

PATENT ASSIGNMENT

Electronic Version v1.1

Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	EMPLOYMENT LETTER AGREEMENT RE ASSIGNMENT OF RIGHTS
CONVEYING PARTY DATA	
Name	Execution Date
John R. REDMAN	08/06/2003
RECEIVING PARTY DATA	
Name:	Celator Technologies Inc.
Street Address:	1779 W 75th Avenue
City:	Vancouver, British Columbia
State/Country:	CANADA
Postal Code:	V6P 6P2
PROPERTY NUMBERS Total: 1	
Property Type	Number
Application Number:	11586215
CORRESPONDENCE DATA	
Fax Number:	(858)720-5125
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	(858) 720-5112
Email:	gsarda@mofo.com
Correspondent Name:	Kate H. Murashige
Address Line 1:	Morrison & Foerster LLP
Address Line 2:	12531 High Bluff Drive, Suite 100
Address Line 4:	San Diego, CALIFORNIA 92130-2040
ATTORNEY DOCKET NUMBER:	532552002100
NAME OF SUBMITTER:	Kate H. Murashige
Total Attachments: 9 source=532552002100 EMP AGMT#page1.tif source=532552002100 EMP AGMT#page2.tif source=532552002100 EMP AGMT#page3.tif source=532552002100 EMP AGMT#page4.tif	

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July 31, 2003

Dr. John R. Redman
9 Hastings Drive
Mullica Hill, New Jersey 08062

Dear John:

This Letter Agreement includes the terms of your employment with Celator Technologies Corporation (the "Company"):

- August 25, 2003*
J.R.R.
1. Employment: Term. This Agreement (the "Agreement") will govern the terms and conditions of your employment commencing ~~September 2, 2003~~ (the "Effective Date") until your employment terminates in accordance with Section 6 below. The entire period during which you are actually employed by the Company is referred to hereinafter as the "Employment Period".
 2. Position: Duties. You will be employed by the Company as Chief Medical Officer. You will perform such duties as may be assigned to you. Such duties will include, without limitation, the following: responsibility for clinical development, drug safety, communication with regulatory authorities regarding appropriate issues, business development and fundraising. You will use your best efforts to perform such duties faithfully, to devote all of your working time, attention and energies to the businesses of the Company, and while you remain employed, not to engage in any other business activity without the approval of the Company's CEO.
 3. Base Salary. You will be paid a base salary ("Base Salary") at an annual rate of US\$220,000.00, payable in accordance with the Company's normal payroll practices. Your Base Salary will be reviewed at least annually; and may be subject to adjustment at the discretion of the Company's Board.
 4. Benefits: Vacations. You will be provided with such fringe benefits and insurance coverages as are made available to employees of the Company generally. The Company intends to adopt the benefits plans described below, but as of the date hereof, the Company has not adopted and implemented such plans. Once established and implemented, you will be entitled to participate in the following benefits plans, subject to the participation and qualification requirements of such plans, which may be amended or modified by the Company in its sole discretion:
 - (i) Group medical and dental care for you, your spouse and your children;
 - (ii) Disability income protection insurance;

- (iii) Group term life insurance on your life, with a benefit equal to two (2) times your annual base salary.

Until such time as the Company establishes a group medical and/or dental plan, the Company will reimburse you for the full cost of your medical/dental coverage provided under your former employer's group medical/dental plan, if any, pursuant to the provisions of the federal legislation concerning continuation of health coverage known as "COBRA".

In addition, you will be entitled to paid vacation periods of not less than twenty (20) days per year to be used in accordance with the Company's vacation policy, and to at least eight paid company holidays.

- 5. Expenses. The Company will pay or reimburse the reasonable expenses incurred by you in the discharge of your duties hereunder, in accordance with the general practices and policies of the Company, and subject to the Company's annual expense budget. In the event that you advance funds for such expenses, the Company will reimburse you for the amounts expended for its behalf as billed by you. You will be required to submit bills or statements of account for all of such expenses at least monthly, and upon such submission, the Company will pay to you the amounts set forth on such bills or statements, provided that such amounts are reasonable and were incurred in connection with the performance of services by you for the Company.

