



## MATERIAL TRANSFER AGREEMENT

### I. Parties:

1. PROVIDER: Applied StemCell, Inc. (ASC), a California corporation with an address of 521 Cottonwood Drive, Suite 111 Milpitas, CA.
2. RECIPIENT:
3. RECIPIENT SCIENTIST(s):

### II. Definitions:

1. COMMERCIAL PURPOSES: The use, sale, lease or license of a material for fee in connection with any business or undertaking intended for profit.
2. INDUCED PLURIPOTENT STEM CELLS (“iPSC”): Adult cells (such as skin cells or lymphoblasts) “reprogrammed” to assume an embryonic stem cell-like state, by being forced to express genes and factors important for maintaining the defining properties of embryonic stem cells.
3. MATERIAL(S): ORIGINAL MATERIAL, any PROGENY, any MODIFIED DERIVATIVE, and any UNMODIFIED DERIVATIVE.
4. MEDIA: INDUCTION, GROWTH, MATURATION, and MAINTENANCE CULTURE MEDIA are liquids or gels containing a solution or mix of essential nutrition components, growth factors and small molecules researched to support cell development, cell growth and cell maturation - from initial stages to mature stages – and continued maintenance of those cell culture.
5. MODIFIED DERIVATIVES: Substances that are not intact cells that RECIPIENT isolated or derived from NON-PLURIPOTENT MODIFICATIONS or PLURIPOTENT MODIFICATIONS and that are not UNMODIFIED DERIVATIVES.
6. NON-PLURIPOTENT MODIFICATIONS: Cells that are created by the RECIPIENT from ORIGINAL MATERIAL, PROGENY or PLURIPOTENT MODIFICATIONS, but only if such cells are NOT capable of responding to extrinsically acting cues (such as growth factors, changing media conditions, and other similar cues) to differentiate into various cell types from each of the three embryonic germ layers (endoderm, ectoderm, mesoderm). For clarity, NON-PLURIPOTENT MODIFICATIONS may be multi-potent, restricted progenitor cells, or may be terminally differentiated cells, but are NOT pluripotent. NON-PLURIPOTENT MODIFICATIONS may or may not have been genetically manipulated by the RECIPIENT in the manner described in the definition of PLURIPOTENT MODIFICATIONS.



7. ORIGINAL MATERIAL(S): The iPSC, NSC, MEDIA and PROTOCOLS provided by the PROVIDER to the RECIPIENT, as described in Appendix ONE.
8. PLURIPOTENT MODIFICATIONS: iPSC that are created by the RECIPIENT from ORIGINAL MATERIAL or PROGENY. PLURIPOTENT MODIFICATIONS differ from ORIGINAL MATERIAL and PROGENY as a result of a manipulation (genetic or otherwise) to the ORIGINAL MATERIAL or PROGENY performed by the RECIPIENT. Some examples of such genetic manipulations include: integration of a reporter gene, or correction of a genetic defect of the ORIGINAL MATERIAL. For clarity, PLURIPOTENT MODIFICATIONS are capable of self-renewal in culture and of responding to extrinsically acting cues (such as growth factors, changing media conditions, and other similar cues) to differentiate into various cell types from each of the three embryonic germ layers (endoderm, ectoderm, mesoderm).
9. PROGENY: Unmodified descendant iPSC from the ORIGINAL MATERIAL. Progeny retain the ability to self-replicate and the ability to differentiate into cell types from all three germ layers.
10. PROTOCOLS: Specifications, guidelines, methods, quantities, step-by-step procedures describing the usage of MATERIAL and MEDIA, and the expected results.
11. THIRD PARTY or THIRD PARTIES: Any person or entity that is not a PARTY to this AGREEMENT and is not a RECIPIENT.
12. UNMODIFIED DERIVATIVES: Substances that are not intact cells that RECIPIENT either: (a) isolated or derived from ORIGINAL MATERIAL, PROGENY or other UNMODIFIED DERIVATIVES or (b) isolated or derived from NON-PLURIPOTENT MODIFICATIONS, PLURIPOTENT MODIFICATIONS or MODIFIED DERIVATIVES that are indistinguishable from substances that could have been isolated or derived from ORIGINAL MATERIAL, PROGENY or other UNMODIFIED DERIVATIVES.

### **III. Terms and Conditions of this Agreement:**

1. The RECIPIENT agrees that the MATERIAL:
  - (a) will not be used in human subjects, in clinical trials, or for diagnostic purposes involving human subjects without the written consent of the PROVIDER;
  - (b) will be used only in compliance with applicable laws and regulations;
  - (c) will not be used in research in which the MATERIALS are introduced into non-human primate blastocysts;
  - (d) will not be used in research involving the breeding of animals where the introduction the MATERIALS may contribute to the germ line; and



Applied StemCell, Inc.  
521 Cottonwood Drive, Suite 111  
Milpitas, CA 95035  
TEL: 1-866-497-4180  
info@appliedstemcell.com

