



MATERIAL TRANSFER AGREEMENT

This Material Transfer Agreement is effective _____, between ALSTEM, INC., a California corporation, with offices at 2600 Hilltop Drive, B/C328, Richmond, CA 94806 ("PROVIDER") and _____ with offices at _____ ("RECIPIENT").

ALSTEM is providing RECIPIENT the Material based on the following conditions.

1. Definitions:

1.1 As used in this Agreement, "MATERIAL" means the biological or chemical material(s) listed on the Exhibit, and includes all copies, associated know-how provided by PROVIDER, data provided by PROVIDER, derivatives, parts and progeny thereof.

1.2 "REPLICATE(S)" means any biological or chemical material that represents an unmodified copy of the MATERIAL including, but not limited to, progeny and unmodified MATERIAL produced by growth of cells or microorganisms or by amplification of the MATERIAL.

1.3 "DERIVATIVE(S)" means material created from the MATERIAL that is substantially modified to have new properties, such as, but not limited to, cells differentiated from iPSCs provided by ALSTEM.

THEREFORE it is hereby agreed between PROVIDER and RECIPIENT as follows:

1. Confidential Information

a. Confidential and proprietary information developed or exchanged pursuant to this Agreement shall be considered "Confidential Information," including but not limited to the MATERIALS, the PROVIDER INFORMATION, and the RECIPIENT INFORMATION and shall not be divulged to any third party without the prior written consent of the party disclosing the Confidential Information (the "Discloser"). The recipient of Confidential Information (the "Recipient") shall protect the disclosed Confidential Information by using the same degree of care, but no less than a reasonable degree of care, to prevent the unauthorized use, dissemination, or publication of the confidential information as Recipient uses to protect its own confidential

b. This Agreement imposes no obligation upon Receiver with respect to information that; (i) was in Receiver's possession before receipt from Discloser; (ii) is or becomes a matter of public knowledge through no fault of Receiver; (iii) is rightfully received by RECIPIENT from a third party without a duty of confidentiality; (iv) is disclosed by Discloser to a third party without duty of confidentiality on the third party; (v) is independently developed by Receiver; or (vi) is necessary to be disclosed in judicial or administrative process.

2. Regardless of possession, ownership of MATERIAL, REPLICATES and DERIVATIVES shall remain with PROVIDER.

3. RECIPIENT will not use PROVIDER INFORMATION and MATERIAL for any purpose other than RECIPIENT's research and development the EXPERIMENTS contemplated under this Agreement. The MATERIAL provided to RECIPIENT and all REPLICATES and DERIVATIVES are for investigational use and research purposes in vitro or in laboratory animals ONLY and not for resale or for transfer to any other person or entity without prior approval from ALSTEM, notwithstanding the provisions in Section 4.

4. RECIPIENT agrees not to transfer the MATERIAL, REPLICATES and DERIVATIVES to any person or entity other than those under RECIPIENT's direct control and supervision and for whom RECIPIENT is responsible, without the prior written approval of ALSTEM. Notwithstanding the foregoing, RECIPIENT may transfer the MATERIAL to third party collaborators and/or third party contract research organizations for the sole purpose of RECIPIENT's research purposes, under terms no less restrictive than those contained herein.

5. Nothing in this Agreement shall be deemed to grant the RECIPIENT any rights under any patents, nor any rights to use the MATERIAL for any products or processes for profit making or commercial purposes. The RECIPIENT shall not distribute, sell, lend or otherwise transfer the MATERIAL or REPLICATES and DERIVATIVES thereof for ANY REASON, except as authorized in Section 4. Any commercial use of the MATERIAL or REPLICATES and DERIVATIVES is prohibited without PROVIDER's prior written authorization.

6. The parties agree that the PROVIDER's Confidential Information is and shall remain the sole property of PROVIDER and the RECIPIENT's Confidential Information is and shall remain the sole property of RECIPIENT.

