMPANY Confidential Information in strict confidence, and shall disclose YOUR COMPANY Confidential Information only to those employees, officers, directors and other representatives of Recipient who are obligated to maintain the confidential nature of such YOUR COMPANY Confidential Information and who have a need to know such YOUR COMPANY Confidential Information in connection with performance of the Research. Recipient shall ensure that any employee who is given access to Materials or YOUR COMPANY Confidential Information will have been informed about the confidential nature of the YOUR COMPANY Confidential Information. to enable Recipient to comply with all of the provisions of this Agreement. Recipient shall be responsible for the compliance of such employees, officers, directors and other representatives with the terms of this Agreement and any breach thereof. Recipient will not disclose YOUR COMPANY Confidential Information to any other person or entity without the prior written consent of YOUR COMPANY. Recipient will not use YOUR COMPANY Confidential Information except for purposes of performing the Research. Notwithstanding anything to the contrary in this Agreement, Recipient shall be entitled to disclose YOUR COMPANY Confidential Information to the extent required by applicable law or court order provided that Recipient furnishes YOUR COMPANY with prompt written notice that the YOUR COMPANY Confidential Information is required to be disclosed. Such notice must be given sufficiently in advance of the required disclosure so as to provide YOUR COMPANY with a reasonable opportunity to seek to prevent disclosure or to obtain a protective order for the YOUR COMPANY Confidential Information. The Parties will consult with each other prior to Recipient making any such required disclosure.

2.3. Exceptions. The obligations of non-disclosure and non-use under this Agreement will not apply to information which Recipient can clearly demonstrate, by written records, falls within any of the following categories:

- (a) information that was generally known to the public prior to disclosure or being generated under this Agreement or later becomes generally known to the public through no fault of Recipient;
- (b) information that was already known to the Recipient prior to disclosure or being generated under this Agreement;

(c) information obtained by Recipient from a third party other than on behalf of YOUR COMPANY and provided such third party is lawfully in possession of and has the right to disclose the same without limitation upon further disclosure; and

(d) information that was independently developed by Recipient without reference to the YOUR COMPANY Confidential Information.

2.4. Use of Affiliates. Recipient will not make Materials or other YOUR COMPANY Confidential Information available to any of Recipient's affiliates without YOUR COMPANY's prior written consent. In the event YOUR COMPANY consents to the use of Materials or disclosure of YOUR COMPANY Confidential Information by Recipient to any of its affiliates, the term "Recipient", as used in this Agreement, shall be deemed to include such affiliate.

2.5. Safekeeping. Recipient shall maintain all the Materials and other YOUR COMPANY Confidential Information disclosed to it in a secure place with access limited to those persons who are specifically authorized to have access to such YOUR COMPANY Confidential Information pursuant to this Agreement. Recipient shall promptly notify YOUR COMPANY of any unauthorized use or disclosure of Materials or other YOUR COMPANY Confidential Information by Recipient of which it becomes aware and will take all reasonable steps) to assist YOUR COMPANY in attempting to minimize any potential or actual damages or losses resulting from such unauthorized use or disclosure.

2.6. Return of Materials and other Confidential Information. Within thirty (30) days following the termination or expiration of this Agreement, Recipient shall, as directed by YOUR COMPANY in writing, return to YOUR COMPANY or destroy any remaining Materials and all other YOUR COMPANY Confidential Information, including all reproductions and copies thereof, and shall delete all references to such YOUR COMPANY Confidential Information stored electronically or otherwise, provided that Recipient shall not be required to destroy any computer files that are created during automatic system back up. At such time, Recipient shall also notify YOUR COMPANY in writing as to how much Materials were used in connection with the Research and how much Materials were returned or destroyed under the preceding sentence.

2.7. Injunctive Relief. Recipient acknowledges and agrees that any violation of the terms of this Agreement relating to the disclosure or use of YOUR COMPANY Confidential Information may result in irreparable injury and damage to YOUR COMPANY not adequately compensable in money damages, and for which YOUR COMPANY may have no adequate remedy at law. Recipient acknowledges and agrees that, if the disclosure or use restrictions contained in this Agreement are violated, YOUR COMPANY may need to seek injunctions, orders, or decrees in order to protect YOUR COMPANY Confidential Information and will be entitled to do so, in addition to any other remedies available for breach at law or in equity.

