

Atty Dkt No. 2300-6146
PL08146.106

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

RECORDATION COVER SHEET (PATENT)

1. Name of conveying party/parties:

Mats Axel Atterdag Parsson and Tobias Erik Allander

2. Name and address of receiving party/parties:

Karolinska Innovations AB
Fogdevreten 2b
171 77 Stockholm
Sweden

3. Nature of conveyance: X Assignment
 ___ Name Change
 ___ Other

Execution date: March 10, 2003

4. Application number(s) or patent number(s):

A. Patent Application No(s).:

B. Patent No(s).: 6,538,114

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

CH \$40.00 18164B 6538114

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

ROBINS & PASTERNAK LLP
1731 Embarcadero Road, Suite 230
Palo Alto, CA 94303

6. Total number of applications/patents involved: 1

7. Total fee: 1 x \$40.00 = \$ 40.00

Enclosed is a check for \$ 40.00.

Authorized to be charged to deposit account


8. Deposit account number: 18-1648.

9. The Commissioner is hereby authorized to charge any fees under 37 C.F.R. §§ 1.16, 1.17 and 1.21 which may be required by this paper, or to credit any overpayment, to Deposit Account No. 18-1648.

10. 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.

Dated: 1/29/04

By: 
Roberta L. Robins
Reg. No. 33,208

ROBINS & PASTERNAK LLP
1731 Embarcadero Road, Suite 230
Palo Alto, CA 94303
Telephone: (650) 493-3400
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Total number of pages including cover sheet, attachments, document: 9

Karolinska Innovations AB, reg. no 556528-6053, a Swedish limited liability company, and **Mats AA Persson** (Swedish social security number 530610-0073) and **Tobias Allander** (Swedish social security number 650225-0191) ("the Scientists"), have this day entered into the following

INVENTION TRANSFER AGREEMENT

1. BACKGROUND

Karolinska Innovations AB (a fully owned subsidiary of Karolinska Holding AB) is a venture capitalist that engages as owner in development companies with an evident potential. The aim of such engagement is to create value by the contribution of competence; contacts and seed capital.

The Scientists are affiliated with Karolinska Institutet and have for more than a decade been engaged in research activities concerning the hepatitis C virus (HCV). As a result, they have generated a collection of human antibodies to the HCV envelope protein E2. This was accomplished in part by using purified E2 protein obtained from Chiron Corp., Emeryville, CA, USA, during 1995 under a Material Transfer Agreement in which Chiron Corp was granted non-exclusive commercial rights to the said antibodies.

The parties have entered into a co-operation related to a project entitled "Human monoclonal antibodies against the envelope protein E2 of hepatitis C virus". Upon demand by Karolinska Innovations AB and as suggested by Mats AA Persson, the parties have agreed that the Scientists shall have an obligation to transfer ownership of patentable Inventions, as well as, all know-how and knowledge, both written and oral, in accordance with the agreed form set out in this Invention transfer agreement.

Now therefore, the parties enter into this Invention transfer agreement.

2. DEFINITIONS

Invention

Invention means without any limitation all world-wide rights relating to a WPO (World Patent Organization) patent application, publication number EP937153-A1/WO9740176A1: (International priority date: April 18, 1997; Title: HUMAN MONOCLONAL ANTIBODIES SPECIFIC FOR HEPATITIS C VIRUS (HCV) E2 ANTIGEN), as well as any patent granted pursuant to the said or any future patent application in relation thereto.

Y. Persson
M. Persson *T. Allander*

KIAB

KIAB means the Swedish limited liability company Karolinska Innovations AB, reg. no. 556528-6053 and with its offices at the Karolinska Institutet, or any of its subsidiaries.

3. TRANSFER OF INVENTION

With effect from this day, the Scientists hereby transfer to KIAB, who acquires, the Invention and all other rights connected thereto including Inventions concerning the production or use of any Product.

4. REIMBURSEMENT AND REVENUES

All future revenues from commercialisation of the Invention shall be allocated between the parties in accordance with the following.

KIAB shall first be reimbursed for all costs directly related to this Invention incurred as result of exploitation, before any revenues, generated from exploitation of the patent by way of indemnification, licensing fees and royalties, are distributed. KIAB shall be reimbursed for external costs directly related to this Invention such as legal advise, patent consulting and also for the time costs of employees. After KIAB is fully reimbursed for all their direct exploitation costs incurred, KIAB shall receive 40% of the remaining funds, and pay 40 % to Mats AA Persson and 20 % to Tobias Allander. The inventors' respective shares of the funds shall be paid according to the inventors instructions.