In addition, the Company will reimburse you for your reasonable expenses incurred for moving your household goods and personal effects from your current residence to a new residence in the Princeton, New Jersey area, provided that you complete your move during the two-year period commencing on the date hereof. You will be required to submit bills or statements for all of such moving expenses, and upon such submission, the Company will pay to you the amounts set forth on such bills or statements, but not in excess of the amount herein set forth.

- 6. Termination; Severance. You will be free to resign from the Company at any time. The Company will be free to terminate your employment at any time, without "Cause", as hereinafter defined, by giving you thirty (30) days written notice of termination; provided, however, that the Company may, in the Company's sole discretion, pay your base salary for the period of notice in lieu of providing such notice. In addition, the Company may terminate your employment immediately for "Cause", as hereinafter defined. Upon any termination of your employment by the Company or upon your voluntary resignation, as the case may be, you will be entitled to any amounts earned and payable but not yet paid.

For purposes hereof, the term "Cause" shall mean a finding by the Company that you have: (i) willfully and continually failed or refused to conform to the organizational and

management structure prescribed by the Company, (ii) failed or refused to perform your duties faithfully, competently, diligently, or to the satisfaction of the Company; (iii) committed a felony or a crime involving moral turpitude, (iv) committed any act of gross negligence or fraud, (v) materially breached this Agreement or any of the conditions of your employment, (vi) failed to substantially perform your duties (other than by reason of a physical or mental impairment) or to implement the directives of the Company, or (vii) willfully engaged in conduct that is materially injurious to the Company, monetarily or otherwise, provided, however, that except with respect to your commission of a felony, a crime involving moral turpitude, or an act of gross negligence or fraud, you will have the right, for a period of thirty (30) days after you have been provided adequate and specific written notice from the Company, to cure any condition giving rise to the Company's termination of your employment for Cause, to the complete satisfaction of the Company.

7. Confidential Information. You agree that you will, at all times during the Employment Period and thereafter, maintain in confidence, and shall not disclose, directly or indirectly, to any third party or use for any purpose, any "Confidential Information" of the Company, which shall include, without limitation, any ideas, methods, trade secrets, customer information, customer and prospective customer lists and details of agreements and arrangements with customers, marketing, financial and other business information and plans, research and development, computer programs, identities of consultants and contractors, purchasing, operating and other cost data, special customer needs, costs and pricing data, employee information, inventions, formulae, processes and procedures, and any other confidential or proprietary information of the Company of any nature whatsoever. Confidential Information shall also include information recorded in manuals, memoranda, projections, minutes, plans, drawings, designs, formula books, specifications, computer programs and records, whether or not legended or otherwise identified as Confidential Information.

Notwithstanding anything herein contained, you will be free to disclose Confidential Information under the circumstances hereinafter described:

- (i) To the extent such information becomes publicly known other than by your breach of this Agreement;
- (ii) To the extent you are required by law to disclose any Confidential Information, in which event you will provide the Company with prompt notice of such required disclosure so that the Company may seek an appropriate protective order and/or waive your compliance with the provisions of this Agreement, and you will consult with the Company as to the advisability of taking legally available steps to resist or narrow such disclosure, and if in the absence of a protective order or the receipt of a waiver hereunder, you nonetheless, based on advice of your legal counsel, are compelled to disclose any of the Confidential Information to any tribunal or else stand liable for contempt or suffer other censure or penalty, you

may disclose such of the Confidential Information which you are so compelled to disclose to such tribunal without liability hereunder, provided, however, that you shall give the Company written notice of the Confidential Information to be so disclosed as far in advance of your disclosure as is practicable and shall use your best efforts to obtain and cooperate with the Company (at the Company's expense) in seeking to obtain an order or other reliable assurance that confidential treatment will be accorded to such portions of the Confidential Information required to be disclosed as the Company designates;

- (iii) In your capacity as an employee of the Company to the extent reasonably appropriate in furtherance of the business of the Company; or
- (iv) To your attorneys or accountants, provided, however, that such attorneys or accountants will be informed of the content of this Section 7 and by receiving such information agree to be bound by the provisions of this Section 7, and you hereby agree to be responsible for any breach hereof by your attorneys or accountants.