2.8. Publication. Recipient will have the right to publish, present and disclose the results of the Research. In order to balance this right with YOUR COMPANY's proprietary interests, Recipient, Principal Investigator and/or other Recipient scientists will submit the proposed publication, presentation or other disclosure to YOUR COMPANY for its review at least thirty (30) days prior to the earlier of the date of submission to any journal for review or the scheduled date of publication, presentation or other disclosure. YOUR COMPANY will complete its review within thirty (30) days of receipt of the submitted documents. YOUR COMPANY may require that Recipient delete from the documents to be published or any presentation or other disclosure any YOUR COMPANY Confidential Information. Structure of KPT-330 will be available for publication only after January 2013. If, during YOUR COMPANY's thirty (30) day review period, YOUR COMPANY notifies Recipient and Principal Investigator in writing that it desires to coordinate with Recipient to file a patent application or have a patent application filed on any Inventions, as defined in Section 3.2, disclosed in the documents, Recipient and Principal Investigator will delay publication/disclosure for up to sixty (60) additional days from the date of such written notification to permit YOUR COMPANY to prepare and file, or have prepared and filed, such a patent application. In any publication, presentation or other disclosure of the Results, the source of the Materials will be acknowledged in accordance with scientific custom.

3. Proprietary Rights and Inventions

3.1. Ownership; Limited License. Recipient acknowledges that the Materials are, and shall at all times remain, the sole property of YOUR COMPANY. YOUR COMPANY hereby grants to Recipient, during the term of this Agreement, effective upon delivery of the Materials to Recipient, a non-transferable, non-exclusive license, with no right of sublicense, to use the Materials solely for performance of the Research under the terms of this Agreement.

3.2. Disclosure of Inventions. Recipient will promptly and fully disclose in writing to YOUR COMPANY any and all inventions and discoveries conceived and reduced to practice by or on behalf of Recipient in the conduct of the Research under this Agreement, alone or jointly with others, using the Materials and/or YOUR COMPANY Confidential Information (“Inventions”). Each invention disclosure (an “Invention Disclosure”) provided under the preceding sentence will include a description of the Inventions and a reference to this Agreement. Subject to YOUR COMPANY’s rights under the license granted to YOUR COMPANY under Section 3.3(a), each Invention Disclosure and each disclosure of an Invention contained in any publication, presentation or other disclosure submitted to YOUR COMPANY for review under Section 2.8 shall be treated by YOUR COMPANY as the confidential information of Recipient, with the same restrictions on YOUR COMPANY’s use and disclosure of such information as are applicable to Recipient’s use and disclosure of YOUR COMPANY Confidential Information and subject to the same exceptions and limitations on such obligation.

3.3. Licenses and Option Rights.

(a) Non-exclusive License Grant. Recipient hereby grants to YOUR COMPANY the following irrevocable, non-exclusive rights which rights YOUR COMPANY may sublicense only to its affiliates or any of YOUR COMPANY’s collaborators or licensees only, for development and/or marketing of the Materials (i) a non-exclusive, royalty-free, non-transferable, fully paid-up, perpetual license for all purposes to Recipient’s interest in Inventions but solely to the extent such Inventions necessarily relate to or incorporate the Materials, such as improvement to the Materials or new uses of the Materials; and (ii) a non-exclusive, royalty-free, non-transferable, fully paid-up, perpetual license, limited to non-commercial research purposes only, to Recipient’s interest in Inventions not covered by clause (i). If the Research is funded either in whole or in part by the U.S. Government, Recipient agrees to take title to any Subject Inventions as defined in 37 CFR 401 made in the performance of the Research.

(b) Option Rights. Subject to any non-exclusive license retained by the U.S. Government, Recipient hereby grants to YOUR COMPANY an option to obtain an exclusive license, including the right to grant sublicenses, to Recipient’s interest in any and all Inventions for any and all purposes. For each Invention, YOUR COMPANY’s option must be exercised by providing written notice to Recipient within ninety (90) days of receipt by YOUR COMPANY of the Invention Disclosure. In the event YOUR COMPANY exercises its option under this Section, the Parties shall negotiate the terms of the applicable license agreement in good faith which such agreement shall include legal and financial terms standard for agreements between academic institutions and industry, including, but not limited to, appropriate provisions for reimbursement of reasonable patent expenses. If a mutually acceptable license agreement is not executed and delivered within ninety (90) days of the receipt by YOUR COMPANY of the draft license agreement, unless this period is otherwise extended in writing by the Parties, Recipient shall have the right, but not the obligation, to license them to a third party, provided that if Recipient chooses to offer rights to such Invention to any third party, the terms offered to the third party are no more favorable to such third party than the most favorable terms last offered to YOUR COMPANY.