5. REPRESENTATIONS AND WARRANTIES

The Scientists acknowledge that KIAB enters into this agreement in full reliance on the representations and warranties contained in this Section 5.

The Scientists hereby represent and warrant that:

1. the Scientists are, prior to the sale, sole and only owner of the Invention and all know-how and related knowledge;
2. the Scientists will keep available to KIAB and will on demand by KIAB prepare copies of all lab journals and copies of printouts of original research data relating to the Invention,
3. no proceeding or dispute in relation to the Invention has been commenced or, so far as it is aware, threatened;
4. to the best of the Scientists' knowledge, the Invention does not constitute an infringement of the right of any other person;

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5. to the best of the Scientists' knowledge, no other person has claimed that the Invention constitutes an infringement of the right of any other person;
6. the Scientists have not taken any actions limiting the possibilities for future successful patent applications and the Scientists have refrained from taking any action that could limit the possibilities for future successful patent applications; and
7. Other than as expressly reported in writing to KIAB representatives prior to this day, (non-exclusive, world wide commercial rights for Chiron Corp), the Scientists have not entered into any agreement with any third party limiting the transfer of ownership to the Invention possibilities for future successful patent applications and the Scientists have not made available or permitted any rights in relation to the Invention,

6. REGISTRATION, PERMITS AND APPROVALS

To the extent the validity of this agreement is subject to registration, permits and approvals from relevant authorities, the parties shall jointly make their best efforts to obtain such registrations, permits and approvals.

The Scientists specifically agree to, free of charge within 14 days (if possible) of notice by KIAB, sign necessary documents for the transfer of ownership to the Invention to KIAB, as well as, to assist KIAB in connection to the said transfer.

Information undertaking regarding new achievements

The Scientists undertake to report without delay all progress made and new experiences and findings relating to the Invention and KIAB undertakes to keep the Scientists informed of the further development and commercial exploitation of the Invention.

Obligation to support patent application process

The Scientists undertake to use its reasonable efforts to support KIAB in obtaining patent protection for Inventions in any and all countries in the world.

The Scientists specifically agree to keep, free of charge and within 14 days of notice, available original lab journals and printouts of original research data relating to the Invention.

7. RECOGNITION OF THE PATENT

Obligation to inform of patents obtained

KIAB undertakes to inform the Scientists immediately when patent rights for the contractual products have been granted by individual countries.

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PATENT

REEL: 014289 FRAME: 0385

Obligation to report patent infringements

The Scientists undertake to inform KIAB of any infringements (becoming known to them) by any third party relating to any lack in recognition and acknowledgement of the validity of any patent application as pertaining to the Invention.

8. RIGHT TO USE OF INVENTIONS FOR NON-COMMERCIAL PURPOSES AND OBLIGATION TO TRANSFER INVENTIONS BACK

The Scientists shall have the right to use the Invention for non-commercial research purposes without further limitations than those provided in Section 9.

Obligation to transfer Inventions back to the Partner

In cases where KIAB or its licensees do not pursue commercialisation of an Invention or where KIAB declares its intention to give up its rights to an Invention, KIAB shall return the Invention, and all additional Inventions as referred to in Sections 2 and 3, to the Scientists. Any costs for the parties related to the exploitation of the Invention shall under these circumstances stay with the respective party.

Furthermore, in the event KIAB will decide not to pursue a patent application or not to uphold a patent related to the Invention, KIAB shall inform the Scientist of its decision no later than three months before the last day for actions legally required to be taken. In the event KIAB will decide not to pursue commercialisation of an Invention that is not subject to a patent or patent application, KIAB shall inform the Scientists of its decision as soon as possible.

In the event the inventors will pursue a new commercialisation opportunity, KIAB shall be entitled to reasonable compensation for costs incurred and investments made, up to the date of transfer. If the commercialisation would not occur as a consequence of the compensation claimed by KIAB, then the parties agree to negotiate in good faith in order to try to find a solution.

9. CONFIDENTIALITY

9.1 Each of the Parties, undertakes not to, without the prior written approval from the other Parties, publish or otherwise disclose to any third party information relating to the Invention that is of a confidential nature, unless such information shall be disclosed to the public or shall become public knowledge other than by breach of this obligation or otherwise would follow from any applicable law or from any court order. Such information may concern technical development work, financial information and negotiations with third parties.

