

05-07-2001



101704561

To the Hon. Commissioner of Patents & Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

Advanced ImmunoTherapeutics, Inc.

Additional name of conveying party attached? ☐ Yes ☒ No

2. Name and address of receiving party(ies)

Name Neotherapeutics, Inc.

Internal Address:

Street Address: 157 Technology DriveCity: Irvine State CA ZIP 92618Additional name(s) and address(es) attached? ☐ Yes ☒ No

3. Nature of conveyance:

☐ Assignment☐ Merger☐ Security Agreement☐ Change of Name☒ Other Exclusive Patent License AgreementExecution Date: April 12, 2001

Application number(s) or patent numbers:

If this document is being filed together with a new application, the execution date of the application is:

A. Patent Application No.(s)

B. Patent No.(s)

5,091,432

Additional numbers attached?

☐ Yes☒ No

5. Name and address party to whom correspondence concerning document should be mailed:

OPPENHEIMER WOLFF & DONNELLY LLP
840 Newport Center Drive, Suite 700
Newport Beach, CA 92660

Attn: Louis C. Cullman

6. Total number of applications and patents involved: 1

7. Total fee (37 CFR 3.41) \$40.00☒ Enclosed☐ Authorized to be charged to deposit account

8. Deposit Account number:

16-2230

(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature.

*To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.*Louis C. Cullman

Name of Person Signing

Signature

April 23, 2001

Date

Total number of pages including cover sheet, attachments, and document: 8

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patents & Trademarks, Box Assignments, Washington, D.C.

EXCLUSIVE PATENT LICENSE AGREEMENT

THIS AGREEMENT (hereinafter the "Agreement") is made by and between Advanced ImmunoTherapeutics, Inc. a California Corporation with offices at 157 Technology drive, Irvine, California 92618 (hereinafter the "Licensor") and Neotherapeutics, Inc. a Delaware Corporation with offices at 157 Technology Drive, Irvine, California 92618(hereinafter the "Licensee").

WHEREAS, Licensor is the owner of all right, title and interest in United States Patent No. 5,091,432, "9-Substituted Hypoxanthine Bi-Functional Compounds and Their Neuroimmunological Methods of Use" (the "432 Patent") (herein after the "Licensed Patent");

WHEREAS, Licensor's technology has been recognized as a novel and valuable contribution to the Medical Sciences; and

WHEREAS, Licensee is in the business of making and selling pharmaceuticals and immunotherapeutics; and

WHEREAS, Licensor and Licensee desire to enter into a license agreement covering the Licensed Patent; and

WHEREAS, Licensor grant an Exclusive license to Licensee under the Licensed Patent and is willing to do so on the terms and conditions recited in this Agreement.

NOW, THEREFORE, in consideration of the preceding and the mutual covenants recited below, and for other good and valuable consideration, receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. DEFINITIONS.

- 1.1 **Licensed Patents.** "Licensed Patents" US Patent Number 5,091,432.
- 1.2 **Territory.** "Territory" as used in this Agreement means the entire World.
- 1.3 **Effective Date.** "Effective Date" means July 16, 1996.
- 1.4 **Term.** "Term" as used in this Agreement means the period beginning on the Effective Date and ending with the expiration of the Licensed Patent or the termination of this Agreement, whichever occurs first. This Agreement shall, if not terminated sooner, terminate at the end of the Term.
- 1.5 **Licensed Product.** "Licensed Product" as used in this Agreement means an method, composition of matter or improvement thereon covered by one or more of the claims in the Licensed Patent.
- 1.6 **Affiliate.** "Affiliate" shall mean any corporation, partnership, or association in respect of which Licensee or Licensor owns or controls now or during the term of this Agreement hereof, directly or indirectly, fifty percent (50%) or more of the

stock entitled to vote for the election of directors or persons performing similar functions.

2. LICENSE.

- 2.1 **License Grant.** Subject to the terms and conditions of this Agreement and the due performance by Licensee of Licensee's obligations under this Agreement and in reliance on Licensee's representations and warranties set forth in this Agreement, Licensors hereby grants to an Exclusive, non-royalty bearing, paid up in full License under the Licensed Patent for the Term in the Territory to make, use, import, offer to sell, and sell Licensed Products with right to sublicense. This license shall be fully transferable to any Affiliate without consent of Licensors.
- 2.2 **Marking.** For the Term of this Agreement, Licensee shall affix to Licensed Products a statement in substantially the form: "US Patent No. 5,091,432."

3. CONSIDERATION

- 3.1 **Paid-up License.** For the rights granted in this Agreement Licensee shall use commercially reasonable efforts to develop and commercialize the Licensed Products.