3.4. Patent Filings.

(a) Joint Filings. When YOUR COMPANY determines to file a patent application for any Invention made jointly by Recipient and YOUR COMPANY, YOUR COMPANY shall (i) use counsel reasonably acceptable to Recipient; (ii) provide Recipient with copies of all filing materials and correspondence related to the filing in a timely manner to enable Recipient to provide comments and feedback to YOUR COMPANY; (iii) use reasonable efforts to incorporate Recipient’s comments and feedback into any filing and/or correspondence; (iv) provide reasonable prior notice to Recipient if it desires to abandon the patent in enough time permit Recipient to decide whether to assume the responsibility of the patent; and (v) the

patent must be held in both Parties' names. Subject only to Recipient's grant of an option to YOUR COMPANY and its Affiliates under Section 3.3, each of YOUR COMPANY and Recipient will have the right to license, transfer and/or sell its respective rights in such joint Inventions without the consent of the other Party.

(b) Inventorship. Inventorship will be determined according to U.S. patent law and ownership shall follow inventorship.

3.5. No Other Licenses. Except as expressly set forth in this Section 3, no other right, title or interest of any nature whatsoever is granted by either Party to the other Party under this Agreement, and neither the delivery of Materials nor the disclosure of YOUR COMPANY Confidential Information shall be deemed to grant any rights or license to Recipient except for the limited license to use the Materials in Research during the term of this Agreement, as expressly set forth in Section 3.1.

3.6. No Third Party Rights. Neither Recipient nor Principal Investigator has entered into any agreements with any third party providing material or funding for the Research that could result in a claim by such third party that it has commercial rights to any Inventions made by Recipient under this Agreement. Recipient will not involve any third party in the Research nor use material provided by a third party commercial entity in the Research, without first (a) providing to YOUR COMPANY a copy of the proposed agreement governing Recipient's obligations to such third party regarding the Research and (b) obtaining YOUR COMPANY's written consent to such third party's involvement in the Research.

4. NO WARRANTY; DISCLAIMER. RECIPIENT ACKNOWLEDGES AND AGREES THAT THE MATERIALS ARE EXPERIMENTAL IN NATURE AND PROVIDED TO RECIPIENT "AS IS." YOUR COMPANY MAKES NO REPRESENTATIONS AND EXTENDS NO WARRANTIES OF ANY KIND WHATSOEVER, EXPRESSED OR IMPLIED, WITH RESPECT TO THE MATERIALS. IN PARTICULAR, YOUR COMPANY MAKES NO REPRESENTATIONS AND EXTENDS NO WARRANTIES OF ANY KIND WITH RESPECT TO THE PURITY, TOXICITY, STABILITY, MERCHANTABILITY, TITLE, NON-INFRINGEMENT, OR FITNESS FOR A PARTICULAR PURPOSE OF THE MATERIALS. ACCORDINGLY, YOUR COMPANY SHALL NOT BE LIABLE FOR AND RECIPIENT HEREBY WAIVES ANY AND ALL CLAIMS IT MAY HAVE AGAINST YOUR COMPANY FOR ANY DAMAGES ARISING OUT OF RECIPIENT'S HANDLING, USE, STORAGE AND DISPOSAL OF THE MATERIALS. YOUR COMPANY DOES NOT ENCOURAGE VIOLATION OF ANY THIRD PARTY'S INTELLECTUAL PROPERTY RIGHTS.

RECIPIENT DISCLAIMS AND MAKES NO WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, AS TO ANY MATTER, INCLUDING BUT NOT LIMITED TO, WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY, PATENTABILITY OR THAT YOUR COMPANY'S USE OF THE RESULTS OR ANY LICENSE GRANTED UNDER THIS AGREEMENT WILL BE FREE FROM INFRINGEMENT OF PATENTS, COPYRIGHTS, TRADEMARKS OR OTHER RIGHTS OF THIRD PARTIES.

5. Indemnification. Recipient will indemnify and hold harmless YOUR COMPANY and its affiliates and each of their respective directors, officers, agents and employees from and against any damages, judgments, liabilities, penalties, losses, costs, and expenses, including, but not limited to, reasonable attorney's fees, (collectively, the "Losses") incurred in any third party claim arising out of Recipient's handling, use, storage and disposal of the Materials, except insofar as such Losses result from YOUR COMPANY's gross negligence or willful misconduct. YOUR COMPANY shall notify Recipient promptly of YOUR COMPANY's receipt of notice of any such third party claim or proceeding for which indemnification may be sought. The Recipient shall have the right, but not the obligation, to control the defense of any third party claim for which YOUR COMPANY is seeking indemnification.

YOUR COMPANY agrees to indemnify, defend and hold harmless Recipient and its directors, officers, agents and employees from and against any Losses incurred as a result of any claim arising out of YOUR COMPANY's use of the Results and/or any license granted to YOUR COMPANY hereunder. Recipient shall not be liable to YOUR

COMPANY and its affiliates or any of their respective directors, officers, agents or employees or to any third party for Losses arising out of the use of the Results or any license granted hereunder.