7. It is agreed that any and all inventions and discoveries regarding the MATERIALS or their manufacture, whether or not patentable, which are conceived and/or reduced to practice by PROVIDER shall be owned by PROVIDER. All results, including underlying data and conclusions drawn from the research generated, created, or arising from RECIPIENT's, RECIPIENT's Affiliate's, or its contract research organization's use of the MATERIAL, will be owned by RECIPIENT and shall be deemed RECIPIENT's Confidential Information under this Agreement.

8. RECIPIENT will use the MATERIAL in compliance with all applicable laws, governmental regulations and guidelines applicable to the MATERIAL, including any applicable to research or testing with recombinant DNA, and when the MATERIAL is used in the United States, RECIPIENT will comply with current NIH guidelines and regulations.

9. THE MATERIAL IS EXPERIMENTAL IN NATURE AND IS PROVIDED WITHOUT WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR ANY OTHER WARRANTY, EXPRESS OR IMPLIED. RECIPIENT MAKES NO REPRESENTATION OR WARRANTY THAT THE USE OF THE MATERIAL WILL NOT INFRINGE ANY PATENT OR OTHER PROPRIETARY RIGHT.

10. RECIPIENT shall assume all liability for damages that may arise from RECIPIENT's use, storage or disposal of the MATERIAL. PROVIDER shall not be liable to RECIPIENT or any third party for any claim, loss or demand due to or arising out of RECIPIENT's use, storage or disposal of the MATERIAL, except to the proportional extent that such claim, loss or demand is due to or arises from PROVIDER's gross negligence or willful misconduct.

11. This Agreement, including the Exhibits referenced and attached hereto, is the complete and exclusive statement by PROVIDER and RECIPIENT of their understanding in connection with the MATERIAL and disclosures of INFORMATION or RESULTS referred to above and supersede all previous or contemporaneous dealings, agreements and understandings with respect thereto. The validity and/or enforceability of any clause of this Agreement, or part thereof, shall not affect the validity



and/or enforceability of any other clause, or part thereof.

12. This Agreement shall be effective upon the last date of signature and shall continue until such time as RECIPIENT terminates the Agreement or destroys the MATERIAL and DERIVATIVES.

13. This Agreement shall be governed by the laws of the State of California.

Signatures to Follow

IN WITNESS WHEREOF, authorized representatives of the parties have executed this Agreement.

PROVIDER

RECIPIENT

ALSTEM, INC.

By: _____

By: _____

Name:

Name:

Title:

Title:

Date: _____

Date: _____



EXHIBIT A

RECIPIENT MATERIAL

Alstem Induced Pluripotent Stem Cell Lines

Alstem Induced Pluripotent Stem Cell-derived Lines

RECIPIENT will use the materials for internal research and development
(please describe the intended applications of the above materials).

Compensation:

Reference Quote Number or Purchase Order Number

EXHIBIT B

User Notice

● **Licensed Differentiated Cells**

Definitions:

1. ALSTEM: ALSTEM, LLC
2. iPS-AJ: iPS Academia Japan, Inc.
3. User: The person or entity purchased Product(s) from ALSTEM or its authorized distributor.
4. Product: Neural progenitors or neural stem cells which are differentiated from iPS cells (iPSCs) by ALSTEM, and which ALSTEM sells or transfers.

User Restrictions:

1. User may use the Product for internal research including but not limited to screening potential drug compounds for efficacy and safety, and for the provision of such services to third parties. No other right is granted to User whether expressly, by implication, by estoppel or otherwise. In particular, the purchase of the Product does not include nor carry any right or license to use, develop or otherwise exploit the Product commercially, and no rights are conveyed to User to use the Product for any other purpose.
2. User shall not administer the Product to human or animal subjects for human/animal therapeutic, diagnostic and/or prophylactic purposes including but not limited to clinical applications, cell therapy, transplantation, and/or regenerative medicine without appropriate license.
3. User may transfer the Product to a third party; provided that User shall convey the User Restriction set forth herein to such third party.

