

PATENT ASSIGNMENT

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SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	ASSIGNMENT
CONVEYING PARTY DATA	
Name	Execution Date
Yeda Research and Development Company Limited	02/22/2010
RECEIVING PARTY DATA	
Name:	Irur R. Cohen Prof
Street Address:	11 Hankin Street
City:	76354 Rehovot
State/Country:	ISRAEL
Name:	Francisco Quintana Dr.
Street Address:	72 South Street, Apt. 2
City:	Boston
State/Country:	MASSACHUSETTS
Postal Code:	02130
Name:	Pnina Carmi
Street Address:	3 Marton Street
City:	76292 Rehovot
State/Country:	ISRAEL
Name:	Felix Mor
Street Address:	3 Mishol Ha Chen Street
City:	44419 Kfar Saba
State/Country:	ISRAEL
PROPERTY NUMBERS Total: 1	
Property Type	Number
Application Number:	13293722
CORRESPONDENCE DATA	

501751456

PATENT
REEL: 027368 FRAME: 0518

CH \$40.00 13293722

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Correspondent Name: Winston & Strawn LLP

Address Line 1: 1700 K Street, N.W.

Address Line 2: Patent Department, Allan A. Fanucci

Address Line 4: Washington, DISTRICT OF COLUMBIA 20006-3817

ATTORNEY DOCKET NUMBER:

85189-7698

NAME OF SUBMITTER:

Allan A. Fanucci

Total Attachments: 9

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ASSIGNMENT AGREEMENT

Made and entered into on this 2nd day of February, 2010

By and among:

YEDA RESEARCH AND DEVELOPMENT COMPANY LIMITED

a company duly registered under the laws of Israel of
P O Box 95, Rehovot 76100, Israel

(hereinafter "**Yeda**")

and

Prof. Irun R. Cohen (I.D. No. 12257416)

of: 11 Hankin Street, Rehovot 76354

and

Dr. Francisco Quintana (Pass. No. 23.974.361N)

of: 72 South Street, Apt. 2, Boston, MA 02130, USA

and

Pnina Carmi (I.D. No. 005333679)

of: 3 Marton Street, Rehovot 76292

and

Felix Mor (I.D. No. 68146927)

of: 3 Mishol Ha Chen Street, Kfar Saba 44419

(jointly and severally, "**the Scientists**")

WHEREAS :

- (A) in the course of research conducted at the Weizmann Institute of Science ("**the Institute**"), the Scientists arrived at an invention entitled: "**TREATMENT OF ARTHRITIS BY DNA-VACCINES ENCODING HEAT SHOCK PROTEINS AND A NOVEL PEPTIDE DERIVED FROM HSP60**" ("**the Invention**"), all as more fully described in Yeda docket No. 2002-046 and National Phase Patent Applications of PCT/IL03/00417, European Patent Application No. 03723033.1, Israeli Patent Application No. 165170 , U.S.A Patent Application No. 10/994,152 and U.S.A Divisional Patent Application No. 12/396,401 all filed in the name of Yeda ("**the Patents**"); and
- (B) by operation of Israeli law and/or under the terms of employment of the Scientists at the Institute and pursuant to an agreement between the Institute, Yeda and the Scientists, all right, title and interest in and to the Invention and the Patents vests in Yeda; and
- (C) Yeda has decided to discontinue the prosecution of the Patents and not to file any other patent application in respect of the Invention in any other jurisdiction; and
- (D) Yeda has offered to assign all its right, title and interest in and to the Invention and the Patents to the Scientists, all of the foregoing pursuant and subject to the rules of the Institute known as the "Rules of Intellectual Property and Conflict of Interests (Version 2001) (such rules, as amended from time to time, hereinafter "**the Institute Rules**)"; and
- (E) The Scientists have elected to exercise their rights under the Institute Rules to receive assignment of Yeda's rights, subject to and in accordance with the terms and conditions set out in this Agreement; and
- (F) Yeda is willing to assign to the Scientists, and the Scientists are desirous of receiving an assignment of, all Yeda's rights, present and future, in respect of the Invention and the Patents, for the consideration, and subject to and in accordance with all the other terms and conditions set out in this Agreement; and
- (G) as a condition to such assignment, the Scientists, *inter alia*, shall be bound by and shall act in accordance with the Institute Rules, *inter alia*, with respect to the assignment of patents and patent applications to scientists of the Institute who are Inventors of any Institute Invention (as such terms are defined in the Institute Rules) and the royalties and other consideration payable to Yeda or to which Yeda is entitled in the event of such assignment, and with respect to the prevention of a conflict of interests between the obligations and duties of such scientists to the Institute and the interests and activities of the Institute on the one hand and the interests and activities of such scientists on the other.