9.2 Specifically, the results of the Scientists' research may be published upon compliance with the following:

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[Handwritten signatures]

- 9.3 The Scientist participating in research related to the Invention may, taking into account the exemptions stated in Section 9.4 below, publish or present the results (regardless of its nature or promotional value) of the work performed, in a publication or presentation, including oral presentations and by using pictures and slides depicting such results.
- 9.4 The Scientists acknowledge that they shall provide KIAB or such person as instructed by the Board of Directors of KIAB with the opportunity to review the proposed publication describing research findings related to the Invention prior to submission for publication, in order to permit KIAB to review the results and interpretation, to identify trade secrets, know-how, privileged records or other confidential or proprietary information or data, both technical or non-technical. KIAB shall have the right to review, but not to approve or disapprove, manuscripts developed for publication by the Scientist. KIAB shall complete its review within thirty (30) days after receipt of the proposed publication from the Scientist. If KIAB believes that the proposed publication contains any identification of trade secrets, know-how, privileged records or other confidential or proprietary information or data, KIAB shall so notify the Scientist in writing, and the Scientist will defer submission of the publication for an additional ninety (90) days period to enable KIAB to take such steps as KIAB deems appropriate to establish and protect its proprietary rights.
- 9.5 The Scientist may not describe or publish confidential information of the KIAB (e.g. but not limited to names of customers, partners and privileged records).
- 9.6 This secrecy and publication undertaking shall apply for an initial period of ten (10) years and thereafter.

10. GOVERNING LAW

This Agreement shall be construed in accordance with and be governed by the laws of Sweden.

11. ARBITRATION

The Rules for Expedited Arbitrations shall apply, unless the SCC Institute, taking into account the complexity of the case, the amount in dispute and other circumstances, determines that the Rules of the Arbitration Institute of the Stockholm Chamber of Commerce shall apply. In the latter case, the SCC Institute shall also decide whether the tribunal shall be composed of one or three arbitrators.

If arbitration is commenced by KIAB against one or more private person, the fees and costs of the arbitrators exceeding an amount of SEK 50,000 for each private person and counterparty involved shall be paid by KIAB, unless the arbitrators find the claim put forth by KIAB not to be reasonably founded in

which case the private persons shall bear no costs.

If an arbitration is commenced by one or more private person against KIAB, the fees and costs of the arbitrators exceeding an amount of SEK 50,000 for each private person shall be paid by KIAB.

12. NOTICES AND LANGUAGE

Notices and other communications shall be in the English language and deemed to be valid and effective if sent by courier or registered letter to the addresses and the parties below or to other addresses supplied at a later date.

If to the Scientists:

Contact person(s):	Mats Persson	Tobias Allander
Address:	CMM (L8:01) Karolinska Sjukhuset 171 76 Stockholm	Klinisk mikrobiologi Karolinska Sjukhuset 171 76 Stockholm
Tel:	08-5177 3929	08-5177 3580
E-mail:	mats.persson@cmm.ki.se	tobias.allander@ks.se
Fax:	08-5177 6180	

If to KIAB:

Contact person:	Conny Bogentoft
Address:	Fogdevreten 2B 171 77 Stockholm
Tel:	08-728 65 10
E-mail:	conny.bogentoft@kab.ki.se
Fax:	08-30 34 23

13. AMENDMENTS

Only those amendments and additions to this Agreement that are made in writing and signed by the parties are valid.

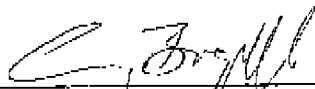
14. ENTIRE AGREEMENT

The contract and its appendix constitute the entire Agreement between the parties on all issues to which the Agreement relates. Those issues that have not been expressly dealt with under the terms of the Agreement are to be decided with reference to the principles upon which the Agreement is based.

The contents of this Agreement and its appendix supersede all previous written or oral commitments and undertakings regarding the transfer of the Invention.

This contract has been executed in three copies of which the parties have taken one each.

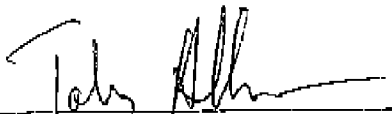
KIAB



Name: Conny Bogtoft
Title: Managing Director
Date: 030313



Name: Mats A A Persson
Title:
Date: 10 March 2003



Name: Tobias Allander
Title:
Date: 10 March 2003