ALSTEM

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● **Licensed iPSCs (including Licensed Services) or Licensed Kit Products**

Definitions:

1. ALSTEM: ALSTEM, LLC
2. iPS-AJ: iPS Academia Japan, Inc.
3. User: The person or entity who purchased services from ALSTEM or its authorized distributor.
4. Product: The iPS cells (iPSCs) or kits to generate iPSCs which ALSTEM provides and are claimed in the patents and patents applications mentioned below.
5. Pluripotent Cells: iPSCs regenerated or derived by User from the Product provided by ALSTEM.
6. Progeny: derivatives from the Pluripotent Cells created by User which retain the ability to self-replicate, retain ability to differentiate into cell types of all three germ layers and remain in an undifferentiated state whether or not said cells are genetically modified and cloned cell lines so long as the cells retain the ability to self-replicate, retain ability to differentiate into cell types of all three germ layers and remain in an undifferentiated state.
7. Modification: cells which are created by User or created through the use of the Pluripotent Cells or Progeny, but which (i) do not differentiate into cell types of all three germ layers and (ii) are not in an undifferentiated state.
8. Materials: Pluripotent Cells, Progeny and Modification.
9. Commercial Use: any activity by a User consisting of at least one of following activities:
 - (i) use of the Pluripotent Cells or Progeny, for the manufacture of related products distributed and/or sold to a third party including but not limited to culture medium and equipment,
 - (ii) use of the Pluripotent Cells, Progeny or Modifications to provide a service, information or data to a third party for financial gain, provided, however, that in case a not-for-profit organization provides a service, information or data on behalf of a third party having an appropriate license from AJ, such not-for-profit organization's activity shall not be considered Commercial Use (ii),
 - (iii) use of the Pluripotent Cells, Progeny or Modifications for screening small molecular compounds, antibodies, proteins, peptides, and large-molecular compounds as potentially marketable compounds, provided, however, that (1) use of the Pluripotent Cells, Progeny or Modifications for target discovery, target validation or assay development are not considered Commercial Use (iii), and (2) use of the Pluripotent Cells, Progeny or



Modifications for screening by a not-for-profit organization solely for its internal research use for non-commercial purposes shall not be considered as Commercial Use (iii),

(iv) sale, lease, distribution or transfer of Pluripotent Cells, Progeny or Modification to third party(ies) for financial gain, provided, however, that transfer of Pluripotent Cells, Progeny or Modifications by a not-for-profit organization to other not-for-profit organization solely for its internal research purposes is not Commercial Use (iv), or

(v) sale, lease, distribution or transfer of Pluripotent Cells or Progeny to for-profit organizations not for financial gain.

Note: "financial gain" here means any financial benefit, gain, consideration or revenue of a transaction which exceeds its cost of operating the transaction.

User Restrictions:

1. The creation and/or use of the Product is/are covered by one or more of US Patents Nos. 8048999; 8058065; 8129187; 8530238 and corresponding foreign patents and/or other pending US Patents and corresponding foreign patent applications to which iPS-AJ has been granted the license rights with sub-licensable right.
2. The purchase of the Product conveys to User the limited, non-exclusive and non-transferable right (without the right to sell, repackage, or further sub-license) to use the purchased amount of the Product and the derivatives of the Product in internal research conducted by User (whether User is not-for-profit organization or for for-profit organization). No other right is granted to User whether expressly, by implication, by estoppel or otherwise. In particular, the purchase of the Product does not include nor carry any right or license to use, develop or otherwise exploit the Product commercially, and no rights are conveyed to User to use the Product for any other purpose.
3. User may use Materials for its internal research, provided however that Commercial Use of Materials by User shall be restricted and require an appropriate license from iPS-AJ. For clarity, in case that User is a not-for-profit organization, including academia, governmental body and other not-for-profit organization, internal research use of Materials by User for academic, educational and the other non-commercial purpose and transfer of Materials between non -for-profit organizations for non-commercial purposes is not restricted.
4. User shall not administer the Materials in human or animal subjects for human/animal therapeutic, diagnostic and/or prophylactic purposes including but not limited to clinical applications, cell therapy, transplantation, and/or regenerative medicine without appropriate license.
5. User may transfer the Materials to a third party; provided that User shall convey the User Restriction set forth herein to such third party.
6. For information on purchasing a license to the patent rights for purposes other than those permitted above, please directly contact with License Division, iPS-AJ.

ALSTEM

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