NOW THEREFORE, IT IS HEREBY AGREED BETWEEN THE PARTIES AS FOLLOWS:

The Preamble and Appendices to this Agreement form an integral part thereof.

1. Assignment and Transfer

In consideration of the royalties and other sums to be paid by the Scientists to Yeda and the other consideration to be transferred to Yeda as set out in clause 2 below, Yeda hereby:

- 1.1. assigns and transfers to the Scientists all the right, title and interest in and to the Invention, and to the Patents. It is agreed that all the costs and expenses (including legal fees and expenses) incurred in connection with the implementation of this clause 1.1 shall be borne by the Scientists exclusively; and
- 1.2. agrees to execute such further documents and do such further acts as may be reasonably necessary to give full effect to the terms of this Agreement, at the Scientists' sole expense.

2. Consideration

- 2.1. The Scientists shall pay to Yeda 25% (twenty-five percent) of all Proceeds and shall transfer to Yeda 25% (twenty-five percent) of all Proprietary Interests, after the deduction of Costs ("**the Consideration**").

For the purposes of this Agreement:

"Proceeds" shall mean all royalties and all other consideration of whatsoever nature and howsoever described (including without limitation, licence fees, royalties or other amounts paid in respect of the granting of licenses, options and/or sublicenses, of any rights in and to the Invention and/or the Patents) which are actually received by the Scientists or any of them in connection with the commercialisation of the Invention and/or the Patents or any part thereof, excluding research grants or other research funding and the reimbursement of out-of-pocket expenses;

"Proprietary Interest" shall mean any right of any kind, negotiable or otherwise and whether or not listed for trading on any stock exchange, in any entity or body, corporate or otherwise, including without limitation: (i) shares, stocks and other securities in such entity or body (including, securities convertible into equity or into options to equity); (ii) warrants, ADRs, options, and any other rights to acquire shares, stocks or other securities in such entity or body; and (iii) similar rights in such entity or body; granted, issued or transferred to the Scientists or to any of them, or



to which the Scientists or any of them become entitled in connection with the commercialisation of the Invention and/or the Patents or any part thereof (by means of a licence or otherwise); and

"Costs" shall mean: (a) the aggregate out-of-pocket costs and expenses expended by Yeda prior to the date of this Agreement in connection with the Patents (in the preparation, filing, prosecution and protection of the Patents) in the sum of **US \$ 72,233.61** (seventy two thousand two hundred and thirty three United States Dollars and sixty one cents) and all additional amounts incurred, but not as yet paid, by Yeda prior to the date of signature of this Agreement (**"the Yeda Patent Costs"**), to be reimbursed to Yeda pursuant to clause 2.6 below; and (b) all out-of-pocket costs and fees (as evidenced by invoices, receipts or other appropriate documents) incurred by the Scientists in connection with the preparation, filing, prosecution and maintenance of the Patents and all patent application which may be filed in connection with the Invention (to the extent that such costs and fees are not paid or reimbursed by any third party licensee); and in connection with the commercialisation of the Invention and/or the Patents (by means of a licence or otherwise).

2.2. The Consideration shall, in the case of Proceeds, be paid to Yeda [in US Dollars] no later than 30 (thirty) days after such Proceeds are received, and in the case of a Proprietary Interest, be transferred to Yeda, no later than 30 (thirty) days after such Proprietary Interest is received, accompanied with a report setting out details of all Proceeds and all Proprietary Interests (if any) received, all deductions therefrom as provided in clause 2.1 above, and the Consideration due to Yeda in respect of such Proceeds and/or Proprietary Interests.

2.3.

2.3.1. In the event that the Scientists are required under applicable law to withhold amounts from the payments to be made under clause 2.1 above on account of income tax, tax on profit or any other taxes of a similar nature imposed on Yeda by applicable law (**"the withholding tax"**), the Scientists shall immediately notify Yeda in writing of such requirement and shall, subject to the provisions of clause 2.3.2 below, deduct the withholding tax from the payments referred to above, as prescribed by applicable law, unless Yeda provides the Scientists with evidence of an exemption from withholding tax.

2.3.2. The Scientists shall make payment of the withholding tax (if any) deducted as aforesaid to the appropriate tax authorities within the period prescribed by applicable law and shall submit receipts or other documents issued by the tax authorities evidencing such payment, to Yeda within 7 (seven) days of payment thereof.



- 2.4. Without derogating from the Scientists' obligations under the Institute Rules, the Scientists shall notify Yeda in writing of any intention by the Scientists to grant any right, give any licence or enter into any agreement to or with any other person or entity with respect to the development and/or exploitation and/or commercialisation and/or licensing of Invention and/or the Patents or any part thereof and shall provide Yeda with copies of the agreements and other documents pertaining to the foregoing, promptly upon the execution thereof. Without derogating from the foregoing, the Scientists shall notify Yeda in writing of any Proprietary Interest prior to becoming entitled thereto or to the acquisition thereof, and shall provide copies to Yeda of all agreements, options, warrants or other instruments under which the Scientists are granted, issued, transferred or is otherwise entitled to acquire such Proprietary Interest, promptly upon the execution thereof.
- 2.5. Without derogating from the Scientists' obligations under the Institute Rules and under clause 2.4 above, commencing at the end of the first calendar year in which any Proceeds and/or Proprietary Interest were received by the Scientists with respect to the Patents or the Invention, the Scientists shall provide Yeda with a yearly report signed by an independent certified accountant in respect of the Consideration received and the amounts due to Yeda pursuant to clause 2.1 and 2.2 above, containing details of the Proceeds and/or Proprietary Interests received, acquired or to which the Scientists or any of them become entitled, as the case may be.
- 2.6. The Scientists shall reimburse Yeda (by way of monetary payment) the Yeda Patent Costs from the first Proceeds and/or Proprietary Interest received by the Scientists. The reimbursement from the Proceeds shall be made within 14 (fourteen) days of receipt of any such Proceeds, and the reimbursement from the Proprietary Interest shall be made within 14 (fourteen) days of the date of such Proprietary Interest become exercisable. For the avoidance of doubt, in the case of receipt of Proceeds and/or Proprietary Interest as aforesaid, the Yeda Patent Costs shall be reimbursed to Yeda prior to any deductions (including any permissible deductions under clause 2.1 above) or other payments from such Proceeds and/or other distribution of Proprietary Interest from such Proprietary Interest whatsoever.

3. **No Warranties**

Nothing contained in this Agreement shall be deemed to be a representation or a warranty by Yeda that the Patents or any patent applications which may be filed by the Scientists relating to the Invention will be granted or that patents obtained on any of the said patent applications or the Patents are or will be valid or afford or will afford proper protection or that the Invention is or will be commercially exploitable or of



any other value or that the exploitation of the Patents or the Invention will not infringe the rights of any third party.

4. **No Liability**

Yeda, the Institute and the directors, officers and employees of Yeda and/or of the Institute (excluding the Scientists) shall not be liable for any claims, demands, liabilities, costs, losses, damages or expenses (including legal costs and attorneys' fees) of whatever kind or nature caused to or suffered by any person or entity that directly or indirectly arise out of or result from or are encountered in connection with the development, exploitation, commercialisation and/or use of the Invention and the Patents or any part thereof.

5. **Termination and Remedies**

5.1. Without derogating from the parties' rights hereunder or by law to any other or additional remedy or relief, it is agreed that either Yeda or the Scientists (acting jointly) may terminate this Agreement by serving a written notice to that effect on the other upon or after the commitment of a material breach hereof by the other party, which breach cannot be cured or, if curable, which has not been cured by the party in breach within 30 (thirty) days (or, in the case of failure by the Scientists to pay any amount due from the Scientists to Yeda pursuant to or in connection with this Agreement on or before the due date of payment, 14 (fourteen) days) after receipt of a written notice from the other party in respect of such breach. For the removal of doubt, it is recorded that none of the Scientists may terminate this Agreement pursuant to this clause 5.1 in the event of a material breach hereof by any other Scientist.

5.2. In the event that this Agreement is terminated by Yeda pursuant to clause 5.1 above, the Scientists shall, upon Yeda's request: (a) assign and transfer to Yeda all their right, title and interest in and to the Invention, the Patents and in and to any other intellectual property (if any) that the Scientists may have in respect of the Invention and/or Patents; and (b) deliver to Yeda all designs, drawings, plans, diagrams, specifications, models or other documentation or media in its possession and control containing, representing or embodying the Invention and the Patents, unless previously assigned by the Scientists to a third party, in good faith.

6. **Confidentiality**

6.1 Yeda agrees to maintain in confidence all information or data relating to the Invention and the Patents, except and to the extent that: (i) any such information or data is in the public domain at the date of the signing hereof or becomes part of the public domain thereafter (other than through a violation by Yeda of this obligation of confidentiality) or is released by the Scientists from this obligation of confidentiality by



notice in writing; (ii) Yeda is required to disclose such information in order to fulfill its obligations under this Agreement; (iii) Yeda is required to disclose such information in fulfillment of any legal duty owed to any competent authority; or (iii) any such information was independently developed by the Institute and/or Yeda without reference to the Invention.

- 6.2 The Scientists hereby acknowledge that this Agreement is confidential and therefore agree to maintain it in strict and absolute confidence and not to disclose it or allow it to be disclosed to any third Party other than to third Party bound by similar undertaking of confidentiality.
- 6.3 The provisions of this clause 6 shall survive the termination and/or expiration of this agreement, for whatever reason, and shall remain in full force and effect.

7. Notices

All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given: (i) if personally delivered, when actually delivered; or (ii) if sent by facsimile, the next business day after receipt of confirmation of transmission; (iii) or 10 (ten) days after being mailed, certified or registered mail, return receipt requested, postage prepaid, to the respective addresses of the parties set out below, or to such other address or addresses as any of the parties hereto may from time to time in writing designate to the other party hereto pursuant to this clause 7.

- | | | |
|-------|-------------------------------|---|
| (i) | to Yeda at: | P.O. Box 95
Rehovot 76100
<i>Attention: the CEO</i>
<i>Facsimile: (08) 9470739</i> |
| (ii) | to Prof. Irun R. Cohen at: | 11 Hankin Street,
Rehovot 76354
<i>Facsimile: (08) 947 0714</i> |
| (iii) | to Dr. Francisco Quintana at: | 72 South St., Apt #2
Boston, MA 02130, USA
<i>Facsimile: (617) 525-5305</i> |
| (iv) | to Pnina Carmi at: | 3 Marton Street,
Rehovot 76292
<i>Facsimile: TEL/Pax 08-9471033</i> |
| (v) | to Felix Mor at: | 3 Mishol Ha Chen Street
Kfar Saba 44419
<i>Facsimile: 03-9376612</i> |

8. **Value Added Tax**

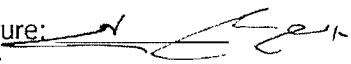
The Scientists shall pay to Yeda all amounts of Value Added Tax imposed on Yeda in connection with the transactions under this Agreement.

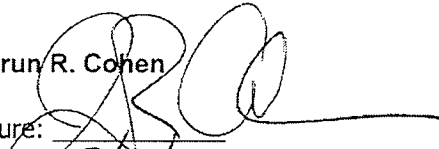
9. **Miscellaneous**

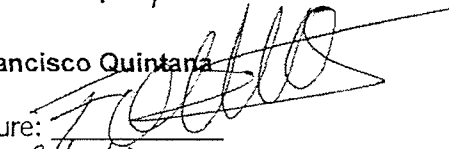
- 9.1. The headings in this Agreement are intended solely for convenience or reference and shall be given no effect in the interpretation of this Agreement.
- 9.2. This Agreement constitutes the entire agreement between the parties with respect to the subject-matter hereof and supersedes and replaces any understandings, agreements or representations, written or oral, between the parties relating to the subject-matter hereof. No addition or amendment to this Agreement shall be effective unless in writing and signed by the parties or their authorized signatories.
- 9.3. No waiver by any party hereto, whether express or implied, of its rights under any provision of this Agreement shall constitute a waiver of such party's rights under such provisions at any other time or a waiver of such party's rights under any other provision of this Agreement. No failure by any party hereto to take any action against any breach of this Agreement or default by another party hereto shall constitute a waiver of the former party's rights to enforce any provision of this Agreement or to take action against such breach or default or any subsequent breach or default by such other party.
- 9.4. All payments to be made to Yeda hereunder shall be made free and clear of and without any deduction for or on account of any set-off, counterclaim or tax, except as otherwise expressly provided in this Agreement.
- 9.5. Stamp duty (if any), payable in respect of this Agreement shall be borne by Yeda and the Scientists (jointly) in equal shares.
- 9.6. This Agreement shall be governed in all respects by the laws of Israel and the parties hereby submit to the exclusive jurisdiction of the competent Israeli courts.
- 9.7. None of the parties may assign all or any of its rights or obligations under this Agreement or arising therefrom without the prior written consent of the other party and the Scientists may not assign or transfer in any way the Invention and/or the Patents without Yeda's prior written consent, such consent may be conditioned on payment to Yeda as aforesaid.

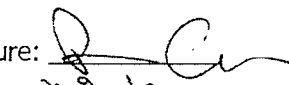
IN WITNESS WHEREOF, the parties have signed this Assignment Agreement on the date first mentioned above.

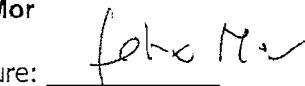
for: YEDA RESEARCH AND DEVELOPMENT COMPANY LTD.

Signature: 
Name: _____
Prof. Mudi Sheves **Amir Naiberg**
Date: **Chairman** **C.E.O**

Prof. Irun R. Cohen
Signature: 
Date: 7/2/2010

Dr. Francisco Quintana
Signature: 
Date: 8/2/2010

Pnina Carmi
Signature: 
Date: 7.2.10

Felix Mor
Signature: 
Date: 7.2.10