4. INDEMNIFICATION.

- 4.1 **Licensee Indemnification.** Licensee shall at all times during the term of this Agreement and thereafter, indemnify, defend and hold Licensors, its members, officers, employees and Affiliates, harmless against all claims, proceedings, demands and liabilities of any kind whatsoever, including legal expenses and reasonable attorneys' fees, arising out of the death of or injury to any person or out of any damage to property resulting from the production, manufacture, sale, use, lease, or advertisement of Licensed Products or arising from any obligation of Licensee under this Agreement.
- 4.2 **Licensors Indemnification.** Licensors shall at all times during the term of this Agreement and thereafter, indemnify, defend and hold Licensee, its directors, officers, employees and affiliates, harmless against all claims, proceedings, demands and liabilities of any kind whatsoever, including legal expenses and reasonable attorneys' fees, arising out of any breach of any representation, warranty, or covenant expressly made by Licensors in this Agreement.

5. TERMINATION.

- 5.1 This Agreement shall remain enforceable for the Term defined herein and can only be terminated by the expressed consent of Licensee and Licensors. Any such

expressed termination must be in writing and signed by a duly authorized officer of Licensee and Licensor.

6. REPRESENTATIONS AND WARRANTIES OF LICENSOR.

6.1 Right to Grant License. Licensor represents and warrants that Licensor has the right and authority to grant the licenses granted to Licensee in this Agreement and that this Agreement and the licenses granted in this Agreement do not and will not conflict with the terms of any agreement to which Licensor is a party.

6.2 Disclaimers. Except as otherwise expressly set forth in this Agreement, Licensor, its directors, officers, employees, and agents make no representations and extend no warranties of any kind, either express or implied except for the following: Licensor, its directors, officers, employees, and agents, represent and warrant that they have no knowledge of anything which adversely affects the validity or scope of the Licensed Patents. In particular, and without limitation, except for the express representation and warranty contained in this provision, nothing in this Agreement shall be construed as:

- (a) a warranty or representation by Licensor as to the validity or scope of the Licensed Patents;
- (b) a warranty or representation by Licensor that anything made, used, sold or otherwise disposed of under any license granted in this Agreement is or will be free from infringement of patents of third parties;
- (c) an obligation on the part of Licensor to bring or prosecute actions against third parties for infringement of the Licensed Patents or other proprietary rights;
- (d) an obligation on the part of Licensor to furnish any manufacturing or technical information;
- (e) the granting by implication, estoppel, or otherwise of any licenses or rights under patents other than the Licensed Patents; or
- (f) the assumption by Licensor of any responsibilities whatever with respect to use, sale, or other disposition by Licensee or its vendees or transferees of Licensed Products.

6.3 Limitation of Liability. In no event shall Licensor, its directors, officers, employees and affiliates be liable for incidental or consequential damages of any kind, including economic damage or injury to property and lost profits, regardless of whether Licensor shall be advised, shall have other reason to know, or in fact shall know of the possibility.

7. REPRESENTATIONS AND WARRANTIES OF LICENSEE.

7.1 Licensee represents and warrants that Licensee has the right and authority to enter into this Agreement and that this Agreement and the exercise of the licenses

granted hereunder does not and will not conflict with the terms of any agreement to which Licensee is a party. Except as otherwise expressly set forth in this Agreement, Licensee, its directors, officers, employees, and agents make no representations and extend no warranties of any kind, either express or implied. In particular, and without limitation, nothing in this Agreement shall be construed as an obligation on the part of Licensee to furnish any manufacturing or technical information. Licensee consents to the validity and enforceability of the Licensed Patents and shall not at any time, directly or indirectly, oppose the grant of, nor dispute the validity of, nor cooperate in any suit against any patent or claim included in the Licensed Patents.

8. BINDING ON SUCCESSORS.

8.1 This Agreement will inure to the benefit of and be binding upon Licensor, its successors, and assigns.

9. DISPUTE RESOLUTION.

9.1 **Remedies.** Except as expressly provided herein, all specific remedies provided for in this Agreement are cumulative and are not exclusive of one another or of any other remedies available in law or equity.

10. PATENT ENFORCEMENT

10.1 a) Licensor and Licensee shall promptly notify the other if it knows or has reason to believe that rights to the Licensed Patents are being infringed or misappropriated by a third party within or that such infringement or misappropriation is threatened. Licensor shall, after learning of and investigating such alleged infringement or misappropriation, send notice to Licensee electing to do one of the following: (I) prosecute such alleged infringement or misappropriation for Licensor's own account; (ii) offer Licensee the choice of participating in such prosecution, or (iii) decline to prosecute such alleged infringement or misappropriation.