Upon your termination of employment with the Company for any reason, or otherwise upon the request of the Company, you will deliver to the Company all documents and materials containing Confidential Information, and all documents, materials and other property belonging to the Company which are in your possession or under your control, including but not limited to, all Company keys, entry cards, credit cards, parking passes, portable projectors, computers, cellular telephones, office equipment and other property belonging to the Company.

The obligations and rights granted in this paragraph shall survive the termination of this agreement.

8. Company Property, Discoveries and Works. For purposes of this Section 8, the term "Inventions" collectively means any and all ideas, concepts, inventions, discoveries, developments, know how, structures, designs, formulas, algorithms, methods, products, processes, systems and technologies in any stage of development that are conceived, developed or reduced to practice by you alone or with others; any and all patents, patents pending, copyrights, moral rights, trademarks and any other intellectual property rights therein; and any and all improvements, modifications, derivative works from, other rights in and claims related to any of the foregoing under the laws of any jurisdiction.

By executing this Agreement, you agree that all documents, records, apparatus, equipment and other physical property furnished to you by the Company or produced by you from any of the Company's Confidential Information shall be and remain the sole property of the Company. You agree to return and deliver to the Company all such property upon termination of this agreement and will not retain any copies or

reproductions of such property. You agree to assign and transfer to the Company, without further consideration, your entire right, title and interest (throughout the United States and Canada and in all other countries and jurisdictions), free and clear of all liens and encumbrances, in all and to all Inventions you create alone or with others during the term of this Agreement. Such Inventions shall be the sole property of the Company, whether or not copyrightable or patentable or in a commercial stage of development. In addition you agree to maintain adequate current written records on the development of all Inventions, which shall also remain the sole property of the Company. In the event any Invention shall be deemed by the Company to be copyrightable or patentable or otherwise registrable, you will assist the Company in obtaining and maintaining letters patent or other applicable registrations necessary to vest in the Company full title to such Invention. Should the Company be unable to secure your signature on any document necessary to apply for, prosecute, obtain, or enforce any patent, copyright or other right or protection relating to any Invention, due to your incapacity or any other cause, you hereby irrevocably designate and appoint the Company and each of its duly authorized officers and agents as your agent and attorney-in-fact to do all lawfully permitted acts to further the prosecution, issuance, and enforcement of patents, copyrights, or other rights or protection with the same force and effect as if executed and delivered by you.

The obligations and rights granted in this paragraph shall survive the termination of this agreement.

You agree to disclose promptly to the Company all inventions and relevant records and any idea that you do not believe to be an Invention but is conceived, developed or reduced to practice by you (alone or with others) during the term of this Agreement or during the one year period following the termination of this Agreement. You will disclose the idea along with all information and records pertaining to the idea and the Company will examine the disclosure in confidence to determine if in fact it is an Invention subject to this Agreement.

You agree that any idea, invention, writing, discovery, patent, copyright, trademark or similar item, or improvement shall be presumed to be an Invention if it is conceived, developed, used, sold, exploited or reduced to practice by you or with your aid within the one-year period commencing on the date of the termination of your employment hereunder and if (and only if) it relates directly to any business in which the Company was engaged as of such date. You can rebut the above presumption if you prove that the idea, writing, discovery, patent, copyright or trademark or similar item or improvement is not an Invention covered by this Agreement.