6. Term; Termination. This Agreement will become effective on the Effective Date and expire upon completion or termination of the Research, unless extended by mutual written agreement or unless earlier terminated as set forth in this Section. YOUR COMPANY may terminate this Agreement upon thirty (30) days' prior written notice in the event of a material breach by Recipient of any term of this Agreement, provided the breach is not cured within such thirty (30) day period. Upon expiration or termination of this Agreement, Recipient shall cease use of the Materials, and promptly comply with its obligations under Section 2.6. Termination of this Agreement shall not affect the rights or obligations that have accrued prior to the Effective Date of such termination. All obligations of each Party under Sections 1, 2, 3, 4, 5, 6, 8 and 9 shall survive termination.

7. Export Control. The Parties understand and agree that they are subject to and agree to abide by any and all applicable United States laws and regulations controlling the export of technical data, computer software, laboratory prototypes and other commodities. YOUR COMPANY certifies that the Materials and YOUR COMPANY Confidential Information provided to Recipient under this Agreement are not export controlled. Recipient agrees not to export or re-export any Materials or YOUR COMPANY Confidential Information unless Recipient has obtained in advance all required licenses, agreements or other authorizations from the U.S. Government.

8. No Use of Name. Neither party may use the other Party's name in any form of advertising, promotion or publicity, including press releases, without the prior written consent of the other Party. This term does not restrict a Party's ability to use the other Party's name in filings with the Securities and Exchange Commission, the Food and Drug Administration, and/or other governmental agencies, when required by applicable law or regulations to do so, subject to Section 1.2 of the Agreement.

9. Miscellaneous.

9.1. Entire Agreement. This Agreement, together with any schedule attached hereto, constitutes the entire agreement of the Parties with regard to its subject matter, and supersedes all previous written or oral representations, agreements and understandings between YOUR COMPANY and Recipient related to the subject matter of this Agreement.

9.2. Notices. All notices required or permitted under this Agreement will be in writing and will be given by addressing the same to the address or fax number for the Parties set forth in the first paragraph of the Agreement or at such other address as a Party may specify in writing under this procedure. Notices will be deemed to have been given (i) three (3) business days after deposit in the U.S. mail with proper postage for first class registered or certified mail prepaid, return receipt requested; (ii) one (1) business day after sending by a nationally recognized courier service for next day delivery.

9.3. Independent Contractor. The relationship of the Parties under this Agreement is that of independent contractors. Nothing contained in this Agreement shall be deemed to constitute either Party as the agent, representative, joint venturer or partner of the other Party, and neither Party will in any way represent itself as such.

9.4. Assignment. This Agreement may not be transferred, in whole or in part, by either Party, without the prior written consent of the other Party; provided, however, YOUR COMPANY may assign this Agreement, in whole or in part, to an affiliate, or in connection with a merger, consolidation or a sale or transfer of all or substantially all of the assets to which this Agreement relates. This Agreement shall be binding on YOUR COMPANY's assignees.

9.5. Modifications. This Agreement may be changed only by a written agreement signed by authorized representatives of both Parties.

9.6. Severability. Each and every provision set forth in this Agreement is independent and severable from the others, and no restriction will be rendered unenforceable by virtue of the fact that, for any reason, any other provision may be invalid or unenforceable in whole or in part.

9.7. Waiver. Any waiver of any term, provision or condition of this Agreement must be in writing. No waiver in any one or more instances will be deemed to be or construed as a further or continuing waiver of any such term, provision or condition of this Agreement or a waiver of any other term.

9.8. Counterparts. This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original and all of which together will constitute one and the same instrument.

9.9. Headings. This Agreement contains headings only for convenience and the headings do not constitute or form a part of this Agreement, and should not be used in the construction of this Agreement.

IN WITNESS WHEREOF, YOUR COMPANY and Recipient have caused this Agreement to be executed by their respective duly authorized representatives, effective as of the day and year first above written.

YOUR COMPANY

THE OTHER GROUP

By: _____

Name:

Title:

By: _____

Name:

Title:

I, the Principal Investigator, have read and agree to abide by the terms of this Agreement.

Principal Investigator, **XXX**

SCHEDULE A
to the
MATERIALS TRANSFER AGREEMENT

THE RESEARCH

Materials: INCLUDE ALL RESEARCH MATERIALS TO BE SENT

ResearchDescription –

THIS SHOULD BE NO MORE THAN 5-10 SENTENCES. (They are not writing a grant)

Designation of Lead Scientist: XXX