(b) In the event Licensor elects to prosecute such alleged infringement or misappropriation for its own account pursuant to subsection (a)(I) above, Licensor shall be solely responsible for payment of all of its own costs of prosecution and of negotiating settlement, and shall retain all proceeds from such prosecution. Licensor shall have the right to join Licensee as a party plaintiff to any such proceeding if Licensor believes it is necessary to successfully prosecute such infringement or misappropriation. Licensee shall cooperate in connection with the initiation and prosecution by Licensor of such suit.

(c) In the event Licensor offers Licensee the choice of participating in such prosecution pursuant to subsection (a)(ii) above, upon receipt of Licensor's notice,

Licensee shall have thirty (30) days in which to notify :Licensor in writing of Licensee's election to participate in the prosecution of such alleged infringement or misappropriation. If Licensee elects to participate, Licensee shall be obligated to pay its own costs and expenses incurred by it in connection with such prosecution and shall be entitled to receive fifty percent (50%) of the net proceeds realized from Licensee's and Licensor's prosecuting of such matter and remaining after reimbursement of Licensor's and Licensee's costs and expenses out of the proceeds of such matter.

(d) In the event Licensor elects not to prosecute pursuant to subsection (a)(iii) above, Licensee may, at its option, prosecute such alleged infringement or misappropriation for its own account, in which event Licensee shall be solely responsible for all costs of prosecution and of negotiating settlement and shall retain all proceeds from such prosecution.

11. MISCELLANEOUS.

11.1 Computation of Time. The time in which any act provided in this Agreement is to be done shall be computed by excluding the first day and including the last day, unless the last day is a Saturday, Sunday, or legal holiday, and then it shall also be excluded.

11.2 Notices. All notices given in connection with this Agreement shall be in writing and shall be deemed given upon actual receipt by the addressee. Notices shall be personally delivered or sent by telex or facsimile (with prompt confirmation by registered or certified air mail, postage prepaid) or by registered or certified air mail, postage prepaid, addressed to the party to be notified at the following address, or at such other address as the party may designate by notice:

Licensor:

Advanced ImmunoTherapeutics, Inc.
157 Technology Drive
Irvine, CA 92618
Attention: Mr. Samuel Gulko
Phone: (949) 788-6700
Facsimile: (949) 788-67060

Licensee:

Neotherapeutics, Inc.
157 Technology Drive
Irvine, CA 92618
Attention: Dr. Alvin Glasky
Phone: (949) 788-6700
Facsimile: (949) 788-6706

- 11.3 **Severability.** If any provision of this Agreement is declared by a court of competent jurisdiction to be invalid, illegal, unenforceable, or void then both parties shall be relieved of all obligations arising under such provision, but only to the extent that such provision is invalid, illegal, unenforceable, or void. If the remainder of this Agreement is capable of substantial performance, then each provision not so affected shall be enforced to the extent permitted by law.
- 11.4 **Waiver and Modification.** No modification of any of the terms of this Agreement will be valid unless in writing and signed by both parties. No waiver by either party of a breach of this Agreement will be deemed a waiver by such party of any subsequent breach.
- 11.5 **Headings.** The headings in this Agreement are for reference only and shall not in any way control the meaning or interpretation of this Agreement.
- 11.6 **Interpretation.** No provision of this Agreement is to be interpreted for or against any party because that party or its attorney drafted the provision.
- 11.7 **Governing Law.** This Agreement shall be construed, governed, interpreted, and applied in accordance with the laws of the State of California.
- 11.8 **No Other Agreement.** The parties each represent that in entering into this Agreement, they rely on no promise, inducement, or other agreement not expressly contained in this Agreement; that they have read this Agreement and discussed it thoroughly with their respective legal counsel; that they understand all of the provisions of this Agreement and intend to be bound by them; and that they enter into this Agreement voluntarily.
- 11.9 **Entire Agreement.** This Agreement constitutes the complete and exclusive statement of the terms and conditions between the parties, which supersedes and merges all prior proposals, understandings and all other agreements, oral and written, between the parties relating to the subject of this Agreement.
- 11.10 **Counterparts.** This Agreement may be executed in counterparts, which taken together shall constitute one document.

IN WITNESS WHEREOF, the parties have executed this Agreement by their duly authorized representatives.

ADVANCED IMMUNOTHERAPEUTICS, INC.



Date: April 12, 2001

By: Samuel Gulko 
Title: Chief Financial Officer

NEOTHERAPEUTICS, INC.



Date: April 12, 2001

By: Alvin J. Glasky, Ph.D.
Title: Chief Executive Officer