9. Competing Businesses, etc. You agree that during your employment and during the "Restricted Period", as hereinafter defined, you will not, directly or indirectly:

- (i) own, manage, operate, join, or have a financial interest in, control or participate in the ownership, management, operation or control of (whether as a director, officer, manager, member, lender, or otherwise), or be employed as an employee, agent or consultant, or in any other individual or representative capacity whatsoever, or use or permit your name to be used in connection with, or be otherwise connected in any manner with any business or enterprise engaged, anywhere in the United States and/or Canada, in the same or a substantially similar business to the business(es) that the Company is engaged in at any time during the Employment Period or which is otherwise competitive with the business carried on by the Company at any time during the Employment Period; provided, however, that the foregoing restriction shall not be construed to prohibit your ownership of not more than two percent (2%) of any class of securities of any company that is engaged in any of the foregoing businesses, having a class of securities that are publicly owned and regularly traded on any recognized securities exchange or in the over-the-counter market, but only if such ownership represents a passive investment and you do not, in any way, either directly or indirectly, manage or exercise control over any such company, guarantee any of its financial obligations, otherwise take part in its business, or seek to do any of the foregoing;
- (ii) whether in writing or orally, criticize, disparage, or otherwise demean in any way the Company or its affiliates or their respective products, services, officers, directors, employees or shareholders;
- (iii) influence any individual who was an employee or consultant of the Company at any time during the Employment Period to terminate his employment or consulting relationship with the Company or to become employed by or a consultant to you, directly or indirectly; or
- (iv) interfere in any other way with the employment, or other relationship, of any employee or consultant of the Company.

The "Restricted Period" is the one (1) year period commencing on the date of the termination of your employment by the Company for any reason, including your resignation.

10. Enforcement Remedies. You agree that the Company's remedies at law for any breach or threat of breach by you of your agreements in Sections 7, 8, and 9 (the "Restrictive Covenants") will be inadequate, and that, in addition to any other remedy to which the Company may be entitled at law or in equity, the Company shall be entitled to a temporary or permanent injunction or injunctions or temporary restraining order or orders to prevent breaches of the Restrictive Covenants and to enforce specifically the terms and provisions thereof, in each case without the need to post any security or bond, and to the

extent the Company prevails in any such action, you shall pay the Company all costs of such action, including reasonable legal fees. Nothing contained in this Agreement shall be construed as prohibiting the Company from pursuing, in addition, any other remedies available for such breach or threatened breach. A waiver by the Company of any breach of any provision hereof shall not operate or be construed as a waiver of a breach of any other provision of this Agreement or of any subsequent breach by you. It is expressly understood and agreed that although the parties hereto consider the Restrictive Covenants to be reasonable for the purpose of preserving the goodwill, proprietary rights and going concern value of the Company and its subsidiaries, if a final judicial determination is made by a court having jurisdiction that the time or territory or any other restriction contained in Sections 7, 8 and 9 is an unenforceable restriction on your activities, the provisions thereof shall not be rendered void but shall be deemed amended to apply as to such maximum time and territory and to such other extent as such court may judicially determine or indicate to be reasonable. Alternatively, if the court referred to above finds that any Restrictive Covenant or any remedy provided herein is unenforceable, and such restriction or remedy cannot be amended so as to make it enforceable, such finding shall not affect the enforceability of any of the other Restrictive Covenants or the availability of any other remedy.

11. Future Cooperation. You agree that upon the Company's reasonable request following your termination of employment, you will use reasonable efforts to assist and cooperate with the Company in connection with the defense or prosecution of any claim that may be made against or by the Company or its affiliates, or in connection with any ongoing or future investigation or dispute or claim of any kind involving the Company or its affiliates, including any proceeding before any arbitral, administrative, regulatory, self-regulatory, judicial, legislative, or other body or agency. You will be entitled to reimbursement for reasonable out-of-pocket expenses (including travel expenses) incurred in connection with providing such assistance, except to the extent such assistance is provided after the Severance Period, in which case you will be paid a per diem fee based on your Base Salary at the time of your termination of employment.
12. Indemnification. The Company will indemnify and hold you harmless from and against any and all liabilities, suits, claims, actions, causes of actions, and debts arising from and in connection with your employment by the Company and in the performance of your duties for the Company in accordance with the terms of this Agreement. Such indemnification shall not apply to any such liabilities, suits, claims, actions, causes of actions or debts resulting from: (i) any action by you constituting gross negligence, fraud or criminal conduct, (ii) any action by you which is in violation of the terms of this Agreement, or (iii) any action which is in violation of any laws, rules, regulations or directives applicable to the Company and/or the business of the Company.
13. Stock Options. Upon the commencement of your employment hereunder, or as soon as practicable thereafter, the Company will grant to you the right and Option to purchase

200,000 of the Company's Common Shares, pursuant to and in accordance with the terms and conditions of the "Celator Technologies, Inc. 2002 Incentive Stock Option Plan" (the "Plan"), and/or such other terms and conditions as determined by the Compensation Committee charged with administering the Plan. All Options granted hereunder shall vest and become exercisable ratably over three years (meaning that one-third of the Options included in each grant shall vest on each of the first, second and third anniversaries of the date of the grant thereof). All unvested options shall vest immediately upon a Change of Control of the Company, which shall mean any sale, transfer or other disposition of all or substantially all of the assets of the Company.

14. Withholding. The Company shall have the right to withhold from any amount payable to you hereunder an amount necessary in order for the Company to satisfy any withholding tax obligation it may have under applicable law.
15. Governing Law. The terms of this Agreement, and any action arising hereunder, shall be governed by and construed in accordance with the domestic laws of the State of New Jersey, U.S.A., without giving effect to any choice of law or conflict of law provision or rule (whether of the State of New Jersey or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of New Jersey. The state courts of the State of New Jersey shall have exclusive jurisdiction over any actions arising under this Agreement.
16. Arbitration. Except for claims or disputes arising under Sections 7, 8, and 9 of this Agreement (the "Restrictive Covenants"), any and all disputes, claims, controversies, or causes of action (hereinafter "disputes") arising out of or related to this Agreement, either directly or indirectly, including, but not limited to, disputes over the interpretation, application or alleged violation of this Agreement, and any and all disputes arising out of or related to, either directly or indirectly, the employment relationship between you and the Company, including, but not limited to, alleged discrimination or disparate treatment, harassment, alleged wrongful termination, or any other alleged wrongful employment practice or act/action of any nature or kind, whether based on Federal or New Jersey Statutes or administrative regulations, or on Federal and State court decisions, shall be submitted for adjudication exclusively to arbitration before the Judicial Arbitration and Mediation Services ("JAMS"), 45 Broadway, New York, N.Y. 10006. In agreeing to arbitration of any and all disputes, the parties knowingly and voluntarily waive and relinquish their rights to have such disputes decided through law suits, in a court of law with a judge and jury and, instead, shall have them decided by an arbitrator under the rules and regulations of JAMS. In such arbitration each party shall pay its own attorney's fees and other costs and half the costs for the arbitrator.
17. Amendment; Waiver. This Agreement may not be released, changed or modified in any manner, except by an instrument in writing signed by you and the Company. The failure of either party to enforce any of the provisions of this Agreement shall in no way be

construed to be a waiver of any such provision. No waiver of any breach of this Agreement shall be held to be a waiver of any other or subsequent breach.

18. Assignment. This Agreement is personal to you. You shall not assign this Agreement or any of your rights and/or obligations under this Agreement to any other person. The Company may, without your consent, assign this Agreement to any successor to its business.
19. Entire Agreement; Amendment. This Agreement supersedes all previous and contemporaneous communications, agreements and understandings, whether oral or written, between you, on the one hand, and the Company or any of its affiliates, on the other hand, and constitutes the sole and entire agreement between you and the Company pertaining to the subject matter hereof. This Agreement may be amended only in writing and only with your approval and the approval of the Company.
20. Counterparts. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement, and shall become a binding agreement when one or more counterparts have been signed by each party and delivered to the other party.

If the foregoing is acceptable to you, kindly sign and return to the Company one copy of this letter.

Sincerely yours,

CELATOR TECHNOLOGIES CORPORATION

By: _____

ANDREW JANOFF, CEO

AGREED TO AND ACCEPTED BY:


JOHN R. REDMAN, MD, MBA

August 6, 2003