2. Subject to the terms and conditions of this Agreement and any statutory, regulatory or other restriction imposed by law or any third-party interest, RECIPIENT's use of the MATERIAL is limited to use for the Project to be performed within RECIPIENT's facilities only, as described in Appendix TWO. RECIPIENT may not distribute or sell the MATERIAL including any MATERIAL contained or incorporated in NON-PLURIPOTENT MODIFICATIONS, PLURIPOTENT MODIFICATIONS or MODIFIED DERIVATIVES to any third party.
3. The RECIPIENT acknowledges that the MATERIAL may be the subject of a patent application or covered by patent rights in one or more countries. Except as provided in this Agreement, no express or implied licenses or other rights are provided to use the MATERIAL, NON-PLURIPOTENT MODIFICATIONS, PLURIPOTENT MODIFICATIONS, MODIFIED DERIVATIVES or any related patents for COMMERCIAL PURPOSES.
4. No ownership rights to the MATERIAL, including any MATERIAL contained or incorporated in NON-PLURIPOTENT MODIFICATIONS, PLURIPOTENT MODIFICATIONS or MODIFIED DERIVATIVES are conveyed to the RECIPIENT under this Agreement.
5. The MATERIAL shall be used solely for conduct of the Project under the direction of RECIPIENT SCIENTIST. RECIPIENT will not use the MATERIAL including any MATERIAL contained or incorporated in NON-PLURIPOTENT MODIFICATIONS, PLURIPOTENT MODIFICATIONS or MODIFIED DERIVATIVES, in experiments other than the Research, as described in Appendix TWO. **Commercial use of the Material**, including any MATERIAL contained or incorporated in NON-PLURIPOTENT MODIFICATIONS, PLURIPOTENT MODIFICATIONS or MODIFIED DERIVATIVES **is strictly prohibited**.
6. RECIPIENT AND RECIPIENT SCIENTIST agree not to attempt to identify or contact the donor subject from whom the ORIGINAL MATERIAL was or may have been derived.
7. Any MATERIAL delivered pursuant to this Agreement is understood to be experimental in nature and may have hazardous properties and its use may require acquisition of rights from THIRD PARTIES. The PROVIDER MAKES NO REPRESENTATIONS AND EXTENDS NO WARRANTIES OF ANY KIND, EITHER EXPRESSED OR IMPLIED. THERE ARE NO EXPRESS OR IMPLIED WARRANTIES OF THE MATERIAL, ITS SOURCE, MERCHANTABILITY, TRANSFER OR FITNESS FOR A PARTICULAR PURPOSE, OR THAT THE USE OF THE MATERIAL WILL NOT INFRINGE ANY PATENT, COPYRIGHT, TRADEMARK, OR OTHER PROPRIETARY RIGHTS.
8. **For U.S. State Institutions:** The RECIPIENT agrees to be responsible for any claims, costs, damages or expenses resulting from any injury (including death) damage, or loss that may arise solely from its use of the MATERIAL and to hold harmless and indemnify the PROVIDER and any THIRD PARTIES having intellectual proprietary or other rights to the MATERIAL to the extent permitted by law.



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9. **For all other Institutions:** Except to the extent prohibited by law and except for U.S. Government agencies (which may not agree to an indemnification obligation), the RECIPIENT hereby agrees to hold harmless and indemnify the PROVIDER and PROVIDER against any claim arising from the RECIPIENT's receipt, storage, disposition and/or use of the MATERIAL, and any claim that the RECIPIENT's use of the MATERIAL violates any intellectual property or other rights of a THIRD PARTY, or violates any provision of local, national or international law, except to the extent permitted by law when caused by the gross negligence or willful misconduct of the PROVIDER.

#### **IV. Intellectual Property Matters**

1. Nothing in this Agreement grants RECIPIENT any rights under any patents, proprietary information, intellectual property, or other rights with respect to the MATERIAL, including any MATERIAL contained or incorporated in NON-PLURIPOTENT MODIFICATIONS, PLURIPOTENT MODIFICATIONS or MODIFIED DERIVATIVES.
2. RECIPIENT may not use or permit others to use PROVIDER'S name, trademarks or unique information system, without the advance written consent of PROVIDER.
3. RECIPIENT shall not sell, lend, distribute, or otherwise transfer the MATERIAL, including any MATERIAL contained or incorporated in NON-PLURIPOTENT MODIFICATIONS, PLURIPOTENT MODIFICATIONS or MODIFIED DERIVATIVES to any THIRD PARTY.
4. PROVIDER shall solely own all rights, title and interest in and to all MATERIAL and MEDIA, any patent rights and other intellectual property rights in the MATERIAL and MEDIA.
5. RECIPIENT shall promptly and fully disclose to PROVIDER in writing any MODIFIED or UNMODIFIED MATERIAL and MEDIA that results from RECIPIENT's use of any PROVIDER Products, whether made in breach of this AGREEMENT or incidentally through RECIPIENT's use of PROVIDER'S Products under the terms of this AGREEMENT, including modifications to DNA, RNA, protein or MEDIA formulation.
6. For any MODIFIED MATERIAL, DERIVATIVES or MEDIA made under this AGREEMENT or incidentally through RECIPIENT's use of PROVIDERS products under the terms of this AGREEMENT, the modified MATERIAL or MEDIA will still be restricted in their use by PROVIDERS rights and the rights of the licenses and patents used to create the original MATERIAL or MEDIA. PROVIDER will work with the RECIPIENT to convey its rights should the RECIPIENT wish to commercialize such modified MATERIAL or MEDIA. PROVIDER shall provide reasonable assistance to the RECIPIENT in the perfection and enforcement of such rights.

SIGNATURES BEGIN ON THE NEXT PAGE



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RECIPIENT expressly certifies and affirms that the contents of any statements made herein are truthful and accurate to the best knowledge and belief, and the official signing this Agreement on behalf of RECIPIENT further certifies and affirms that he or she has the authority to do so.

**FOR RECIPIENT:**

Authorized Official:

\_\_\_\_\_  
Name:  
Title:

\_\_\_\_\_  
Date:

Address:  
Company  
/Institution:  
Street:

City:  
State:                      ZIP:                      Country:

Read and understand by RECIPIENT SCIENTIST:

\_\_\_\_\_  
Name:  
Title:

\_\_\_\_\_  
Date:

**FOR PROVIDER:**

Authorized Official:

\_\_\_\_\_  
Name:  
Title:

\_\_\_\_\_  
Date: