UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the

Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): September 8, 2020

LIGAND PHARMACEUTICALS INCORPORATED

(Exact Name of Registrant as Specified in Its Charter)

Delaware	**001-33093**	**77-0160744**
(State or other jurisdiction of incorporation or organization)	*(Commission File Number)*	*(I.R.S. Employer Identification No.)*

3911 Sorrento Valley Boulevard, Suite 110	
San Diego	
CA	**92121**
(Address of principal executive offices)	*(Zip Code)*

(858) 550-7500

(Registrant's Telephone Number, Including Area Code)

N/A

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.001 per share	LGND	The Nasdaq Global Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933(§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 1.01 Entry into a Material Definitive Agreement.

On September 8 and 9, 2020, we made two acquisitions to strengthen and complement our antibody discovery business.

Pursuant to an Agreement and Plan of Merger dated September 8, 2020, we acquired xCella Biosciences, Inc. We paid $7.0 million in cash (subject to holdback and adjustments), and issued earnout rights for up to $5.0 million tied to our use of the xCella technology for partnered research and development and for up to $25.75 million as a 25% share of milestone payments ever received by us under a certain existing xCella partner arrangement.

xCella is an antibody discovery company built on scientific research from Stanford University and MIT. xCella's xPloration™ platform is a proprietary microcapillary platform that can screen single B cells for specificity and bioactivity. We intend to use this platform to increase our antibody discovery throughput and efficiency. This acquisition also provides us with an existing antibody discovery program with Teva Pharmaceuticals. xCella is based in Menlo Park, California.

Pursuant to a separate Agreement and Plan of Merger dated September 9, 2020, we acquired Taurus Biosciences, LLC. We paid $5.0 million in cash (subject to holdback and adjustments) and issued nontransferable contingent value rights (CVRs) for up to $4.5 million tied to partnered and internal research and development and for up to $25.0 million as a 25% share of post-clinical Taurus product revenues (including milestone payments) ever received by us.

Taurus discovers and develops novel antibodies from immunized cows and cow-inspired libraries. These antibodies feature some of the longest CDR3s-H3s of any species, with unique genetic and structural diversity that can enable binding to challenging antigens with application in therapeutics, diagnostics and research. Taurus' intellectual property related to ultralong CDR3-H3 antibodies was derived from major discoveries at Scripps Research Institute and Applied Biomedical Science Institute. Taurus is based in San Diego, California.

In a related transaction, Taurus entered into a Commercial License Agreement dated September 9, 2020 with Minotaur Therapeutics, Inc. Taurus granted Minotaur a nonexclusive license under Taurus' antibody generation/discovery and other intellectual property, and agreed to contribute $2.5 million to Minotaur. In return, Minotaur agreed to pay Taurus a 3% royalty on developed products and agreed to assign to Taurus any technology Minotaur develops which constitutes or pertains to a long/ultra-long H3 platform (which technology would then be licensed back to Minotaur nonexclusively). Minotaur agreed that it will not (except with Taurus' consent, and except for certain bona fide collaborations) use the licensed technology to offer services to third parties where the subject or objective of such services is a long/ultralong H3 antibody.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
10.1	Agreement and Plan of Merger among Ligand Pharmaceuticals Incorporated, xCella Biosciences, Inc. and other persons, dated September 8, 2020.
10.2	Agreement and Plan of Merger among Ligand Pharmaceuticals Incorporated, Taurus Biosciences, LLC and other persons, dated September 9, 2020.
10.3	Contingent Value Rights Agreement between Ligand Pharmaceuticals Incorporated and Vaughn Smider, as Members' Representative (regarding Taurus Biosciences, LLC acquisition), dated September 9, 2020.
10.4	Commercial License Agreement between Taurus Biosciences, LLC and Minotaur Therapeutics, Inc., dated September 9, 2020.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

LIGAND PHARMACEUTICALS INCORPORATED

Date: September 10, 2020

By: /s/ Charles S. Berkman
Name: Charles S. Berkman
Title: Senior Vice President, General Counsel and Secretary

Exhibit 10.1

AGREEMENT AND PLAN OF MERGER

by and among

Ligand Pharmaceuticals Incorporated,

XSP Merger, Inc.,

xCella Biosciences, Inc.,

and

Eton Venture Services, Ltd. Co.,

as Stockholders' Representative

Dated as of September 8, 2020

TABLE OF CONTENTS

	Page
ARTICLE I DEFINITIONS	2
Section 1.1. Certain Definitions	2
Section 1.2. Certain Other Definitions	13
ARTICLE II THE MERGER	14
Section 2.1. The Merger	14
Section 2.2. Closing	15
Section 2.3. Effective Time	15
Section 2.4. Certificate of Incorporation and Bylaws of the Surviving Corporation	15
Section 2.5. Directors and Officers of the Surviving Corporation	15
Section 2.6. Conversion of Capital Stock	15
Section 2.7. Treatment of Company Options and Company Warrants	16
Section 2.8. Termination of Company Option Plan	17
Section 2.9. Closing Payments	17
Section 2.10. Merger Consideration Adjustments	17
Section 2.11. Paying Agent; Payment Procedures	20
Section 2.12. Required Withholdings	21
Section 2.13. Dissenting Shares	21
Section 2.14. Closing Deliveries	22
Section 2.15. Additional Merger Consideration	23
ARTICLE III REPRESENTATIONS AND WARRANTIES OF THE COMPANY	24
Section 3.1. Organization and Qualification	25
Section 3.2. Capitalization	25
Section 3.3. Authority	26
Section 3.4. Consents and Approvals; No Violations	27
Section 3.5. Financial Statements	27
Section 3.6. Ordinary Course/ Books and Records	28
Section 3.7. Absence of Certain Changes or Events	28
Section 3.8. No Undisclosed Liabilities	28
Section 3.9. Litigation	29
Section 3.10. Real Property; Personal Property	29
Section 3.11. Taxes	30
Section 3.12. Compliance with Laws; Permits	32
Section 3.13. Labor Matters	32
Section 3.14. Employee Benefits	33
Section 3.15. Material Contracts	34
Section 3.16. Intellectual Property	37
Section 3.17. Environmental Matters	41
Section 3.18. Insurance	41
Section 3.19. Accounts Receivable; Accounts Payable	42

TABLE OF CONTENTS (Continued)

	Page
Section 3.20. Bank Accounts; Powers of Attorney; Performance Bonds	42
Section 3.21. Affiliate Transactions	42
Section 3.22. Broker's Fees	43
Section 3.23. Takeover Laws	43
Section 3.24. Unlawful Payments	43
Section 3.25. Disclosure	44
ARTICLE IV REPRESENTATIONS AND WARRANTIES OF PARENT AND MERGER SUB	44
Section 4.1. Organization and Qualification	44
Section 4.2. Authority	44
Section 4.3. Consents and Approvals; No Violations	45
Section 4.4. Broker's Fees	45
ARTICLE V COVENANTS	45
Section 5.1. Publicity	45
Section 5.2. Further Assurances	46
Section 5.3. Post-Closing Confidentiality	46
Section 5.4. Non-Disparagement	47
Section 5.5. General Release	48
ARTICLE VI TAX MATTERS	50
Section 6.1. Conflict	50
Section 6.2. Tax Returns	50
Section 6.3. Cooperation on Tax Matters	50
Section 6.4. Tax Contests	51
Section 6.5. Tax Sharing Agreements	51
Section 6.6. Straddle Periods	51
Section 6.7. Post-Closing Actions	51
ARTICLE VII SURVIVAL AND INDEMNIFICATION	52
Section 7.1. Survival of Representations and Covenants	52
Section 7.2. Indemnification by the Stockholders	53
Section 7.3. Limitations	54
Section 7.4. No Contribution	55
Section 7.5. Tax Limitations	56
Section 7.6. Defense of Third Party Claims	56
Section 7.7. Indemnification Claim Procedure	57
Section 7.8. Setoff	59
Section 7.9. Exercise of Remedies Other Than by Parent	59
Section 7.10. Additional Merger Consideration Release	59
Section 7.11. Exclusive Remedy	60
Section 7.12. Characterization of Payments	60
ARTICLE VIII MISCELLANEOUS	60
Section 8.1. Amendment and Modification	60
Section 8.2. Waiver	60

Page

Section 8.3. Notices	60
Section 8.4. Counterparts	62
Section 8.5. Entire Agreement; Third Party Beneficiaries	62
Section 8.6. Severability	62
Section 8.7. Governing Law	63
Section 8.8. Assignment	63
Section 8.9. Expenses	63
Section 8.10. Submission to Jurisdiction; Waiver of Jury Trial	63
Section 8.11. Construction of Agreement	64
Section 8.12. Specific Performance and Other Remedies	65
Section 8.13. Stockholders' Representative	65
Section 8.14. Conflict Waiver	67

AGREEMENT AND PLAN OF MERGER

This AGREEMENT AND PLAN OF MERGER (this "Agreement"), dated as of September 8, 2020, is made and entered into by and among Ligand Pharmaceuticals Incorporated, a Delaware corporation ("Parent"), XSP Merger, Inc., a Delaware corporation and a wholly owned subsidiary of Parent ("Merger Sub"), xCella Biosciences, Inc., a Delaware corporation (the "Company"), and Eton Venture Services, Ltd. Co., a Texas limited liability company, in its capacity as Stockholders' Representative (as hereinafter defined).

RECITALS

WHEREAS, Parent, Merger Sub and the Company desire to effect a merger of Merger Sub with and into the Company, with the Company continuing as the surviving corporation (the "Merger"), upon the terms and subject to the conditions set forth in this Agreement and in accordance with the DGCL (as hereinafter defined);

WHEREAS, the Company Board (as hereinafter defined) (a) has determined that it is in the best interests of the Company and the stockholders of the Company (collectively, the "Stockholders"), and has declared it advisable, to enter into this Agreement, (b) has approved the execution, delivery and performance by the Company of this Agreement and the consummation of the Transactions (as hereinafter defined), including the Merger, and (c) has resolved to recommend adoption of this Agreement and approval of the Transactions, including the Merger, by the Stockholders;

WHEREAS, concurrently with the execution of this Agreement, and as a condition and material inducement to Parent's and Merger Sub's willingness to enter into this Agreement, the Company is delivering to Parent a written consent (the "Stockholder Written Consent"), representing the Company Stockholder Approval (as hereinafter defined) in accordance with the DGCL, the Certificate of Incorporation and the Bylaws (each as hereinafter defined);

WHEREAS, (a) the board of directors of Parent and the board of directors of Merger Sub have approved the execution, delivery and performance by Parent and Merger Sub, respectively, of this Agreement and the consummation of the Transactions, including the Merger, and (b) the board of directors of Merger Sub (i) has determined that it is in the best interests of Merger Sub and its sole stockholder, and has declared it advisable, to enter into this Agreement, and (ii) has resolved to recommend adoption of this Agreement and approval of the Transactions, including the Merger, by the sole stockholder of Merger Sub; and

WHEREAS, Parent, as the sole stockholder of Merger Sub, has adopted this Agreement and approved the Transactions, including the Merger;

NOW, THEREFORE, in consideration of the foregoing and the representations, warranties, covenants and agreements set forth herein, the parties hereto, intending to be legally bound, hereby agree as follows:

ARTICLE I.

DEFINITIONS

Section 1.1. Certain Definitions. As used in this Agreement, the following terms have the following meanings:

"401(k) Plan" means any Benefit Plan that is intended to be qualified under Section 401(a) of the Code which includes a cash or deferred arrangement that is intended to qualify under Section 401(k) of the Code.

"Accounting Firm" means an accounting firm to be agreed upon in good faith by the parties.

"Accrued Compensation" means (a) earned payroll and earned paid time off/vacation; and (b) any bonus or incentive compensation (excluding Change of Control Payments and Deferred Compensation), in each case of clauses (a) and (b), which is attributable to or in respect of any time period ending on or before the Closing Date and, in each case of clauses (a) and (b), which is payable by the Company or will become payable by the Company, to any current or former employees, consultants, independent contractors or equity holders of the Company under any Contract, program, policy or arrangement, including the employer-portion of any payroll Taxes payable with respect to all such amounts.

"Additional Merger Consideration" means the Earnout Consideration plus the Merger Consideration Surplus, if any, plus the portion of the Holdback Amount (minus the Merger Consideration Deficit, if any), if any, released or to be released to the Stockholders in accordance with the provisions of this Agreement.

"Affiliate" means, with respect to any Person, any other Person that directly, or indirectly through one or more intermediaries, controls, is controlled by or is under common control with the first-mentioned Person. For purposes of this definition, "control" (including the terms "controls," "controlled by" and "under common control with"), when used with respect to any specified Person, means the power to direct or cause the direction of the management and policies of such Person, directly or indirectly, whether through ownership of voting securities, by contract or otherwise.

"Affiliate Agreement" means any agreement, arrangement or understanding between the Company, on the one hand, and any Stockholder or any officer or director of the Company, or any of their respective Affiliates, on the other hand; provided, that each customary written indemnification agreement between the Company and any officer or director of the Company, and the Stanford Agreement, are expressly excluded from the "Affiliate Agreement" definition.

"Allocation Schedule" means the schedule delivered by the Company to Parent before the date hereof and so designated, allocating the Net Estimated Merger Consideration among the Stockholders and specifying, with respect to each Stockholder, the amount payable to such Stockholder.

"Base Merger Consideration" means $7,000,000.

"Bridge Notes" means the three Convertible Promissory Notes issued by the Company in 2019 and 2020 to Lagunita Biosciences LLC in the aggregate original principal amount of $2,400,000.

"Business Day" means any day other than Saturday, Sunday or any other day on which banks in San Diego, California are required or permitted to be closed.

"Bylaws" means the bylaws of the Company, as amended from time to time.

"Certificate of Incorporation" means the certificate of incorporation of the Company, as amended from time to time.

"Certificate of Merger" means the certificate of merger with respect to the Merger to be filed with the Delaware Secretary of State.

"Change of Control Payments" means any assignment fees payable to The Board of Trustees of the Leland Stanford Junior University pursuant to either or both of the Stanford Agreements' respective sections 16.1 and any severance, termination, "golden parachute," Tax gross-up, stay bonus, transaction bonus, change

of control bonus or other similar payments, but excluding Accrued Compensation or Deferred Compensation, which become payable by the Company as a result of, based upon or in connection with the consummation of the Transactions (either alone or in connection with any other event, whether contingent or otherwise) and which are or will become owing to any current or former employees, officers, directors, consultants or independent contractors of the Company pursuant to employment agreements, Contracts or other arrangements, including the employer-portion of any payroll Taxes payable with respect to all such amounts.

"Closing Net Working Capital" means the Net Working Capital as of the Closing.

"Code" means the Internal Revenue Code of 1986, as amended.

"Company Board" means the board of directors of the Company.

"Company Capital Stock" means the Company Common Stock and the Company Preferred Stock, together.

"Company Cash" means all cash and cash equivalents of the Company (including marketable securities and short-term investments), in each case determined in accordance with GAAP.

"Company Common Stock" means the common stock, par value $0.00003333 per share, of the Company.

"Company Material Adverse Effect" means any change, effect, event, occurrence, development, matter, state of facts, series of events, or circumstance (any such item, an "Effect") that, individually or in the aggregate with all other Effects, has or could reasonably be expected to have or result in: (a) a material adverse effect on the assets (including intangible assets and rights), properties, liabilities, business, condition (financial or otherwise), operations, prospects, results of operations or cash flows of the Company or (b) a material adverse effect on the Company's ability to perform its obligations under this Agreement or to consummate the Merger or any of the other Transactions; except, in any case, to the extent resulting from (i) general changes or developments in the industry in which the Company operates; (ii) changes in global, national or regional political conditions (including the outbreak of war or acts of terrorism) or in general economic, business, regulatory, political or market conditions or in national or global financial markets; (iii) changes in any applicable Laws or applicable accounting regulations or principles or interpretations thereof; (iv) earthquakes, hurricanes, tsunamis, tornados, floods, mudslides, wildfires or other natural disasters; or (v) any effect to the extent resulting from an outbreak or escalation of hostilities involving the United States, the declaration by the United States of a national emergency or war, or the occurrence of any acts of terrorism, epidemic, pandemic or disease outbreak (including the COVID-19 virus); provided, that the foregoing exceptions shall only apply to the extent such Effect does not (A) primarily relate only to (or have the effect of primarily relating only to) the Company and (B) have or cause a disproportionate impact on the Company relative to other participants in the Company's industry.

"Company Option" means each option to purchase shares of Company Common Stock (or exercisable for cash) outstanding under the Company Option Plan or otherwise.

"Company Option Plan" means the Company's 2016 Equity Incentive Plan, as amended from time to time.

"Company Preferred Stock" means the Preferred Stock, par value $0.00003333 per share, of the Company, all of which has been designated as the Series A Preferred Stock.

"Company Stockholder Approval" means the affirmative votes in favor of the adoption of this Agreement and approval of the Transactions, including the Merger, of (a) holders of a majority of the outstanding Company Capital Stock entitled to vote thereon (i.e., on an as-if-converted basis), (b) holders of a majority of the outstanding Company Preferred Stock entitled to vote thereon, and (c) (on the assumptions that the Company is a "quasi-California" corporation and that the relevant California statutes applicable to "quasi-California" corporations as such are valid) holders of a majority of the outstanding Company Common Stock entitled to vote thereon.

"Company Transaction Expenses" means all fees, costs, expenses and other similar obligations of, or amounts incurred or payable by or on behalf of the Company to third party service providers that have not been paid in full before the Closing, in each case in connection with the preparation, negotiation, execution or performance of this Agreement, the ancillary documents contemplated by this Agreement or the consummation of the Transactions, including the following: (a) the fees and disbursements of, or other similar amounts charged by, counsel retained by the Company; (b) the fees and expenses of, or other similar amounts charged by, any accountants, agents, financial advisors, consultants and experts retained by the Company; (c) any investment banking, brokerage or finder's fees and related expenses; and (d) the other out-of-pocket expenses, if any, of the Company.

"Company Warrant" means each warrant to purchase shares of Company Common Stock (or exercisable for cash) outstanding.

"Company's Knowledge" or "Knowledge of the Company" means the actual knowledge of Dirk Thye and Bob Chen, in each case after reasonable inquiry.

"Consent" means any approval, consent, ratification, permission, waiver, Order, Permit or authorization.

"Contract" means any written or oral contract, lease, license, deed, mortgage, indenture, sales order, accepted purchase order, note or other legally binding agreement, instrument, arrangement, promise, obligation, understanding, undertaking or commitment, whether express or implied.

"Current Assets" means all current assets of the Company, determined in accordance with GAAP; provided, however, that "Current Assets" shall not include any Tax assets (other than any prepaid Taxes) or, if rent which the Company has paid under the Real Property Lease for 1440 O'Brien Drive, Suite D, Menlo Park, California covers any period past the Closing Date, any accrual for such future period.

"Current Liabilities" means all current liabilities of the Company, determined in accordance with GAAP; provided, however, that "Current Liabilities" shall not include (a) any amounts included within Indebtedness, Pre-Closing Taxes, Change of Control Payments, Company Transaction Expenses, Accrued Compensation or Deferred Compensation or (b) if the Company has paid its rent under the Real Property Lease for 1440 O'Brien Drive, Suite D, Menlo Park, California for the month in which the Closing Date and such Real Property Lease is a month-to-month lease, any rent exposure thereunder for any month beyond such month.

"Damages" includes any loss, damage, injury, diminution of value, Liability, claim, demand, settlement, judgment, award, fine, penalty, Tax, fee (including reasonable attorneys' fees), charge, cost (including costs of investigation) or expense of any nature.

"Deferred Compensation" means any compensation (excluding Accrued Compensation or Change of Control Payments) which has been earned by any employees, consultants, independent contractors or equity

holders of the Company under any Contract, program, policy or arrangement but the actual payment of which has been deferred to a date beyond the month or year in which it was earned, plus the Company's share of Taxes payable with respect to all such amounts.

"Delaware Secretary of State" means the Secretary of State of the State of Delaware.

"DGCL" means the General Corporation Law of the State of Delaware, as amended.

"Domain Name Registrar" means any entity that manages, registers or performs similar or related functions related to the use, reservation or ownership of domain names.

"Earnout Consideration" means:

a. 25% of any and all milestone payments ever actually received by Parent under the Teva Agreement by virtue of the first four Teva Agreement statements of work/programs (if so many);

b. [reserved];

c. $120,000 for each Parent Partnered Program for which, before the fourth anniversary of the Closing, the definitive agreement for the project was actually entered into or the statement of work or similar document for the project was actually entered into (with the additional requirement that, either before or after the fourth anniversary of the Closing, the work on such project is actually initiated); and

d. $480,000 for each Parent Partnered Program for which, before the sixth anniversary of the Closing, antibodies (or the sequences thereof) directed to a particular therapeutic target have actually been delivered to the customer or other commercial partner meeting the specifications therefor as set forth in the documentation governing such project.

The aggregate Earnout Consideration payable under items "(c)" and "(d)" above, combined, shall be capped at $5,000,000. The aggregate Earnout Consideration payable under item "(a)" above is capped at $25,250,000.

"Effect" has the meaning set forth within the definition of Company Material Adverse Effect.

"Environment" means the indoor and outdoor environment and all media, including ambient air, surface water, groundwater, land surface or subsurface strata, and natural resources.

"Environmental Law" means any Law or other legal requirement pertaining to pollution, protection of health and safety (as it relates to exposure to Hazardous Materials), the Environment or exposure of Persons to Hazardous Materials, including the Clean Air Act, as amended, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, the Federal Water Pollution Control Act, as amended, the Resource Conservation and Recovery Act of 1976, as amended, the Safe Drinking Water Act, as amended, the Toxic Substances Control Act, as amended, the Oil Pollution Act of 1990, the Superfund Amendments and Reauthorization Act of 1986, as amended, the Hazardous Materials Transportation Act, as amended, the Emergency Planning and Community Right to Know Act, as amended, the Safe Drinking Water Act, as amended, and any foreign, state or local Laws analogous to any of the foregoing, as amended, together with all judicial interpretations thereof.

"Environmental Permit" means any Permit required, issued, held or obtained pursuant to any Environmental Law or pertaining to any Hazardous Material.

"Environmental Release" means any spilling, leaking, pumping, emitting, emptying, discharging, injecting, escaping, leaching, migrating, dumping, or disposing of Hazardous Materials into the Environment.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"ERISA Affiliate" means each entity that is treated as a single employer with the Company or any of its Affiliates for purposes of Section 414 of the Code.

"GAAP" means generally accepted accounting principles in the United States as in effect from time to time and applied consistently throughout the periods involved.

"Governmental Entity" means any federal, state, municipal, local or foreign court or tribunal, administrative or regulatory body, agency or commission, or any other governmental authority or instrumentality.

"Hazardous Material" means any substance, material, chemical, radiation, or waste, or any combination of any of them that is regulated or defined by, or with respect to which Liability or standards of conduct are imposed under, any Environmental Law, including any material, substance or waste which is defined as a "hazardous waste," "hazardous material," "hazardous substance," "extremely hazardous waste," "restricted hazardous waste," "contaminant," "pollutant," "toxic waste," or "toxic substance" under any provision of applicable Environmental Law, and including petroleum, petroleum products and byproducts, asbestos, asbestos-containing-material, toxic molds, mycotoxins, urea formaldehyde, radioactive materials and polychlorinated biphenyls.

"Holdback Amount" is an amount equal to $500,000 (which shall be deemed to have been decremented after the Closing Date by the Merger Consideration Deficit, if any).

"Indebtedness" means, as of any time and without duplication, the following obligations of the Company (whether or not then due and payable): (a) all obligations (including the principal amount thereof and, if applicable, any contractually required change-of-control additional premium payment and the amount of accrued and unpaid interest thereon) for the repayment of money borrowed, whether under the Bridge Notes or otherwise owing to banks, financial institutions, on equipment leases or otherwise; (b) all obligations (including the principal amount thereof and, if applicable, any contractually required change-of-control additional premium payment and the amount of accrued and unpaid interest thereon) evidenced by notes, bonds, debentures or similar instruments (whether or not convertible); (c) all obligations to pay the deferred purchase price of property, assets or services purchased (including purchase price adjustments, "holdback" or similar payments, and the maximum amount of any potential earn-out payments); (d) all obligations to pay rent or other payment amounts under a lease which is required to be classified as a capital lease or a liability on the face of a balance sheet prepared in accordance with GAAP or conditional sales Contracts or similar title retention instruments; (e) all obligations relative to the maximum amount of any letter of credit or letter of guaranty, whether drawn or undrawn, bankers' acceptance or similar instrument issued or created for the account of the Company; (f) all obligations to pay any amounts to a third party under any Contract pursuant to which the Company sold any of its businesses, assets or properties outside the ordinary course of business; (g) all obligations secured by any Lien (other than Permitted Liens); (h) all guaranties, sureties, assumptions and other contingent obligations in respect of, or to purchase or to otherwise acquire, indebtedness or indebtedness of others; (i) all obligations under any interest rate swap agreement, forward rate agreement, interest rate cap or collar agreement or other financial agreement or arrangement entered into for the purpose of limiting or managing interest rate risks; (j) all obligations under any pension, retiree medical or non-qualified retirement plan, program or arrangement; (k) negative cash balances; (l) accounts payable, trade debt and trade payables

that are past due in accordance with their applicable invoice or other terms governing the timing of payment; (m) all obligations in respect of premiums, penalties, "make whole amounts," breakage costs, change of control payments, costs, expenses and other payment obligations that would arise if all Indebtedness referred to in the foregoing clauses (a) through (l) was prepaid or was paid in the context of a change of control (or, in the case of any interest rate swap agreement, forward rate agreement, interest rate cap or collar agreement, or other financial agreement or arrangement entered into for the purpose of limiting or managing interest rate risks, unwound and settled) in full at such time; and (n) to the extent any item of Indebtedness referred to in the foregoing clauses (a) through (l) cannot be repaid at such time (*e.g.*, as a result of an irrevocable advance notice requirement), all interest on and other accretion of such Indebtedness that occurs between such time and the earliest time that repayment may occur (*e.g.*, if notice was delivered at such time). Items which are specially excluded from the definition of "Current Liabilities" by items "(b)" and "(c)" of such definition are also hereby specially excluded from this definition of "Indebtedness." The loan received by the Company pursuant to the Paycheck Protection Program ("PPP") administered by the U.S. Small Business Administration, (subject to obtaining 100% forgiveness of such loan pursuant to applicable Law, as has been represented to be the Company's entitlement under applicable PPP program rules) is hereby specially excluded from this definition of "Indebtedness."

"Indemnitees" means Parent and its Affiliates (including Merger Sub and, following the Merger, the Surviving Corporation) and its and their respective equity holders, Representatives, successors and assigns; provided, however, that the Stockholders shall not be deemed to be "Indemnitees."

"Intellectual Property" means any and all of the following in any jurisdiction throughout the world: (a) patents and patent applications, including reissues, divisions, continuations, continuations-in-part, extensions and reexaminations thereof; (b) works of authorship and copyrights, and registrations and applications for registration thereof; (c) trademarks, service marks, trade dress, logos, trade names and other source identifiers, and registrations and applications for registration thereof; (d) trade secrets, know-how and inventions, whether patentable or unpatentable; (e) rights of publicity and privacy; (f) computer software and firmware, including source code, object code, files, documentation and other materials related thereto; (g) proprietary databases and data compilations; (h) domain names and registrations and applications for registration thereof; (i) any other intellectual property; and (j) rights in any of the foregoing, including rights to sue or recover and retain Damages for past, present, and future infringement, dilution, misappropriation or other violation of any of the foregoing.

"Investor Agreements" means (i) that certain Voting Agreement; (ii) that certain Investors' Rights Agreement; and (iii) that certain Right of First Refusal and Co-Sale Agreement, each among the Company, the investors listed on the schedules and exhibits thereto and each dated as of April 12, 2018.

"Law" means any law (including common law), statute, code, ordinance, rule, regulation, Order or charge of any Governmental Entity.

"Liability" means any debt, obligation, duty, commitment or liability of any nature whatsoever (including any unknown, undisclosed, unmatured, unaccrued, unasserted, unliquidated, contingent, indirect, conditional, implied, vicarious, derivative, joint, several or secondary liability), regardless of whether such debt, obligation, duty, commitment or liability would be required to be disclosed on a balance sheet prepared in accordance with GAAP and regardless of whether such debt, obligation, duty, commitment or liability is immediately due and payable.

"Licensed Intellectual Property" means all Intellectual Property licensed to the Company.

"Lien" means any lien, pledge, mortgage, deed of trust, encumbrance, claim or security interest, hypothecation, deposit, equitable interest, option, charge, judgment, attachment, right of way, encroachment, easement, servitude, restriction on transfer, restriction on voting, preferential arrangement or preemptive right, right of first refusal or negotiation or restriction of any kind.

"Merger Consideration" means the Base Merger Consideration *minus* (i) the amount of any Indebtedness that remains unpaid as of immediately before the Closing, further *minus* (ii) the amount of any Change of Control Payments that remain unpaid as of immediately before the Closing (including employee-side withholding amounts to be withheld from such Change of Control Payments), further *minus* (iii) the amount of any Company Transaction Expenses, further *minus* (iv) the amount by which the Target Net Working Capital exceeds the Closing Net Working Capital (or *plus* the amount by which the Closing Net Working Capital exceeds the Target Net Working Capital), further *minus* (v) the amount of any Accrued Compensation that remains unpaid as of immediately before the Closing (including employee-side withholding amounts to be withheld from such Accrued Compensation), further *minus* (vi) the amount of any Deferred Compensation that remains unpaid as of immediately before the Closing (including employee-side withholding amounts to be withheld from such Deferred Compensation), further *minus* (vii) a good faith estimate of the amount of any Pre-Closing Taxes that remain unpaid as of immediately before the Closing (including without limitation any Pre-Closing Taxes arising as a result of the Taxable Spinout), further *minus* (viii) (without duplication) employer-side taxes on all such unpaid Accrued Compensation and all such unpaid Deferred Compensation.

"Net Working Capital" means an amount (which may be a negative or positive number) in U.S. dollars equal to (a) the Current Assets *minus* (b) the Current Liabilities.

"Order" means any order, writ, injunction, stipulation, judgment, ruling, assessment, arbitration award, plan or decree.

"Owned Intellectual Property" means all Intellectual Property in which the Company has (or purports to have) an ownership interest of any nature (whether exclusively, jointly with another Person or otherwise).

"Parent Partnered Program" means a program under which Parent or an Affiliate of Parent performs, for the benefit of a customer or commercial partner of Parent or an Affiliate of Parent, an antibody discovery project using the xPloration Platform with respect to a particular therapeutic target. To be a Parent Partnered Program, it must also be the case that (a) the definitive agreement for the project was entered into after the Closing, or (b) the statement of work or similar document for the project was entered into after the Closing, even if the definitive agreement pursuant to which the statement of work or similar document was issued was entered into before the Closing. For the avoidance of doubt, an antibody discovery project meeting the foregoing definition that is directed to more than one therapeutic target shall be deemed to constitute a separate Parent Partnered Program for each such therapeutic target. Further for the avoidance of doubt, Teva Agreement statements of work/programs are not Parent Partnered Programs.

"Permits" means all authorizations, licenses, variances, exemptions, orders, permits and approvals granted by or obtained from any Governmental Entity.

"Permitted Liens" means (a) Liens for Taxes or other governmental charges not yet delinquent or the amount or validity of which is being contested in good faith by appropriate proceedings, provided an adequate reserve, determined in accordance with GAAP, has been established therefor on the Company Financial Statements; (b) mechanics', carriers', workers', repairers', and similar Liens arising or incurred in the ordinary course of business and related to amounts that are not yet delinquent, provided an adequate reserve, determined

in accordance with GAAP, has been established therefor on the Company Financial Statements; (c) pledges or deposits made in the ordinary course of business to secure obligations under workers' compensation, unemployment insurance, social security or similar programs mandated by applicable legislation; (d) with respect to real property only, zoning restrictions, building codes and other land use Laws regulating the use or occupancy of property which do not, individually or in the aggregate, materially impair the existing use of the property affected by such Law (to the extent there are no violations of the same); (e) transfer restrictions of general applicability under applicable federal and state securities Laws; (f) statutory or common law Liens or encumbrances to secure landlords, lessors or renters under leases or rental agreements; (g) Liens or encumbrances imposed on the underlying fee interest in real property subject to a Real Property Lease; and (h) non-exclusive licenses (set forth on a schedule, so designated, delivered by the Company to Parent before the Closing) to use any Owned Intellectual Property or other intellectual property or technology of the Company.

"Person" shall include an individual or natural person, a partnership, a corporation, an association, a joint stock company, a limited liability company, a trust, a joint venture, an unincorporated organization, any other business entity and any Governmental Entity.

"Post-Preference-Satisfaction Pro Rata Share" means, with respect to any given Stockholder, the percentage set forth opposite such Stockholder's name (in a column so-designated) on a schedule delivered by the Company to Parent before the Closing. It is intended that each Post-Preference-Satisfaction Pro Rata Share will be equal to the quotient of the number of shares of outstanding Company Common Stock owned by the Stockholder as of the Effective Time divided by the number of shares of outstanding Company Common Stock owned by all Stockholders in the aggregate as of the Effective Time.

"Pre-Closing Tax Period" means any Tax period ending on or before the Closing Date and that portion of any Straddle Period ending on (and including) the Closing Date.

"Pre-Closing Taxes" means any Liability (including by way of transferee liability) for, together with any Damages (including court and administrative costs and reasonable legal fees and expenses incurred in investigating and preparing for any audit, examination, litigation or other judicial or administrative proceeding) arising out of, in connection with or incident to: (a) any Tax of or owed by the Company in respect of any Pre-Closing Tax Period; (b) any Tax owed by the Company in respect of or arising solely as a result of the Taxable Spinout, (c) any Tax that is a social security, Medicare, unemployment or other employment, withholding or payroll Tax or similar amount or employee insurance owed by the Company as a result of any payments made to any Stockholder pursuant to this Agreement; (d) any Tax for which the Company (or any predecessor thereof) is liable under Section 1.1502-6 of the United States Treasury Regulations (or any similar provision of state, provincial, local or foreign Law) by reason of such entity being included in any consolidated, affiliated, combined or unitary group at any time on or before the Closing Date (other than a consolidated, affiliated, combined or unitary group of which Parent is a member); and (e) any Tax imposed on or payable by third parties with respect to which the Company has an obligation to indemnify such third party pursuant to a transaction consummated on or before the Closing; provided, that Pre-Closing Taxes shall not include any amounts reflected in Indebtedness, Change of Control Payments, Company Transaction Expenses, Accrued Compensation or Deferred Compensation.

"Pre-Preference-Satisfaction Pro Rata Share" means, with respect to any given Preferred Stockholder, the percentage set forth opposite such Preferred Stockholder's name (in a column so-designated) on a schedule delivered by the Company to Parent before the Closing. It is intended that each Pre-Preference-Satisfaction Pro Rata Share will be equal to the quotient of the number of shares of outstanding Company Preferred Stock owned by the Preferred Stockholder as of the Effective Time divided by the number of shares of outstanding Company Preferred Stock owned by all Stockholders in the aggregate as of the Effective Time.

"Preference Satisfaction" means the point at which the holders of all shares of Company Preferred Stock outstanding as of the Effective Time (other than Dissenting Shares) have received from cash payments of Merger Consideration and Additional Merger Consideration sums equal to their initial (i.e., pre-participation) Company Preferred Stock liquidation preference.

"Preferred Stockholder" means a holder of Company Preferred Stock.

"Proceeding" means any action, charge, claim, complaint, demand, grievance, arbitration, audit, assessment, hearing, investigation, inquiry, legal proceeding, administrative enforcement proceeding, litigation, suit or other proceeding (whether civil, criminal, administrative, judicial or investigative, whether formal or informal, whether public or private) commenced or brought by any Person, or conducted or heard by or before, or otherwise involving, any court or other Governmental Entity or any arbitrator or arbitration panel.

"Real Estate License" means the License between Lagunita, LLC and the Company dated October 11, 2019.

"Real Estate Master Lease" means the Lease between Menlo Prepi I, LLC and TPI Investors 9, LLC and Lagunita, LLC dated October 22, 2019, with regard to 1440 O'Brien Drive, Suite D, Menlo Park, California 94025.

"Registered Intellectual Property" means all Intellectual Property that is registered, filed or issued under the authority of, with or by any Governmental Entity or Domain Name Registrar.

"Representatives" means, when used with respect to any Person, such Person's officers, directors, managers, employees, agents, financing sources, advisors and other representatives (including any investment banker, financial advisor, attorney or accountant retained by or on behalf of such Person or any of the foregoing).

"Spinout Assets" means the Transferred Assets (as defined in the Spinout Preparation Agreement).

"Spinout Company" means XYENCE Therapeutics, Inc., a Delaware corporation, which as of the time of this Agreement is a wholly-owned Subsidiary of the Company.

"Spinout Preparation Agreement" means an agreement of even date herewith (as pre-approved by Parent) for the Company to contribute the Spinout Assets to Spinout Company and for Spinout Company to assume all contractual obligations under contracts within the Transferred Assets.

"Spinout Stock" means shares of capital stock of Spinout Company.

"Stanford Agreement 2015" means the Nonexclusive Agreement between The Board of Trustees of the Leland Stanford Junior University and the Company effective December 17, 2015.

"Stanford Agreement 2016" means the Exclusive (Equity) Agreement between The Board of Trustees of the Leland Stanford Junior University and the Company's predecessor Nodus Therapeutics, Inc. effective December 31, 2016.

"Stanford Agreements" means Stanford Agreement 2015 and Stanford Agreement 2016.

"Straddle Period" means any Tax period beginning before or on and ending after the Closing Date.

"Subsidiary" means, when used with respect to any Person, any corporation, limited liability company, partnership or other organization, whether incorporated or unincorporated, of which at least a majority of the securities or other ownership interests, having by their terms voting power to elect a majority of the board of directors, or others performing similar functions with respect to such corporation or other organization, is beneficially owned or controlled, directly or indirectly, by such Person or by any one or more of its Subsidiaries (as defined in the preceding clause), or by such Person and one or more of its Subsidiaries.

"Target Net Working Capital" means $0.

"Tax" means any federal, state, local or non-U.S. income, alternative or add-on minimum tax, gross income, gross receipts, net receipts, sales, use, ad valorem, value added, transfer, registration, franchise, profits, license, capital stock, social security, withholding, payroll, employment, unemployment, disability, excise, severance, stamp, occupation, premium, real property, personal property, environmental or windfall profit tax, escheat, estimated or any other tax, customs duty, governmental fee or other like assessment or charge of any kind in the nature of a tax, imposed by any Governmental Entity, together with any interest, penalty or addition to tax imposed with respect thereto (whether disputed or not), and including any obligations to indemnify or otherwise assume or succeed to the tax liability of any other Person.

"Tax Return" means any return (including any information return), report, statement, declaration, estimate, schedule, notice, notification, form, election, certificate or other document or information filed with or submitted to, or required to be filed with or submitted to, any Governmental Entity in connection with the determination, assessment, collection or payment of any Tax or in connection with the administration, implementation or enforcement of or compliance with any Law relating to any Tax.

"Taxable Spinout" means a sequenced series of transactions, all completed before the Closing, namely: (a) the Company obtained the Valuation, (b) the Company caused Spinout Company to be formed as a wholly-owned Subsidiary of the Company, (c) the Company duly procured, after due and proper approvals by the Company's Board and the Stockholders, and the Stockholders duly waived the applicable provisions of the Certificate of Incorporation to the effect that the Company may (after the contribution of the Transferred Assets to Spinout Company) make a distribution of Spinout Stock to the Stockholders in which some but not all of such Spinout Stock shall be distributed pro rata to the Preferred Stockholders and all of the other Spinout Stock shall be distributed pro rata to the holders of Company Common Stock, (d) the Company and Spinout Company executed and delivered the Spinout Preparation Agreement, (e) the Company contributed the Spinout Assets to Spinout Company and Spinout Company assumed all contractual obligations under contracts within the Transferred Assets, and (f) the Company declared and made a distribution of Spinout Stock to the Stockholders (which distribution was and shall be deemed to be in connection with the Merger for the purpose of Article V, Section 3(e) of the Company's Amended and Restated Certificate of Incorporation) in compliance with and based upon the duly obtained waiver of the Stockholders of the applicable provisions of the Certificate of Incorporation such that some but not all of such Spinout Stock was distributed pro rata to the Preferred Stockholders and all of the other Spinout Stock was distributed pro rata to the holders of Company Common Stock.

"Teva Agreement" means the Master Antibody Discovery Agreement between the Company and Teva Pharmaceuticals Australia Pty Ltd., dated April 7, 2020, as hereafter amended from time to time.

"Transactions" means, collectively, the Merger and all of the other transactions contemplated by this Agreement.

"Valuation" means a bona fide independent valuation of the Spinout Assets by Redwood Valuation Partners, LLC.

"xPloration Platform" means the high-throughput, microcapillary-based screening technology, hardware, software, and operational know-how, antibody discovery workflows, and the encompassing Intellectual Property, or any component thereof, of the Company, all as the same may be improved or modified from time to time.

Section 1.2. Certain Other Definitions. The following terms are defined in the respective Sections of this Agreement indicated:

Accounts Payable Section 3.19(b)
Accounts Receivable Section 3.19(a)
Affiliate Agreements Section 3.21
Agreed Amount Section 7.7(b)
Agreement Preamble
Basket Amount Section 7.3(a)(i)
Benefit Plan Section 3.14(a)
Certificate Section 2.6(c)
Claim Dispute Period Section 7.7(b)
Claimed Amount Section 7.7(a)
Closing Section 2.2
Closing Date Section 2.2
Closing Date Statement Section 2.10(b)
Company Preamble
Company Confidential Information Section 5.3(a)
Company Disclosure Schedule Article III
Company Financial Statements Section 3.5(a)
Company IT Systems Section 3.16(m)
Company Returns Section 3.11(a)(i)
Company Warrant Section 2.7(b)
Contested Amount Section 7.7(b)
Dispute Notice Section 2.10(c)(i)
Dispute Period Section 2.10(c)(i)
Dissenting Shares Section 2.6(c)
Effective Time Section 2.3
Estimated Closing Date Statement Section 2.10(a)
Estimated Merger Consideration Section 2.10(a)
Final Merger Consideration Section 2.10(d)(i)
Inbound IP Contract Section 3.16(b)
Indemnified D&Os Section 5.6(a)
Insurance Policies Section 3.18(a)
Interim Balance Sheet Section 3.5(a)
Leased Real Property Section 3.10(b)
Letter of Transmittal Section 2.11(b)(i)
Material Contract Section 3.15(a)
Merger Recitals
Merger Consideration Deficit Section 2.10(d)(ii)
Merger Consideration Surplus Section 2.10(d)(i)

Merger Sub Preamble
Net Estimated Merger Consideration Section 2.9(e)
Notice of Claim Section 7.7(a)
Outbound IP Contract Section 3.16(c)
Parent Preamble
Parent Material Adverse Effect Section 4.1
Paying Agent Section 2.11(a)
Payment Fund Section 2.11(a)
Payoff Letters Section 2.13(a)(iii)
Pending Claim Amount Section 7.10(a)
Public Official Section 3.24(c)
Real Property Lease Section 3.10(b)
Released Claims Section 5.5(a)
Released Parties Section 5.5(a)
Releasing Party Section 5.5(a)
Required Consent Section 3.4
Response Notice Section 7.7(b)
Section 280G Payments Section 5.7
Section 280G Stockholder Approval Section 5.7
Standard Form IP Agreement Section 3.16(e)
Stipulated Amount Section 7.7(e)
Stockholder Written Consent Recitals
Stockholders Recitals
Stockholders' Representative Section 8.13(a)
Survival Date Section 7.1(a)
Surviving Corporation Section 2.1
Tax Matter Section 6.4
Third Party Claim Section 7.6(a)
Unresolved Additional Merger Consideration Claim Section 7.10(a)
WSGR Section 8.14

ARTICLE II.

THE MERGER

Section 2.1. The Merger. Upon the terms and subject to the conditions of this Agreement and in accordance with the DGCL, at the Effective Time, (a) Merger Sub shall be merged with and into the Company, whereupon the separate existence of Merger Sub shall cease and (b) the Company shall be the surviving corporation in the Merger (the "Surviving Corporation") and shall continue to be governed by the Laws of the State of Delaware. The Merger shall have the effects set forth in this Agreement and the applicable provisions of the DGCL. Without limiting the generality of the foregoing, and subject thereto, at the Effective Time, all property, rights, powers, privileges and franchises of the Company and Merger Sub shall vest in the Surviving Corporation, and all debts, liabilities and duties of the Company and Merger Sub shall become the debts, liabilities and duties of the Surviving Corporation. The Surviving Corporation may, at any time after the Effective Time, take any action (including executing and delivering any document) in the name and on behalf of the Company in order to carry out and effectuate the Transactions. Subject to Article VII, the Surviving Corporation shall thereafter be responsible and liable for all the liabilities and obligations of the Company.

Section 2.2. Closing. The closing of the Merger (the "Closing") shall take place at the offices of Stradling Yocca Carlson & Rauth, a Professional Corporation, 4365 Executive Drive, Suite 1500, San Diego, California 92121, at 10:30 a.m., Pacific Time, on the date hereof, or on such other date or at such other time and place as the parties hereto may mutually agree in writing. The date on which the Closing occurs is hereinafter referred to as the "Closing Date". At the Closing, documents and signature pages may be exchanged remotely via email/.pdf or other electronic exchange (with originals to be delivered to the other parties as soon as reasonably practicable after the Closing and requested by such other party).

Section 2.3. Effective Time. Upon the terms and subject to the conditions of this Agreement, contemporaneously with or as promptly as practicable after the Closing, the parties shall cause the Merger to be consummated by executing and filing the Certificate of Merger with the Delaware Secretary of State as provided in Section 103, Section 228 and Section 251 of the DGCL and by making all other filings and recordings required under the DGCL in order to consummate the Merger. The Merger shall become effective at such time as the Certificate of Merger is duly filed with the Delaware Secretary of State, or at such later time as is agreed upon by the parties hereto in writing and specified in the Certificate of Merger in accordance with the DGCL. The time when the Merger becomes effective is hereinafter referred to as the "Effective Time".

Section 2.4. Certificate of Incorporation and Bylaws of the Surviving Corporation. At the Effective Time, (a) the Certificate of Incorporation, as in effect immediately before the Effective Time, shall be amended as a result of the Merger so as to read in its entirety in the form of the certificate of incorporation of Merger Sub, except that the name of the Surviving Corporation shall be "xCella Biosciences, Inc." and, as so amended, shall be the certificate of incorporation of the Surviving Corporation, until thereafter duly amended as provided therein and by applicable Law, and (b) the Bylaws, as in effect immediately before the Effective Time, shall be amended as a result of the Merger to read in their entirety in the form of the bylaws of Merger Sub, except that the name of the Surviving Corporation shall be "xCella Biosciences, Inc." and, as so amended, shall be the bylaws of the Surviving Corporation, until thereafter duly amended as provided therein, the certificate of incorporation of the Surviving Corporation and by applicable Law.

Section 2.5. Directors and Officers of the Surviving Corporation. The directors and officers of Merger Sub immediately before the Effective Time shall, from and after the Effective Time, be the directors and officers, respectively, of the Surviving Corporation until their respective successors have been duly elected or appointed or until their earlier death, resignation or removal in accordance with the DGCL, the certificate of incorporation and the bylaws of the Surviving Corporation.

Section 2.6. Conversion of Capital Stock. At the Effective Time, by virtue of the Merger and without any action on the part of Parent, Merger Sub, the Company or any holder of any securities of Parent, Merger Sub or the Company:

a. Capital Stock of Merger Sub. Each respective share of common stock, par value $0.00003333 per share, of Merger Sub issued and outstanding immediately before the Effective Time shall be converted into and become one validly issued, fully paid and non-assessable share of common stock, par value $0.00003333 per share, of the Surviving Corporation.

b. Excluded Shares. Each share of Company Common Stock or Company Preferred Stock owned by the Company (or held in the Company's treasury) or owned by Parent, Merger Sub or any direct or indirect Subsidiary thereof immediately before the Effective Time shall automatically be canceled and retired and shall cease to exist, and no cash or other consideration shall be delivered or deliverable with respect thereto or in exchange therefor.

c. Conversion of Company Common Stock. Except for any shares of Company Common Stock owned as set forth in Section 2.6(b) and except for shares of Company Common Stock for which the holder has demanded and perfected such holder's right to an appraisal in accordance with the DGCL and has not effectively withdrawn or lost such right to appraisal (together with the dissenting shares referred to in Section 2.6(d), "Dissenting Shares"), the shares of Company Common Stock for each holder of record thereof that are issued and outstanding immediately before the Effective Time shall be converted into the right to receive, subject to the terms of this Agreement, an amount in cash equal to such holder's Post-Preference-Satisfaction Pro Rata Share of the Additional Merger Consideration (if any), without interest and net of any Taxes required to be withheld therefrom. All such shares of Company Common Stock, when so converted, shall no longer be outstanding and shall automatically be cancelled and shall cease to exist, and each holder of a share certificate (a "Certificate") of Company Common Stock, if any, or any equivalent book-entry that immediately before the Effective Time represented any such outstanding share of Company Common Stock shall cease to have any rights with respect thereto, except the right to receive, subject to the terms of this Agreement, such holder's Post-Preference-Satisfaction Pro Rata Share of the Additional Merger Consideration (if any), without interest and net of any Taxes required to be withheld therefrom.

d. Conversion of Company Preferred Stock. Except for any shares of Company Preferred Stock owned as set forth in Section 2.6(b) and except for shares of Company Preferred Stock for which the holder has demanded and perfected such holder's right to an appraisal in accordance with the DGCL and has not effectively withdrawn or lost such right to appraisal, the shares of Company Preferred Stock for each holder of record thereof that are issued and outstanding immediately before the Effective Time shall be converted into the right to receive, subject to the terms of this Agreement, (i) an amount in cash equal to such holder's Pre-Preference-Satisfaction Pro Rata Share of the Net Estimated Merger Consideration, *plus* (ii) until the point of Preference Satisfaction, an amount in cash equal to such holder's Pre-Preference-Satisfaction Pro Rata Share of the Additional Merger Consideration (if any), *plus* (iii) after the point of Preference Satisfaction, an amount in cash equal to such holder's Post-Preference-Satisfaction Pro Rata Share of the Additional Merger Consideration (if any), in each case without interest and net of any Taxes required to be withheld therefrom. All such shares of Company Preferred Stock, when so converted, shall no longer be outstanding and shall automatically be cancelled and shall cease to exist, and each holder of a Certificate, if any, or any equivalent book-entry that immediately before the Effective Time represented any such outstanding share of Company Preferred Stock shall cease to have any rights with respect thereto, except the right to receive the number and type of Spinout Stock distributed to them in the Taxable Spinout, such holder's Pre-Preference-Satisfaction Pro Rata Share of the Net Estimated Merger Consideration, *plus* until the point of Preference Satisfaction, such holder's Pre-Preference-Satisfaction Pro Rata Share of the Additional Merger Consideration (if any), *plus* after the point of Preference Satisfaction, such holder's Post-Preference-Satisfaction Pro Rata Share of the Additional Merger Consideration (if any), in each case without interest and net of any Taxes required to be withheld therefrom.

Section 2.7. Treatment of Company Options and Company Warrants. The Company shall take all action (including any necessary bilateral amendment of a Company Option or Company Warrant) that may be necessary to provide that, at the Effective Time, each Company Option and Company Warrant shall not be assumed or substituted by Parent and, by virtue of the Merger and without any action on the part of Parent, Merger Sub or the Company, shall at the Effective Time, upon the terms and subject to the conditions set forth in this Agreement, be automatically terminated, cancelled and extinguished without any requirement of payment.

Section 2.8. Termination of Company Option Plan. The Company shall cause the Company Option Plan to terminate as of the Effective Time, but contingent upon the consummation of the Transactions, and shall cause the provisions in any other plan, program or arrangement providing for the issuance or grant by the Company of any

interest in respect of the Company Common Stock to terminate and have no further force or effect as of the Effective Time.

Section 2.9. Closing Payments. At the Effective Time, Parent shall pay, or cause to be paid, the following amounts by wire transfer of immediately available funds:

a. to each holder of Indebtedness named in the Estimated Closing Date Statement (and which holder has delivered a Payoff Letter to Parent), an amount in cash set forth opposite such Person's name in the Estimated Closing Date Statement to the account or accounts designated for such Person therein;

b. to each Person known to be owed a Change of Control Payment, an amount in cash set forth opposite such Person's name in the Estimated Closing Date Statement to the account or accounts designated for such Person therein;

c. to each Person known to be owed Company Transaction Expenses, an amount in cash set forth opposite such Person's name in the Estimated Closing Date Statement to the account or accounts designated for such Person therein; and

d. to the Paying Agent for the benefit of the respective Preferred Stockholders, an amount in cash equal to (i) the Estimated Merger Consideration *minus* (ii) the Holdback Amount (the resulting amount, the "Net Estimated Merger Consideration").

Section 2.10. Merger Consideration Adjustments.

a. Estimated Closing Adjustment. Before the date of this Agreement, the Company has delivered to Parent a statement (the "Estimated Closing Date Statement"), so designated and reasonably acceptable to Parent, setting forth a good faith calculation, together with reasonably detailed supporting documentation, of: (i) Closing Net Working Capital and the components thereof; (ii) the amount of each of (A) Indebtedness remaining unpaid as of immediately before the Closing, (B) Change of Control Payments remaining unpaid as of immediately before the Closing (including employee-side withholding amounts to be withheld from such Change of Control Payments), (C) Company Transaction Expenses, (D) Accrued Compensation remaining unpaid as of immediately before the Closing (including employee-side withholding amounts to be withheld from such Accrued Compensation), (E) Deferred Compensation remaining unpaid as of immediately before the Closing (including employee-side withholding amounts to be withheld from such Deferred Compensation), (F) Pre-Closing Taxes (including without limitation any Pre-Closing Taxes arising as a result of the Taxable Spinout) remaining unpaid as of immediately before the Closing, and (G) (without duplication) employer-side taxes on all such unpaid Accrued Compensation and all such unpaid Deferred Compensation; and (iii) the resulting calculation of the Merger Consideration (the "Estimated Merger Consideration"). The Company represents and warrants to Parent and Merger Sub that the Estimated Closing Date Statement and the calculations thereunder were prepared and calculated by the Company in good faith.

b. Closing Date Statement. Within the 90 day period after the Closing Date (or such reasonable extension thereof as approved by the Stockholders' Representative, such approval not to be unreasonably withheld, conditioned or delayed), Parent shall deliver, or cause to be delivered, to the Stockholders' Representative a statement (the "Closing Date Statement") setting forth Parent's objections, if any, to the calculations set forth in the Estimated Closing Date Statement, together with reasonably detailed supporting documentation to substantiate any such objections, including the calculations of (i) Closing Net Working Capital; (ii) the amount of each of (A) Indebtedness remaining unpaid as of immediately before the Closing, (B) Change of Control Payments remaining unpaid as of immediately before the Closing (including employee-side withholding amounts to be withheld from such Change of Control Payments), (C) Company

Transaction Expenses, (D) Accrued Compensation remaining unpaid as of immediately before the Closing (including employee-side withholding amounts to be withheld from such Accrued Compensation), (E) Deferred Compensation remaining unpaid as of immediately before the Closing (including employee-side withholding amounts to be withheld from such Deferred Compensation), (F) Pre-Closing Taxes (including without limitation any Pre-Closing Taxes arising as a result of the Taxable Spinout) remaining unpaid as of immediately before the Closing, and (G) (without duplication) employer-side taxes on all such unpaid Accrued Compensation and all such unpaid Deferred Compensation; and (iii) the resulting calculation of the Merger Consideration. The Closing Date Statement and the calculations thereunder shall be prepared and calculated by Parent in good faith.

c. Disputes.

i.If the Stockholders' Representative disputes any of Parent's objections to the Estimated Closing Date Statement as set forth in the Closing Date Statement, then, within 15 days after the delivery to the Stockholders' Representative of the Closing Date Statement (the "Dispute Period"), the Stockholders' Representative shall deliver to Parent a written notice (a " Dispute Notice") describing in reasonable detail the Stockholders' Representative's dispute of any of Parent's objections to the Estimated Closing Date Statement set forth in such Closing Date Statement. If the Stockholders' Representative does not deliver a Dispute Notice to Parent during the Dispute Period, then Parent's objections set forth in the Closing Date Statement shall be binding and conclusive on the parties hereto and on the Stockholders. Notwithstanding anything to the contrary set forth herein, the Stockholders' Representative shall have the right to deliver a Dispute Notice based on fraud, willful misconduct or intentional misrepresentation discovered by the Stockholders' Representative at any time (as determined by a non-appealable and binding decision by a court of law having jurisdiction over the parties).

ii.If the Stockholders' Representative delivers a Dispute Notice, and if the Stockholders' Representative and Parent are unable to resolve the objections set forth in the Closing Date Statement within 10 Business Days after such Dispute Notice is delivered to Parent, the dispute shall be finally settled by the Accounting Firm. Within 10 days after the Accounting Firm is appointed, Parent shall forward a copy of the Closing Date Statement to the Accounting Firm, and the Stockholders' Representative shall forward a copy of the Dispute Notice to the Accounting Firm, together with, in each case, all relevant supporting documentation. The Accounting Firm's role shall be limited to resolving such objections and determining the correct calculations to be used on only the disputed portions of the Closing Date Statement, and the Accounting Firm shall not make any other determination, including any determination as to whether any other items on the Closing Date Statement are correct or whether the Target Net Working Capital is correct. The Accounting Firm shall not assign a value to any item greater than the greatest value for such item claimed by the Stockholders' Representative or Parent or less than the smallest value for such item claimed by the Stockholders' Representative or Parent and shall be limited to the selection of either the Stockholders' Representative's or Parent's position on a disputed item (or a position in between the positions of the Stockholders' Representative or Parent) based solely on presentations and supporting material provided by the parties and not pursuant to any independent review. In resolving such objections, the Accounting Firm shall apply the provisions of this Agreement concerning determination of the amounts set forth in the Closing Date Statement. The Stockholders' Representative and Parent shall instruct the Accounting Firm to deliver to the Stockholders' Representative and Parent a written determination (such determination to include a work sheet setting forth all material calculations used in arriving at such determination and to be based solely on information provided to the Accounting Firm by the Stockholders' Representative and Parent) of the disputed items submitted to the Accounting Firm within 30 calendar days of receipt of such disputed items. The determination by the Accounting Firm of the disputed amounts and the Merger Consideration shall be conclusive and binding on the parties hereto, absent manifest error or fraud or willful misconduct as

determined by a non-appealable and binding decision by a court of law having jurisdiction over the parties. The fees and expenses of the Accounting Firm incurred pursuant to this Section 2.10(c)(ii) shall be allocated between Parent, on the one hand, and the Stockholders' Representative (on behalf of the Stockholders), on the other hand, based upon the percentage that the amount actually contested but not awarded to the Stockholders' Representative (on behalf of the Stockholders) or Parent, respectively, bears to the aggregate amount actually contested by the Stockholders' Representative and Parent. All other fees and expenses incurred in connection with the dispute resolution process set forth in this Section 2.10(c)(ii), including fees and expenses of attorneys and accountants, shall be borne and paid by the party incurring such expenses. The parties agree that (except as otherwise provided in Section 7.2(a)(iii) and Section 7.2(a)(vi)) the procedure set forth in this Section 2.10 for resolving disputes with respect to Closing Net Working Capital, Indebtedness, Change of Control Payments, Company Transaction Expenses, Accrued Compensation, Deferred Compensation, Pre-Closing Taxes, and employer-side taxes on unpaid Accrued Compensation and unpaid Deferred Compensation, and the resulting calculation of the Merger Consideration shall be the sole and exclusive remedy for resolving such disputes; provided, however, that the parties agree that judgment may be entered upon the determination of the Accounting Firm in any court having jurisdiction over the party against which such determination is to be enforced.

d. Payment of Merger Consideration Adjustment.

i. If the Merger Consideration, as finally determined in accordance with this Section 2.10 (the "Final Merger Consideration"), exceeds the Estimated Merger Consideration (such excess, a "Merger Consideration Surplus"), such Merger Consideration Surplus shall be distributed to the Stockholders in accordance with Section 2.15 below.

ii. If the Estimated Merger Consideration exceeds the Final Merger Consideration (such excess, a "Merger Consideration Deficit"), the Holdback Amount payable to Stockholders shall be reduced by the amount of the Merger Consideration Deficit. If the Merger Consideration Deficit exceeds the Holdback Amount, the excess shall reduce (from the first dollars otherwise payable) the Additional Merger Consideration (if any).

Section 2.11. Paying Agent; Payment Procedures.

(a) Paying Agent. At or before the Closing, Parent shall designate a bank or trust company or other Person reasonably acceptable to the Company to act as paying agent in the Merger (the "Paying Agent"), pursuant to an agreement that requires the Paying Agent to comply with the procedures set forth in this Section 2.11; or, if Parent does not so designate, then Parent itself shall serve as the Paying Agent, *mutatis mutandis*. It is understood that as of the Closing the Paying Agent shall be Acquiom Financial LLC. At the Effective Time, Parent shall deposit with the Paying Agent, for payment through the Paying Agent in accordance with this Section 2.11, funds in an amount equal to the Net Estimated Merger Consideration (the "Payment Fund"). The Paying Agent shall cause the Payment Fund and any other funds that may be deposited with the Paying Agent pursuant to the terms of this Agreement to be: (i) held for the benefit of the Stockholders as of immediately before the Effective Time; and (ii) applied promptly to making the payments to such Stockholders as required by the terms hereof. The Payment Fund and any such other funds shall not be used for any other purpose, except as provided in this Agreement.

(b) Payment Procedures.

(i) Promptly following the Closing, the Surviving Corporation shall, or shall cause the Paying Agent to, deliver to each Stockholder a customary letter of transmittal (the "Letter of Transmittal"), which shall, among other things: (A) contain instructions for surrendering such Stockholder's Certificates (if applicable),

delivering the Letter of Transmittal and receiving (if applicable) such Stockholder's Pre-Preference-Satisfaction Pro Rata Share of the Net Estimated Merger Consideration and (if and when ever applicable) until the point of Preference Satisfaction, such holder's Pre-Preference-Satisfaction Pro Rata Share of the Additional Merger Consideration (if any) and (if and when ever applicable) after the point of Preference Satisfaction, such holder's Post-Preference-Satisfaction Pro Rata Share of the Additional Merger Consideration (if any); (B) contain warranties of such Stockholder as to title to such Stockholder's shares of Company Capital Stock and the authority to execute and deliver the relevant documents; and (C) specify that delivery shall be effected, and risk of loss and title to such shares of Company Capital Stock shall pass, upon proper delivery to the Paying Agent of such Stockholder's Certificates (if applicable) and a properly completed Letter of Transmittal; and (D) contain an acknowledgement of such Stockholder's indemnification obligations under this Agreement and an agreement to be bound by the provisions of this Agreement applicable to the Stockholders.

(ii) With respect to any duly completed and validly executed Letter of Transmittal delivered to the Paying Agent after the Closing, together with surrender of the Stockholder's Certificates (if applicable), the Paying Agent shall, as promptly as practicable, pay to such Stockholder such Stockholder's Pre-Preference-Satisfaction Pro Rata Share of the Net Estimated Merger Consideration, without interest and net of any Taxes required to be withheld therefrom, by wire transfer of immediately available funds to an account or accounts specified in the Letter of Transmittal (or, if so expressly requested by the Stockholder in writing to the Paying Agent, by check).

(iii) If payment is to be made to a Person other than the Person in whose name the shares of Company Capital Stock represented by a Certificate or equivalent book-entry are registered, it shall be a condition of payment that: (A) the Certificate surrendered shall be properly endorsed or shall otherwise be in proper form for transfer; (B) the Letter of Transmittal delivered to the Paying Agent shall be properly executed and otherwise in proper form; and (C) the Person requesting such payment shall pay any Taxes required by reason of the payment to a Person other than the Person in whose name the shares of Company Capital Stock are registered, or establish to the satisfaction of the Paying Agent that such Tax has been paid or is not applicable.

(iv) After the Effective Time, there shall be no transfers of shares of Company Capital Stock on the transfer books of the Surviving Corporation. If, after the Effective Time, a request for the transfer of shares of Company Capital Stock or any Certificate or equivalent book-entry is presented to Parent, the Paying Agent or the Surviving Corporation, the relevant shares of Company Capital Stock shall be canceled and exchanged for the consideration as provided in Section 2.6 and this Section 2.11.

(v) In the event that any Certificate shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such Certificate to be lost, stolen or destroyed (which affidavit shall contain a binding undertaking to indemnify Parent, the Paying Agent and the Surviving Corporation against any claim that may be made against Parent, the Paying Agent or the Surviving Corporation on account of the loss, theft or destruction of such Certificate), the Paying Agent shall pay in respect of such lost, stolen or destroyed Certificate the consideration payable in respect of the shares of Company Capital Stock formerly represented by such Certificate in accordance with Section 2.6(c)/Section 2.6(d).

(vi) Any portion of the Payment Fund that remains undistributed to the Stockholders 12 months after the Closing Date will be promptly delivered to Parent by the Paying Agent along with any and all earnings thereon, and any Stockholder shall look only to Parent or the Surviving Corporation for satisfaction of any claims for their right to receive the Merger Consideration. Any portion of the Payment Fund that remains undistributed immediately before the time at which such amounts would otherwise escheat or become property of any Governmental Entity shall, to the extent permitted by applicable Law, become the property of Parent, free and clear of all claims or interest of any Person previously entitled thereto. None of the Paying Agent, Parent or the Surviving Corporation will

be liable to any Stockholder for any part of the Merger Consideration delivered to a public official pursuant to any applicable abandoned property, escheat or similar Law.

Section 2.12. Required Withholdings. Notwithstanding anything to the contrary set forth in this Agreement, Parent, the Surviving Corporation and the Paying Agent will be entitled to deduct and withhold from the consideration otherwise payable pursuant to this Agreement to any holder of shares of Company Capital Stock such amounts as are required under the Code or any provision of state, local or foreign Tax Law. To the extent that amounts are so withheld by Parent, the Surviving Corporation or the Paying Agent, and timely paid over to the appropriate Governmental Entity, such withheld amounts will be treated for all purposes of this Agreement as having been paid to the holder of the shares of Company Capital Stock in respect of which such deduction and withholding were made by Parent, the Surviving Corporation or the Paying Agent. Notwithstanding the foregoing, no federal income Tax back-up withholding amount shall be withheld from any payment made hereunder to a holder of shares of Company Capital Stock who provides Parent, the Surviving Corporation or the Paying Agent with a properly completed Internal Revenue Service Form W-9 or substitute Form W-9, or who otherwise provides Parent, the Surviving Corporation or the Paying Agent with appropriate evidence that such Person is exempt from federal income Tax back-up withholding.

Section 2.13. Dissenting Shares. Notwithstanding anything to the contrary set forth in this Agreement, at the Effective Time, by virtue of the Merger and without any action on the part of the holder thereof, each outstanding Dissenting Share shall not be converted into or represent the right to receive the consideration payable in respect of such shares in accordance with Section 2.6(c)/Section 2.6(d), but the holder thereof shall be entitled only to such rights as are granted by the applicable provisions of the DGCL; provided, however, that all Dissenting Shares held by an individual or entity who shall have failed to perfect or who shall, after the Effective Time, withdraw the demand for appraisal or lose the right of appraisal, in either case pursuant to Section 262 of the DGCL, shall thereupon be deemed to have been converted into, and to have become exchangeable for, as of the Effective Time, the right to receive the consideration payable in respect of such shares in accordance with Section 2.6(c)/Section 2.6(d), without interest and net of any Taxes required to be withheld therefrom, upon surrender in the manner provided in Section 2.11. Within 10 days after the Effective Time, the Surviving Corporation shall notify each Stockholder who is entitled to appraisal rights that the Merger has become effective and that appraisal rights are available pursuant to Section 262 of the DGCL.

Section 2.14. Closing Deliveries. At the Closing:

(a) The Stockholders' Representative shall deliver, or cause to be delivered, to Parent or any other Person designated by Parent (unless the delivery is waived in writing by Parent), the following documents, in each case duly executed or otherwise in proper form:

(i) Secretary's Certificate. A certificate, in a form satisfactory to Parent, signed by the Secretary of the Company and dated as of the Closing Date, certifying: (A) the Certificate of Incorporation; (B) the Bylaws; and (C) resolutions of the Company Board (I) determining that it is in the best interests of the Company and the Stockholders, and declaring it advisable, to enter into this Agreement, (II) approving the execution, delivery and performance by the Company of this Agreement and the consummation of the Transactions, including the Merger, and (III) recommending adoption of this Agreement and approval of the Transactions, including the Merger, by the Stockholders;

(ii) Good Standing Certificate. A good standing certificate with respect to the Company issued by the Delaware Secretary of State, dated as of a date not more than five Business Days before the Closing Date;

(iii) Payoff Letters. Payoff letters, in form and substance reasonably satisfactory to Parent, from each holder of Indebtedness named in the Estimated Closing Date Statement evidencing the discharge or

payment in full of the Indebtedness of such holder set forth opposite such Person's name in the Estimated Closing Date Statement and releasing the Company, Parent and its Affiliates from any and all claims that such Indebtedness holder may have against the Company at the Effective Time (the "Payoff Letters"), in each case duly executed by each holder of such Indebtedness, with an agreement to provide termination statements on Form UCC-3, or other appropriate releases following any payoff thereof, which when filed will release and satisfy any and all Liens relating to such Indebtedness, together with proper authority to file such termination statements or other releases at and following the Closing;

(iv) Resignation Letters. Resignations, in customary form, of each director and each officer of the Company, which resignations shall be effective as of the Effective Time;

(v) FIRPTA Certificate. A certificate that complies with Section 1445 of the Code and Section 1.1445-2(c)(3) of the Treasury Regulations promulgated thereunder, dated as of the Closing Date, certifying that an interest in the Company is not a United States real property interest;

(vi) Affiliate Agreements. Evidence, in form and substance reasonably satisfactory to Parent, of the termination of each Affiliate Agreement;

(vii) Termination of 401(k) Plans. Resolutions approved by the Company Board (and of any necessary applicable committee of the Company Board), in form and substance reasonably satisfactory to Parent, terminating any 401(k) Plan sponsored or maintained by the Company effective as of no later than the day before the Closing without any continuing rights of any current or former employee of the Company thereunder;

(viii) Required Consents. Each Required Consent and the consent of Lagunita, LLC to the Company continuing after the Closing to occupy (under the Real Estate License) within the leased premises of Lagunita, LLC at 1440 O'Brien Drive, Suite D, Menlo Park, California 94025;

(ix) Amendment of Real Estate License. An amendment of the Real Estate License, in a form satisfactory to Parent and executed by Lagunita, LLC, to the effect that (A) the Company shall have the option to terminate the Real Estate License for convenience, without penalty and without termination liability, at any time after September 1, 2021 upon 15 days' prior written notice, (B) the sharing percentage and details referred to in Section 1 of the Real Estate License shall not be changed without Parent's express prior written consent, (C) Section 28 of the Real Estate License (pertaining to relocation) is deleted, and (D) Lagunita, LLC shall use commercially reasonable efforts to maintain the Real Estate Master Lease in effect for at least the duration of the Real Estate License; and

(x) Other Documents. All other instruments, agreements, certificates and documents required to be delivered by the Company or the Stockholders' Representative at or before the Closing pursuant to this Agreement and such other certificates of authority and similar instruments as Parent or Merger Sub has reasonably requested before the Closing.

(b) Parent shall deliver, or cause to be delivered, the amounts set forth in the Estimated Closing Date Statement as provided in Section 2.10(a) and shall deliver, or cause to be delivered, to the Stockholders' Representative or any other Person designated by the Stockholders' Representative (unless the delivery is waived in writing by the Stockholders' Representative), in each case duly executed or otherwise in proper form, all instruments, agreements, certificates and documents required to be delivered by Parent or Merger Sub at or before the Closing pursuant to this Agreement and such other certificates of authority and similar instruments as the Stockholders' Representative has reasonably requested before the Closing.

Section 2.15. Additional Merger Consideration. Distributions, if any, of the Earnout Consideration, Merger Consideration Surplus and/or Holdback Amount shall be made in accordance with Section 7.10. Parent shall

provide the Stockholders' Representative with written notice, within ten (10) Business Days after achievement of the relevant event by Parent or any of its Affiliates or assignees, of the following: (a) receipt of any milestone payment under the Teva Agreement by virtue of the first four Teva Agreement statements of work/programs (if so many); (b) [reserved]; (c) entry into of a definitive agreement for, or a statement of work or similar document under, any Parent Partnered Program before the fourth anniversary of the Closing, as well as the initiation of work under any such definitive agreement or statement of work; or (d) delivery under any Parent Partnered Program, before the sixth anniversary of the Closing, of antibodies (or the sequences thereof) directed to a particular therapeutic target to the applicable customer or other commercial partner meeting the specifications therefor as set forth in the documentation governing such Parent Partnered Program, provided that the obligation to provide such notices under the foregoing clause (a) shall expire upon payment to the Paying Agent (on behalf of and for distribution to the Stockholders in accordance with the terms of this Agreement) of aggregate Earnout Consideration payable under item "(a)" of the definition of Earnout Consideration of $25,250,000 and the obligation to provide such notices under the foregoing clauses (c) and (d) shall expire upon payment to the Paying Agent (on behalf of and for distribution to the Stockholders in accordance with the terms of this Agreement) of aggregate Earnout Consideration payable under items "(c)" and "(d)" of the definition of Earnout Consideration of $5,000,000. Parent disclaims any contractual or other duty to the Stockholders to generate or maximize the Earnout Consideration, and it is acknowledged that there shall be no such duty. Specially and notwithstanding the foregoing sentence, however, Parent covenants and agrees not to, in bad faith, delay beyond the applicable Earnout Consideration eligibility period either the entering into of a definitive agreement or statement of work or similar document for a Parent Partnered Program, or the delivery of antibodies to the customer or other commercial partner under a Parent Partnered Program, which would naturally (i.e., if the Earnout Consideration eligibility period had instead been written here so as to extend for many additional years) have occurred at a time which was before the expiration of the actual applicable Earnout Consideration eligibility period.

Section 2.16. Letter of Transmittal. Notwithstanding anything in this Agreement to the contrary, no (former) Stockholder shall be entitled to receive delivery of any (otherwise-receivable) Merger Consideration or Additional Merger Consideration unless and until such Stockholder executes and delivers to Parent the Stockholder's Certificate(s) accompanied by a Letter of Transmittal reasonably prepared by the Parent and (among other things) reiterating and binding the Stockholder to all agreements, releases, covenants, acknowledgements, obligations, liabilities, waivers, exposures to setoff and acceptances of responsibility and liability which this Agreement provides are to be applicable to each Stockholder or to the Stockholders.

ARTICLE III.

REPRESENTATIONS AND WARRANTIES OF THE COMPANY

Subject to such exceptions as are disclosed in the specific section, subsection or sub-clause of the disclosure schedule delivered by the Company to Parent on the date hereof prior to the execution and delivery hereof (the "Company Disclosure Schedule"), that correspond to the specific section, subsection or sub-clause of each representation and warranty set forth in this Article III (provided, however, that any information set forth in a section, subsection or sub-clause of the Company Disclosure Schedule shall be deemed to be disclosed for purposes of, and shall qualify, the corresponding section, subsection or sub-clause of this Agreement and any other section, subsection or sub-clause of this Agreement, where it is reasonably apparent on its face without reference to the underlying documents that such information applies to such other section or subsection), the Company hereby represents and warrants to Parent and Merger Sub as follows:

Section 3.1. Organization and Qualification.

a. The Company is a corporation duly incorporated, validly existing and in good standing under the Laws of the State of Delaware and has the requisite corporate power and authority to own,

operate or lease all of the properties and assets that it purports to own, operate or lease and to carry on its business as it is now being conducted and as currently proposed to be conducted. The Company is duly licensed or qualified to do business and is in good standing (with respect to jurisdictions that recognize such concept) in each jurisdiction in which the nature of the business conducted by it or the character or location of the properties and assets owned, operated or leased by it makes such licensing or qualification necessary.

b. The copies of the Certificate of Incorporation and the Bylaws provided to Parent and Merger Sub are complete and correct copies of such documents as in effect as of the date of this Agreement. There has been no violation of any of the provisions of the Certificate of Incorporation or the Bylaws, and the Company has not taken any action that is inconsistent in any material respect with any resolution adopted by the Stockholders, the Company Board or any committee of the Company Board.

c. A schedule delivered by the Company to Parent before the date hereof, and so designated, accurately sets forth: (i) the names of the members of the Company Board; (ii) the names of the members of each committee of the Company Board; and (iii) the names and titles of each officer of the Company.

Section 3.2. Capitalization.

a. A schedule delivered by the Company to Parent before the date hereof, and so designated, sets forth a complete and accurate list of the authorized, issued and outstanding shares of Company Capital Stock, to be accurate and complete as of the date of delivery and as of immediately before the Closing. All outstanding Company Options (whether or not presently exercisable) will be terminated at the Closing without payment of any consideration to the holders thereof, and under no circumstances will any Company Option be exercisable after the Closing. There are no outstanding Company Warrants. Other than the Company Capital Stock, there are no other shares or other equity interests in the Company issued, reserved for issuance or outstanding. No shares of Company Capital Stock are held in the Company's treasury. Other than as contemplated in the Taxable Spinout, the Company has never declared or paid any dividends on any shares of Company Capital Stock. All of the issued and outstanding shares of Company Capital Stock have been duly authorized and validly issued and fully paid, non-assessable and free of any preemptive rights. Other than such Company Options and Bridge Notes, there are no outstanding subscriptions, restricted stock units, options, warrants, calls, commitments or agreements of any character calling for the purchase or issuance of any security of the Company to which the Company is a party, including any securities representing the right to purchase or otherwise receive any shares of Company Capital Stock. There are no outstanding phantom stock rights or stock appreciation rights granted by the Company to any Person. There is no Indebtedness with voting rights (or, other than the Bridge Notes, currently or potentially convertible into, or exchangeable for, securities with voting rights) with respect to any matters on which any equity holder of the Company may vote. The schedule referred to in the first sentence of this subsection sets forth an accurate and complete list of the holders of all of the issued and outstanding shares of Company Capital Stock, the electronic mail address of each such holder and the number and type of shares of Company Capital Stock owned of record by each such holder.

b. Other than Spinout Company, the Company does not have, and has never had, any Subsidiaries. The Company: (i) does not own any equity securities or other ownership interest of any other Person; (ii) does not control any Person; (iii) does not have any investments in, or hold any interest, directly or indirectly, in, any Person; and (iv) does not have any obligation or requirement, directly or indirectly, to provide capital contributions to, or invest in, any Person.

c. Except for the Investor Agreements, there are no outstanding contractual obligations to which the Company is a party: (i) to repurchase, redeem or otherwise acquire any shares of Company Capital Stock or other equity interests in the Company; or (ii) relating to the voting of any shares of Company Capital Stock or other equity interests in the Company.

d. All of the shares of Company Capital Stock and all other securities that have ever been issued or granted by the Company have been issued and granted in compliance with: (i) all applicable state and federal securities Laws and all other applicable Laws; and (ii) all requirements set forth in all applicable Contracts. None of the outstanding shares of Company Capital Stock were issued in violation of any preemptive rights or other rights to subscribe for or purchase securities of the Company.

e. No Person will be entitled to receive any payment or consideration as a result of the Transactions other than the Stockholders, the recipients of Change of Control Payments (but only if expressly called for by Section 2.9 to be so paid), the recipients of a payment for Company Transaction Expenses (but only if expressly called for by Section 2.9 to be so paid), and the recipients of a payment for Indebtedness outstanding at the Closing (but only if expressly called for by Section 2.9 to be so paid).

f. The Allocation Schedule is true and correct in all respects.

Section 3.3. Authority.

a. The Company has all necessary corporate power and authority to execute and deliver this Agreement, to perform its obligations hereunder and to consummate the Transactions to be consummated by it. The execution and delivery by the Company of this Agreement, the performance by the Company of its obligations hereunder, and the consummation by the Company of the Transactions to be consummated by it have been duly and validly authorized by all necessary corporate action on the part of the Company, and no other or further action or proceeding on the part of the Company is necessary to authorize the execution and delivery by the Company of this Agreement, the performance by the Company of its obligations hereunder, and the consummation by the Company of the Transactions to be consummated by it. This Agreement has been duly executed and delivered by the Company and, assuming the due and valid authorization, execution and delivery of this Agreement by Parent and Merger Sub, constitutes a valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except that such enforceability: (i) may be limited by bankruptcy, insolvency, moratorium or other similar Laws of general application affecting or relating to the enforcement of creditors' rights generally; and (ii) is subject to general principles of equity.

b. The Company Board has unanimously adopted resolutions: (i) determining that it is in the best interests of the Company and the Stockholders, and has declared it advisable, to enter into this Agreement; (ii) approving the execution, delivery and performance by the Company of this Agreement and the consummation of the Transactions, including the Merger; and (iii) recommending adoption of this Agreement and approval of the Transactions, including the Merger, by the Stockholders, which resolutions have not been subsequently withdrawn or modified in any respect.

c. The Stockholder Written Consent has been executed and delivered by Stockholders who own, in the aggregate, at least 80% of the outstanding Company Common Stock and 95% of the outstanding Company Preferred Stock.

d. The Company Stockholder Approval is the only vote or approval of the holders of any class or series of capital stock of the Company required to adopt this Agreement and approve the Transactions contemplated hereby, including the Merger. There is no class or series of capital stock of the Company other than the Company Common Stock and the Company Preferred Stock (i.e., the Series A Preferred Stock).

Section 3.4. Consents and Approvals; No Violations.

a. Except for the Consents, filings, declarations, registration and notices listed on a schedule delivered by the Company to Parent before the date hereof, and so designated, (the "Required Consents") and except for the filing of the Certificate of Merger with the Delaware Secretary of State, no Consent of, or filing, declaration or registration with, or notice to any Governmental Entity or any other Person, which has not been received or made, is required to be obtained or made by the Company for the execution and delivery by the Company of this Agreement or for the consummation by the Company of the Transactions to be consummated by it. Each Required Consent, if any, has been obtained and is in full force and effect.

b. The execution and delivery by the Company of this Agreement, the performance by the Company of its obligations hereunder, and the consummation by the Company of the Transactions to be consummated by it do not and will not: (i) conflict with or violate any provision of the Certificate of Incorporation or the Bylaws; (ii) conflict with or result in a violation or breach of any Law applicable to the Company or any of its properties or assets; (iii) conflict with, result in a material violation or breach of, result in the loss of any material benefit under, constitute a material default (or an event which, with notice or lapse of time, or both, would reasonably be expected to constitute a material default) under, result in the termination, modification or cancellation of or a right of termination, material modification or cancellation under, or accelerate the performance required under, any Material Contract or any Permit required for the conduct of the business of the Company; or (iv) result in the creation of any Lien upon any of the material properties or assets of the Company.

Section 3.5. Financial Statements.

a. Delivery of Financial Statements. The Company has delivered to Parent true, correct and complete copies of the following financial statements and notes (collectively, the "Company Financial Statements"): (i) the unaudited balance sheet of the Company as of December 31, 2019 and the related unaudited statements of income, stockholders' equity and cash flows for the fiscal year ended December 31, 2019, together with all related notes and schedules thereto; (ii) the unaudited balance sheet of the Company as of December 31, 2018 and the related unaudited statements of income, stockholders' equity and cash flows for the fiscal year ended December 31, 2018, together with all related notes and schedules thereto; and (iii) the unaudited balance sheet of the Company as of June 30, 2020 (the "Interim Balance Sheet") and the related unaudited statements of income, stockholders' equity and cash flows for the six months ended June 30, 2020, together with all related notes and schedules thereto.

b. Fair Presentation. The Company Financial Statements present fairly in all material respects the financial position, results of operations, cash flows and the assets, liabilities, revenues, expenses and stockholders' equity of the Company for the periods covered thereby. The Company Financial Statements are in accord with the corporate books and records of the Company and have been prepared in accordance with GAAP applied on a consistent basis throughout the periods covered.

c. Indebtedness. A schedule delivered by the Company to Parent before the date hereof, and so designated, sets forth a complete and correct list of all Indebtedness as of immediately before the Closing, identifying the creditor (including name and address), the type of instrument under which the Indebtedness is owed and the amount of the Indebtedness as of immediately before the Closing. Except the Bridge Notes (which restrict voluntary prepayment but do not restrict prepayment (with premium) in the context of a change of control), no Indebtedness contains any restriction upon the prepayment of any of such Indebtedness. Except as noted on such schedule, the consummation of the Transactions will not cause a

default, breach or an acceleration, automatic or otherwise, of any conditions, covenants or any other terms of any item of Indebtedness or an increase in the amount owing under the Indebtedness.

d. Cash and Cash Equivalents. Since December 31, 2019 the Company has not distributed or otherwise expended any Company Cash in the form of bonus payments or other compensation or awards to management, employees or consultants in excess of base compensation. A schedule delivered by the Company to Parent before the date hereof, and so designated, sets forth a complete and correct list of all Company Cash as of the open of business on the date of this Agreement, identifying the form of Company Cash and the account within which it resides.

Section 3.6. Ordinary Course/ Books and Records. The Company has at all times maintained its books and records (including both detailed and summary records of scientific protocols and data) in any and all tangible and intangible media, in accordance with commercially reasonable practices for similarly situated companies, and has caused its Representatives and counterparties to maintain books and records pertaining to Company matters (including both detailed and summary records of scientific protocols and data) in any and all tangible and intangible media, in accordance with commercially reasonable practices for similarly situated companies.

Section 3.7. Absence of Certain Changes or Events. Since June 30, 2020, there have not occurred any events, series of events, occurrences, conditions, and there has not been any lack of occurrences, facts, conditions, changes, developments or effects, in each case that, individually or in the aggregate, have had or could reasonably be expected to have or result in a Company Material Adverse Effect.

Section 3.8. No Undisclosed Liabilities. The Company does not have any Liabilities, except for: (a) Liabilities adequately reflected or reserved against in the Interim Balance Sheet; (b) current Liabilities that have been incurred in the ordinary course of business since the date of the Interim Balance Sheet and that are included in the calculation of Net Working Capital; (c) contingent Liabilities that are not required by GAAP to be reflected on the face of, or described in notes to, a balance sheet of the Company; and (d) Liabilities under this Agreement.

Section 3.9. Litigation.

a. There is no Proceeding pending or, to the Knowledge of the Company, threatened: (i) against or by the Company or against any of its properties or assets or, to the Knowledge of the Company, any of its officers, directors or employees (in their capacity as such); or (ii) against or by the Company that challenges or seeks to prevent, enjoin or otherwise delay the Transactions. To the Knowledge of the Company, no event has occurred, and no circumstance exists, in each case that is reasonably likely to lead to such a Proceeding. The Company does not have any plan to initiate any Proceeding against another Person.

b. There is: (i) no outstanding Order of, or settlement agreement with or subject to, any Governmental Entity; and (ii) no unsatisfied judgment, penalty or award, in each case against or affecting the Company or any of its properties or assets.

Section 3.10. Real Property; Personal Property.

a. The Company does not own and has never owned any fee interest in any real property.

b. A schedule delivered by the Company to Parent before the date hereof, and so designated, sets forth a complete and accurate list, as of the date of this Agreement, of: (i) all real property leased, subleased, licensed or otherwise used, operated or occupied (whether as tenant, subtenant or pursuant to other occupancy arrangements) by the Company (collectively, including the buildings, improvements and fixtures located thereon, the "Leased Real Property"), including the street address of each Leased Real

Property; and (ii) each Contract pursuant to which the Company holds any Leased Real Property as landlord, sublandlord, tenant, subtenant, occupant or otherwise (each, a "Real Property Lease"), including all currently effective amendments and modifications thereto.

c. The Company has a valid leasehold or subleasehold interest in (or a valid right to use and occupy) each Leased Real Property, in each case free and clear of all Liens other than Permitted Liens. To the Company's Knowledge, all material rent (including base rent and additional rent) payable under each of the Real Property Leases has been paid to date.

d. Except: (i) for and as provided in the Real Property Leases; and (ii) for Permitted Liens, none of the Leased Real Properties is subject to any lease, sublease, license or other agreement granting to any Person (other than the Company) any right to the use or occupancy of such Leased Real Property or any part thereof. As of the date of this Agreement, the term of every Real Property Lease other than the Real Estate License is month-to-month and (subject to the amendment contemplated by Section 2.14(a)(ix) hereof), the term of the Real Estate License is until March 31, 2023.

e. A schedule delivered by the Company to Parent before the date hereof, and so designated, sets forth a partial list of tangible personal property, each item of which is in the possession of and owned by the Company free and clear of all Liens other than Permitted Liens and which is known by the Company to be of special interest to Parent.

f. The Company has good title to, or a valid leasehold interest in, or with respect to licensed assets, a valid license to use, all material tangible personal property used or held for use by it in connection with the conduct of its business as conducted on the date of this Agreement, free and clear of all Liens other than Permitted Liens.

g. The properties and assets (whether real, personal or tangible, but excluding intangible property) owned by or leased to the Company constitute all of the assets and properties (whether real, personal or tangible, but excluding intangible property) necessary to conduct the Company's business in the manner in which such business has been conducted during the periods reflected in the Company Financial Statements and is conducted on the date of this Agreement.

Section 3.11. Taxes.

a. To the Company's Knowledge:

i. all income and other material Tax Returns required to be filed by or on behalf of the Company (the " Company Returns") have been timely and properly filed (taking into account any extensions), and all Company Returns and are true, accurate and complete in all material respects;

ii. all Taxes of the Company that are due and payable (whether or not shown on any Company Return) have been timely and properly paid;

iii. the Company has: (A) withheld and collected all amounts required by Law to be withheld or collected, including sales and use Taxes and amounts required to be withheld for Taxes of or with respect to employees, independent contractors, creditors, stockholders (including the Stockholders) or other third parties, and, to the extent required, timely paid over such amounts to the proper Governmental Entities; and (B) properly requested, received and retained, in all material respects, all necessary exemption certificates and other documentation supporting any claimed exemption or waiver of Taxes on sales or similar transactions as to which the Company would otherwise have been obligated to collect or withhold such Taxes;

iv.no power of attorney is currently in effect with respect to the Company as to any matter relating to Taxes;

v.the Company has made available to Parent true, correct and complete copies of all Company Returns with respect to Taxes filed by or with respect to it with respect to all taxable years remaining open under the applicable statute of limitations, and has delivered or made available to Parent all relevant documents and information with respect thereto, including work papers, records, audit and examination reports, and statements of deficiencies proposed or assessed against or agreed to by the Company;

vi.no claim has been made in writing by any Governmental Entity in any jurisdiction where the Company does not file Tax Returns that it is or may be subject to taxation by that jurisdiction;

vii.the Company has not engaged in a trade or business, has not had a permanent establishment (within the meaning of an applicable Tax treaty), and has not otherwise become subject to Tax jurisdiction in a country other than the United States; and

viii.the Company Financial Statements properly and adequately accrue or reserve for Tax liabilities as of the date of such Company Financial Statements in accordance with GAAP.

b. No Company Return has ever been examined or audited by any Governmental Entity. There is no pending audit, examination, refund claim, litigation, proposed adjustment, matter in controversy or other Proceeding with respect to any Tax of the Company and no such audit, examination, refund claim, litigation, proposed adjustment, matter or other Proceeding is or has been threatened in a writing delivered to the Company. No deficiencies for any Tax have been proposed, asserted or assessed in writing against the Company which have not been settled and paid in full, and no such proposal, assertion or assessment is pending or been threatened in a writing delivered to any Stockholder or the Company. No outstanding extension or waiver of the limitation period applicable to any Company Return has been granted by or requested from the Company, other than automatic extensions obtained in the ordinary course of business. There are no Liens with respect to any Taxes against any of the assets of the Company, other than Permitted Liens.

c. The Company is not a party to any Contract that has resulted or would reasonably be expected to result, separately or in the aggregate, in the payment of any "excess parachute payment" within the meaning of Section 280G of the Code (or any corresponding provisions of state, local or foreign Law). The Company has no indemnity obligations for any Taxes imposed under Section 4999 of the Code.

d. The Company will not be required to include any item of income in, or exclude any item of deduction from, Taxable income for any Tax period (or portion there) ending after the Closing Date as a result of any: (i) change in method of accounting for a Tax period ending on or before the Closing Date; (ii) "closing agreement" as described in Code Section 7121 (or any corresponding or similar provision of state, local or foreign income Tax law) executed on or before the Closing Date; (iii) installment sale or open transaction disposition made on or before the Closing Date; or (iv) prepaid amount received for a Tax period ending on or before the Closing Date. The Company is not a party to or bound by and does not have any Liability under any Tax sharing agreement, Tax allocation agreement or Tax indemnity agreement (other than an agreement entered into in the ordinary course of business the primary purpose of which is unrelated to Taxes).

e. The Company: (i) has never been a member of any affiliated group filing a consolidated federal income Tax Return or any similar group for state, local or foreign Tax purposes (other than an affiliated group or similar group the common parent of which is the Company); and (ii) does not have

any Liability for any amount of Taxes of any Person (other than the Company) pursuant to any Law (including Treasury Regulations Section 1.1502-6 or any similar provision of state, local or foreign Law), as a transferee or successor, by Contract, (other than a Contract entered into in the ordinary course of business the primary purpose of which is unrelated to Taxes) indemnity or otherwise.

f. The Company has not distributed stock of another Person, and has not had its stock distributed by another Person, in a transaction that was purported or intended to be governed, in whole or in part, by Section 355 or Section 361 of the Code.

g. The Company is not currently, and will not for any period for which a Tax Return has not been filed be, required to include any adjustment in Taxable income for any Tax period (or portion thereof) pursuant to Sections 481 or 263A of the Code (or any corresponding provisions of state, local or foreign Law) as a result of transactions, events or accounting methods employed before the Closing Date.

h. The Company has disclosed on its Tax Returns any Tax reporting position taken in any Tax Return which could result in the imposition of penalties under Section 6662 of the Code (or any comparable provisions of state, local or foreign Law).

i. The Company has not consummated or participated in, and is not currently participating in, any transaction which was or is a "tax shelter" transaction as defined in Sections 6662 or 6111 of the Code or the Treasury Regulations promulgated thereunder. The Company has not participated in, and is not currently participating in, a "Listed Transaction" or a "Reportable Transaction" within the meaning of Section 6707A(c) of the Code or Treasury Regulations Section 1.6011-4(b), or any transaction requiring disclosure under a corresponding provision of state, local, or foreign Law.

Section 3.12. Compliance with Laws; Permits.

a. The Company is in compliance in all material respects with all Laws applicable to the Company, and no Proceeding has been filed or commenced and is continuing against the Company, and the Company has not received any notice or other communication (in writing or otherwise), alleging that the Company is not in compliance with any such Law. To the Knowledge of the Company, no event has occurred, and no circumstance exists, in each case that (with or without notice or lapse of time), would reasonably be expected to constitute or result in a material violation by the Company of, or a material failure on the part of the Company to comply with, any Law applicable to the Company.

b. (i) The Company holds all material Permits required for the conduct of its business as conducted on the date of this Agreement; (ii) such Permits are valid, unimpaired and in full force and effect; (iii) the Company is not in default under or in material violation of any such Permit; and (iv) no Proceeding seeking the revocation, cancellation, termination, limitation or nonrenewal of any such Permit is pending before any Governmental Entity or, to the Company's Knowledge, threatened.

Section 3.13. Labor Matters.

a. No employees of the Company are covered by, and the Company is not subject to, a collective bargaining agreement, labor contract or other oral or written agreement or understanding with a labor organization or labor union. To the Company's Knowledge, no: (i) organizing activities involving the Company are currently pending with any labor organization or group of employees of the Company; (ii) collective bargaining agreement is being or has been negotiated by the Company; and (iii) strike, lockout, slowdown, or work stoppage against the Company is currently pending or, to the Company's Knowledge, threatened that may interfere with the business activities of the Company.

b. The Company and each ERISA Affiliate are in compliance in all material respects with all, and have at all times complied with all, and neither the Company nor any ERISA Affiliate has received any notice or other communication (in writing or otherwise) of any claim filed with or by any Governmental Entity alleging that any of them has violated any, Laws or applicable contractual arrangements that relate to wages, hours, compensation, meal and rest breaks, wage statements, fringe benefits, employment or termination of employment, employment policies or practices, immigration, terms and conditions of employment, child labor, labor or employee relations, classification of employees, affirmative action, equal employment opportunity and fair employment practices, disability rights or benefits, workers' compensation, unemployment compensation and insurance, health insurance continuation, whistle-blowing, harassment, discrimination, retaliation or employee safety or health and, to the Knowledge of the Company, no such claim is threatened.

c. Each Person who is an employee of the Company is employed at will without any penalty, Liability or severance obligation. To the Knowledge of the Company, each Person who has been an employee of the Company at any time within the past month is willing to continue his or her employment (on an at-will basis) with the Company after the Merger.

d. The Company has at all times properly classified all applicable persons as employees, independent contractors, leased employees or as persons exempt from overtime pay.

Section 3.14. Employee Benefits.

a. A schedule delivered by the Company to Parent before the date hereof, and so designated, sets forth a complete and correct list, as of the date of this Agreement, of each "employee benefit plan" (within the meaning of Section 3 of ERISA), each stock purchase, stock ownership, stock option, phantom stock, severance, retention, employment, change-in-control, bonus, incentive compensation, profit sharing, deferred compensation or supplemental retirement agreement, program, policy or arrangement, and each other plan, agreement, program, policy or arrangement providing employee benefits or compensation to any current or former employee of the Company (whether written or unwritten) which is maintained, contributed to or sponsored by the Company or any ERISA Affiliate or with respect to which the Company or any ERISA Affiliate is obligated to make any contributions or has any material Liability. All such plans, agreements, programs, policies and arrangements are hereinafter referred to collectively as the "Benefit Plans" and individually as a "Benefit Plan."

b. With respect to each Benefit Plan, the Company has delivered or made available to Parent: (i) a complete and correct copy of such plan or plan documents, as applicable, or a summary of such plan; (ii) the most recent Internal Revenue Service determination letter, if applicable; (iii) the current summary plan description, if applicable; (iv) the most recent actuarial valuation report, if applicable; (v) the most recent annual report (Form 5500, with all applicable attachments); and (vi) all related trust agreements that implement each Benefit Plan.

c. Each Benefit Plan is being operated, funded and administered in all material respects in accordance with its terms and the requirements of ERISA and the Code and other applicable Law. Each Benefit Plan that is intended to be qualified within the meaning of Section 401(a) of the Code and each trust associated with any Benefit Plan that is intended to be exempt from taxation under Section 501(a) of the Code has received a favorable Internal Revenue Service determination letter as to its qualification and to the effect that each such trust is exempt from taxation under Section 501(a) of the Code, or is a prototype plan that is the subject of a favorable opinion letter from the Internal Revenue Service and, to the Company's Knowledge, as of the date of this Agreement, nothing has occurred since the date of such determination or opinion letter that

would reasonably be expected to result in a loss of such plan's qualification or tax-exempt status. No "prohibited transaction" within the meaning of Section 406 of ERISA has occurred with respect to any Benefit Plan, and no Tax has been imposed pursuant to Section 4975 of the Code in respect thereof.

d. Neither the Company nor any ERISA Affiliate maintains, contributes to or has any Liability with respect to a "single-employer plan" within the meaning of Section 4001(a)(15) of ERISA or a "multiemployer plan" within the meaning of Section 4001(a)of ERISA.

e. There are no actions, suits or claims (other than routine claims for benefits in the ordinary course) pending or, to the Company's Knowledge, threatened with respect to any Benefit Plan.

f. Neither the execution and delivery of this Agreement by the Company nor the consummation by the Company of the Transactions (either alone or in conjunction with any other event) will: (i) increase any benefits otherwise payable under any Benefit Plan; (ii) result in any acceleration of the time of payment or vesting of any such benefits (other than the accelerated vesting of outstanding-but-to-be-terminated Company Options under the Company Option Plan); or (iii) result in any payment (whether severance pay or otherwise) becoming due to, or with respect to, any current or former employee or director of the Company.

g. No Benefit Plan is a "welfare benefit plan" within the meaning of Section 3(1) of ERISA that provides benefits to former employees of the Company, other than pursuant to Section 4980B of the Code or any similar Law.

h. To the Knowledge of the Company, the Company has no Liability by reason of an individual who performs or performed services for the Company in any capacity being improperly excluded from participating in a Benefit Plan.

i. Each Benefit Plan which is a "non-qualified deferred compensation plan" (as such term is defined in Section 409A(d)(1) of the Code) (i) has, at all times, been administered in compliance with the requirements of Section 409A of the Code and applicable guidance issued thereunder, and (ii) is in a form which complies with the requirements of Section 409A of the Code, so that its terms and provisions comply with the requirements of Section 409A of the Code; in all cases so that the additional tax described in Section 409A(a)(1)(B) of the Code will not be assessed against the individuals participating in any such non-qualified deferred compensation plan with respect to benefits due or accruing thereunder.

j. The Company has no indemnity obligations for any Taxes imposed under Section 409A of the Code.

Section 3.15. Material Contracts.

a. A schedule delivered by the Company to Parent before the date hereof, and so designated, contains a true, accurate and complete list of each of the following types of Contracts to which the Company is a party or by which its assets or properties are bound as of, and in effect on, the date of this Agreement (each, a "Material Contract"):

i.any Contract (other than Real Property Leases) (A) pursuant to which the Company received aggregate payments in excess of $20,000 during the six-month period preceding the date of this Agreement or (B) that the Company reasonably anticipates will, in accordance with its terms, involve aggregate payments to the Company in excess of $20,000 within the six-month period from and after the date of this Agreement;

ii.any Contract (other than Real Property Leases) (A) pursuant to which the Company made aggregate payments in excess of $20,000 during the six-month period preceding the date of this Agreement or (B) that the Company reasonably anticipates will, in accordance with its terms, involve aggregate payments by the Company in excess of $20,000 within the six-month period from and after the date of this Agreement;

iii.any Contract relating to Indebtedness (other than Indebtedness in amounts of less than $15,000);

iv.any Contract materially limiting, restricting or prohibiting the Company from: (A) conducting any business activities; (B) engaging in any line of business anywhere in the United States or elsewhere in the world; (C) conducting any business activities with any Person; or (D) generating or isolating or commercializing antibodies (for its own account or for the benefit of Persons other than the Contract counterparty) against any particular target or disease;

v.any Contract that provides for "most favored nations" terms or establishes an exclusive or priority sale or purchase obligation with respect to any product, service or geographic location;

vi.any Contract containing provisions restricting the Company's right to seek, hire or retain any employees, customers, vendors, suppliers or other service providers;

vii.any (A) joint venture, partnership, licensing, franchise, development, distribution, sales agent or supply agreement or (B) other Contract that involves a sharing of Liabilities, revenues or profits and losses by the Company with any other Person;

viii.any Contract that contains a standstill or similar agreement pursuant to which the Company has agreed not to acquire assets or securities of a third party;

ix.any Contract granting to any Person a right of first refusal, right of first offer or similar preferential right to purchase any equity interests or assets of the Company;

x.any Contract other than the Spinout Preparation Agreement relating to (A) the acquisition (by merger, consolidation, purchase of stock or assets, or otherwise) by the Company of any Person, a material portion of the assets of any Person, or any business, division or product line or (B) the divestiture or disposition by the Company of a material portion of its properties or assets, or any of its equity interests, in each case of clauses (A) and (B) pursuant to which any of the parties has any remaining obligations or Liabilities;

xi.any Contract (excluding Real Property Leases) providing for capital expenditures in excess of $20,000 individually, or in excess of $30,000 in the aggregate;

xii.any Contract under which the Company has made, or that obligates the Company to make, a loan or capital contribution to, or investment in, any Person, other than advances to employees in the ordinary course of business;

xiii.any Contract (excluding Real Property Leases) under which: (A) the Company is the lessor of, or makes available for use by any third party, any equipment or other tangible property owned by the Company or (B) the Company is the lessee of, or is provided the use of, any equipment or other tangible property owned by any third party, in each case of clauses "(A)" and "(B)" for payments or other consideration of more than $10,000 during any 12 month period;

xiv.any Real Property Lease;

xv.any Inbound IP Contract;

xvi.any Outbound IP Contract;

xvii.any (A) collective bargaining agreement or (B) Contract with any union, labor organization, works council or other employee representative of a group of employees;

xviii.any Contract for the employment or engagement of any Person on a full-time or part-time basis (other than Contracts that can be terminated at will without any penalty, Liability or severance obligation or Contracts that can be terminated on 30 days' or less notice without any penalty or Liability of the Company);

xix.any Contract (excluding Real Property Leases) providing for: (A) Change of Control Payments; (B) Accrued Compensation; (C) Deferred Compensation; or (D) the creation, acceleration or vesting of any right or interest for the benefit of any current or former employee or equity holder of the Company or any Affiliate of the Company which become payable as a result of or in connection with the consummation of the Transactions;

xx.any Contract between or among the Company, on the one hand, and any Stockholder or any Affiliate of any Stockholder (other than the Company), on the other hand;

xxi.any material Contract with any Governmental Entity;

xxii.any power of attorney or similar grant of agency executed by the Company;

xxiii.any Contract that was otherwise not entered into in the ordinary course of the Company's business or is otherwise material to the business conducted by the Company;

xxiv.any Contract which commits the Company to enter into any of the foregoing;

xxv.the Teva Agreement; and

xxvi.the Spinout Preparation Agreement.

b. The Company has not received or enjoyed any benefit, inducement or incentive from any Governmental Entity which will, as a result of this Agreement or the Transactions or any cessation of the Company's business operations in the geographic area where they are currently conducted or the termination of all or substantially all Company employees, result in any clawback, recapture, recoupment, repayment obligation, penalty, Tax or other such liability.

c. Except as noted in the schedule delivered pursuant to Section 3.15(a), with respect to each Material Contract: (i) no event has occurred, and no circumstance exists, in each case that (with or without notice or lapse of time or both) would constitute a material breach of or default under, would cause or permit the termination or cancellation of, would cause any loss of a material benefit under, or would give rise to any right to accelerate the maturity or performance of any material obligation under, such Material Contract; and (ii) the Company has not provided to or received from any counterparty thereto any written notice announcing, contemplating or threatening to, and, to its Knowledge, the Company is not otherwise aware of any intention by any counterparty thereto to: (A) terminate or not renew such Material Contract, or (B) seek

the renegotiation of such Material Contract in any material respect. The Company has delivered or made available to Parent true, correct and complete copies of all written Material Contracts (including all amendments thereto), and written descriptions of all material terms of all oral Material Contracts (if any), in each case in effect as of the date of this Agreement.

Section 3.16. Intellectual Property.

a. Registered Intellectual Property. A schedule delivered by the Company to Parent before the date hereof, and so designated, accurately identifies: (i) each item of Registered Intellectual Property in which the Company has or purports to have an ownership interest of any nature (whether exclusively, jointly with another Person or otherwise); (ii) the jurisdiction in which such item of Registered Intellectual Property has been registered or filed and the applicable registration or serial number; (iii) for each item of Registered Intellectual Property that is a domain name, information about the Domain Name Registrar with which such domain name has been registered or filed; (iv) each action, filing, and payment that (to the Company's Knowledge) must be taken or made on or before the date that is 120 days after the date of this Agreement in order to maintain such item of Registered Intellectual Property in full force and effect; and (v) any other Person that has an ownership interest in such item of Registered Intellectual Property and the nature of such ownership interest. The Company has delivered to Parent complete and accurate copies of all applications, material correspondence with any Governmental Entity and other material documents related to each such item of Registered Intellectual Property.

b. Inbound Licenses. A schedule delivered by the Company to Parent before the date hereof, and so designated, accurately identifies each Contract to which the Company is a party and pursuant to which any material Intellectual Property is or has been licensed to the Company, excluding material transfer agreements and non-exclusive licenses concerning rights that are not material to the business of the Company (each, an "Inbound IP Contract").

c. Outbound Licenses. A schedule delivered by the Company to Parent before the date hereof, and so designated, accurately identifies each Contract pursuant to which any Person has been granted any material license under, or otherwise has received or acquired any material right (whether or not currently exercisable and including a right to receive a license) or interest in, any Owned Intellectual Property, other than material-transfer agreements and service or similar agreements containing only a non-exclusive license to perform services for the Company thereunder (each, an "Outbound IP Contract"). The Company is not bound by or subject to any Contract containing any covenant or other provision that in any way limits or restricts the ability of the Company to use, exploit, assert or enforce any Owned Intellectual Property anywhere in the world.

d. Royalty Obligations. A schedule delivered by the Company to Parent before the date hereof, and so designated, contains a complete and accurate list and summary of all (if any) royalties, fees, commissions and other amounts which are or may hereafter become payable by the Company to any other Person upon or for the use of any Owned Intellectual Property or Licensed Intellectual Property.

e. Standard Form IP Agreements. The Company has delivered to Parent a complete and accurate copy of each standard form of: (i) employee agreement containing any assignment or license of Intellectual Property (or agreement to assign or license any Intellectual Property) or any confidentiality provision; (ii) consulting or independent contractor agreement containing any assignment or license of Intellectual Property (or agreement to assign or license any Intellectual Property) or any confidentiality provision; and (iii) confidentiality or nondisclosure agreement (each such form, a "Standard Form IP Agreement"). For the avoidance of doubt, the foregoing sentence does not obligate the Company to provide

signed copies of Standard Form IP Agreements. A schedule delivered by the Company to Parent before the date hereof, and so designated, identifies (x) each Contract that is based upon or a variation of a Standard Form IP Agreement if such Contract deviates in any material respect from the corresponding Standard Form IP Agreement and (y) each Contract between the Company and one of its employees, consultants or independent contractors in which any such employee, consultant or independent contractor expressly reserved or retained any rights in Intellectual Property related to the business of the Company, except for works or inventions that are not relevant to the business or operations of the Company or that are not necessary to the conduct of the Company's business. Except as specified on such schedule, the Company has entered into Contracts on the applicable form(s) of Standard Form IP Agreement with each and every Person who has ever been an employee or consultant of the Company.

f. Ownership and Maintenance or Establishment of Ownership. The Company exclusively (or jointly, as applicable) owns all right, title and interest to and in the Owned Intellectual Property free and clear of any Liens, other than Permitted Liens. Such documents and instruments as reasonably necessary to establish, perfect and maintain the rights of the Company in the Registered Intellectual Property within the Owned Intellectual Property have been validly executed, delivered and filed in a timely manner with the appropriate Governmental Entity (taking into account any permitted extensions). Each current or former employee, consultant or independent contractor of the Company who is or was involved in the creation or development of any Owned Intellectual Property has signed a valid and enforceable agreement containing an irrevocable assignment of any rights such employee, consultant or independent contractor may have had in any Owned Intellectual Property to the Company (or, in the case of any consultant or independent contractor who provided services to the Company through an entity, to such entity who in turn assigned all such rights to the Company) and containing confidentiality provisions protecting the Company's confidential information. The Company has taken reasonable steps to maintain the confidentiality of and otherwise protect and enforce its rights in all material proprietary information pertaining to the Company and all of the Company's trade secrets.

g. Sufficiency of Intellectual Property. To the Knowledge of the Company, the Owned Intellectual Property and Licensed Intellectual Property include all Intellectual Property and other intangible property needed to conduct the business of the Company as currently conducted and as currently planned to be conducted.

h. Valid and Enforceable; Proceedings.

i. All issued patents and registered trademarks within the Owned Intellectual Property, to the Knowledge of the Company, valid and enforceable. No interference, opposition, reissue, reexamination or other Proceeding is or has been pending or, to the Company's Knowledge, threatened in writing in which the ownership, scope, validity or enforceability of any Owned Intellectual Property is being, has been or would be contested or challenged.

ii. To the Company's Knowledge, all issued patents and registered trademarks within the Licensed Intellectual Property are valid and enforceable, and all Inbound IP Contracts are in full force and effect. To the Company's Knowledge, no interference, opposition, reissue, reexamination or other Proceeding is or has been pending or threatened in which the ownership, scope, validity or enforceability of any Licensed Intellectual Property is being or has been expected to be contested or challenged.

iii. To the Knowledge of the Company, (A) all patents and patent applications within the Owned Intellectual Property or Licensed Intellectual Property have been prosecuted in good faith, (B) there are no inventorship challenges to any patents or patent applications within the Owned Intellectual Property or Licensed Intellectual Property, (C) all required maintenance and annual fees for all issued patents within the

Owned Intellectual Property or, to the Knowledge of the Company, the Licensed Intellectual Property have been fully paid, and (D) all fees paid during prosecution and after issuance of any patents within the Owned Intellectual Property or, to the Knowledge of the Company, the Licensed Intellectual Property have been paid in the correct entity status amounts, with respect to such patents.

iv. Except for documents cited by a patent examiner or by the patent applicant in an information disclosure statement (and which have been separately and specially disclosed by the Company to Parent), with respect to any patent applications or patents included in the Owned Intellectual Property or Licensed Intellectual Property, to the Company's Knowledge there are no facts that the Company believes are reasonably likely to (A) preclude the issuance to the Company of any patents from patent applications included in the Owned Intellectual Property or Licensed Intellectual Property (with valid claims not materially narrower in scope than the claims as currently pending in those applications), (B) render any patents included in the Owned Intellectual Property or Licensed Intellectual Property invalid or unenforceable, or (C) cause the claims of any patent applications or patents included in the Owned Intellectual Property or Licensed Intellectual Property to be narrowed.

v. No Person has in writing asserted or threatened a claim which if adversely resolved would adversely affect the Company's ownership rights to or license rights under (nor are there any facts known to the Company that the Company believes are reasonably likely to adversely affect the Company's ownership rights to or license rights under) any of the Owned Intellectual Property or Licensed Intellectual Property.

vi. For the purposes of this Section 3.16(h), "Licensed Intellectual Property" shall be deemed not to include in-licenses of standard commercially-available software.

i. Effect of Transactions. The Transactions will not, with or without notice or lapse of time, result in, or give any other Person the right or option to cause or declare: (i) a loss of, or Lien on, any Owned Intellectual Property; (ii) the release, disclosure or delivery of any Owned Intellectual Property by or to any escrow agent or other Person; or (iii) the grant, assignment or transfer to any other Person of any license or other right or interest under, to or in any of the Owned Intellectual Property.

j. No Third Party Infringement of Owned or Licensed Intellectual Property. To the Knowledge of the Company, no Person has infringed, misappropriated or otherwise violated, and no Person is currently infringing, misappropriating or otherwise violating, any Owned Intellectual Property or exclusively Licensed Intellectual Property. To the Company's Knowledge, neither the Company nor any Representative of the Company has ever sent any letter or other written or electronic communication or correspondence regarding any actual, alleged or suspected infringement or misappropriation of any Owned Intellectual Property or exclusively Licensed Intellectual Property.

k. No Infringement of Third Party IP Rights. The conduct of the business of the Company has never infringed (directly, contributorily, by inducement or otherwise), misappropriated or otherwise violated or made unlawful use of any valid and enforceable Intellectual Property of any Person, and the future conduct of the business of the Company, as currently contemplated by the Company as of the date of this Agreement, would not infringe (directly, contributorily, by inducement or otherwise), misappropriate or otherwise violate or make unlawful use of any valid and enforceable Intellectual Property of any Person. No Intellectual Property infringement, misappropriation or similar Proceeding is pending against the Company or to the Company's Knowledge, against any other Person who is entitled to be indemnified, defended, held harmless or reimbursed by the Company with respect to such Proceeding. Except as specified on a schedule delivered by the Company to Parent before the date hereof, and so designated, the Company has never received

any notice in writing or other communication (in writing) relating to any actual, alleged or suspected past or possible future infringement, misappropriation or violation by the Company, or by any current or former employee or agent of the Company, or by any hypothetical acquirer of the Company, of any Intellectual Property of any Person, including any letter or other communication suggesting or offering that the Company obtain a license to any Intellectual Property. If (but for this sentence) anything would be deemed to be a violation of both of this Section 3.16(k) and of another representation/warranty in another section or subsection of this Article III, it shall be treated as a violation of this Section 3.16(k) and not of such other representation/warranty in such other section or subsection of this Article III.

l. Sponsored Research. No university, Governmental Entity or other organization sponsored research and development conducted by the Company in such a way as to have any claim of right to or ownership of or other Lien on any Owned Intellectual Property. No research and development conducted by the Company was performed by a graduate student or employee of any Governmental Entity.

m. Company IT Systems. The Company owns or has a valid right to access and use all computer systems, programs, networks, hardware, software, software engines, database, operating systems, websites, website content and links and equipment used to process, store, maintain and operate data, information and functions owned, used or provided by the Company (the "Company IT Systems"). The Company IT Systems that are currently used by the Company constitute all the information and communications technology reasonably necessary to carry on the business of the Company as currently conducted. The consummation of the Transactions will not impair or interrupt in any material respect: (i) the Company's access to and use of, or its right to access and use, the Company IT Systems or any third party databases or third party data used in connection with the business of the Company as currently conducted; and (ii) to the extent applicable, the Company's customers' access to and use of the Company IT Systems. The Company has taken commercially reasonable steps in accordance with industry standards and has otherwise used commercially reasonable efforts to secure the Company IT Systems from unauthorized access or use by any Person and to enable the continued, uninterrupted and error-free operation of the Company IT Systems. The Company has in effect commercially reasonable disaster recovery plans and procedures in the event of any malfunction of or unauthorized access to any Company IT Systems. To the Company's Knowledge, there: (x) have been no material unauthorized intrusions or breaches of security with respect to the Company IT Systems; (y) has not been any material malfunction of the Company IT Systems that has not been remedied or replaced in all material respects; and (z) has been no material unplanned downtime or service interruption with respect to any Company IT Systems in the prior 12 months.

Section 3.17. Environmental Matters.

a. There is no Proceeding pending or, to the Knowledge of the Company, threatened against the Company under or pursuant to any applicable Environmental Law, the subject matter of which would reasonably be likely to result in material Liability.

b. The Company: (i) is in compliance in all material respects with all applicable Environmental Laws; (ii) holds all Environmental Permits required for the conduct of its business as conducted on the date of this Agreement; and (iii) is in compliance in all material respects with such Environmental Permits.

c. No event has occurred, and no circumstance exists, at any location or in connection with the business or assets of the Company, in each case that to the Knowledge of the Company could reasonably be expected to (with or without notice or lapse of time): (i) materially prevent, hinder or limit continued compliance with Environmental Laws; (ii) give rise to any investigatory, monitoring, remedial or

corrective action obligations pursuant to Environmental Laws, which obligations are or would be material; (iii) require a material expenditure to comply with Environmental Laws or meet applicable standards thereunder; (iv) require a material change to the operation of the business of the Company in order to comply with Environmental Laws; or (v) result in the imposition of any material Liability or costs pursuant to any Environmental Law

d. The Company has delivered or made available to Parent copies of all environmental site assessment reports, environmental or safety workplace audits, notices of actual or potential violation or liability, and other similar material documents with respect to the business or assets of the Company or any currently or formerly owned, operated or leased real property which are in the possession or control of the Company and related to Environmental Releases or compliance with Environmental Laws.

Section 3.18. Insurance.

a. A schedule delivered by the Company to Parent before the date hereof, and so designated, sets forth, as of the date of this Agreement, a complete and accurate list of all policies or binders of fire, liability, product liability, umbrella liability, real and personal property, workers' compensation, vehicular, fiduciary liability and other forms of insurance covering the Company, in each case held by the Company or any other Person (the "Insurance Policies"), setting forth, in respect of each such Insurance Policy: (i) the policy number; (ii) the insurer; (iii) policy limits and deductibles; (iv) the dates of premiums or payments due thereunder; and (v) the expiration date.

b. The Insurance Policies are of the type and in the amounts as are customary for companies of similar size, in their geographic regions and in the respective businesses in which the Company operates and meet all material contractual and statutory requirements to which the Company is subject. There have been no gaps in insurance coverage that could expose the Company to uninsured material liability for events that occurred before the date of this Agreement.

c. With respect to each Insurance Policy: (i) such Insurance Policy is in full force and effect and enforceable in accordance with its terms; (ii) the Company and, to the Knowledge of the Company, each other party to such Insurance Policy are in compliance with the terms and provisions of such Insurance Policy in all material respects; (iii) all premiums for such Insurance Policy have been paid in full; (iv) the Company will not be liable for retroactive premiums or similar payments under such Insurance Policy; and (v) no limits of liability or coverage for such Insurance Policy have been exhausted or depleted by more than fifty percent (50%).

d. Neither the Company nor, to the Knowledge of the Company, any other Person, has received any notice or other communication (in writing or otherwise) regarding any actual or possible cancellation or termination of, premium increase with respect to, or alteration of coverage under, any such Insurance Policy.

e. All claims, incidents, wrongful acts or occurrences for which the Company reasonably expects to obtain coverage under any Insurance Policy have been reported to the applicable underwriter in accordance with the requirements of the applicable Insurance Policy. There is no claim pending under any Insurance Policy as to which coverage has been questioned, denied or disputed or in respect of which there is an outstanding reservation of rights.

Section 3.19. Accounts Receivable; Accounts Payable.

a. A schedule delivered by the Company to Parent before the date hereof, and so designated, sets forth an accurate and complete breakdown of all accounts receivable, notes receivable and other receivables of the Company (the "Accounts Receivable") as of the date of this Agreement. Since the date of the Interim Balance Sheet, the Company has collected its Accounts Receivable in the ordinary course of business and has not accelerated any such collections.

b. A schedule delivered by the Company to Parent before the date hereof, and so designated, sets forth an accurate and complete breakdown of all accounts payable, notes payable and other payables of the Company (the "Accounts Payable") as of the date of this Agreement. Since the date of the Interim Balance Sheet, the Company has paid its Accounts Payable in the ordinary course of business and has not delayed or stretched any such payments. All Accounts Payable of the Company arose in the ordinary course of business consistent with past practice.

Section 3.20. Bank Accounts; Powers of Attorney; Performance Bonds. A schedule delivered by the Company to Parent before the date hereof, and so designated, sets forth: (a) the identity of each bank or financial institution in which the Company has an account, loan facility or relationship, safe deposit box or lockbox, the number of each such account or box and the names of all Persons authorized to draw thereon or having signatory power or access thereto: (b) the names and addresses of all persons holding powers of attorney for the Company or for any officer or agent thereof; and (c) each performance bond to which the Company is a party. No such performance bonds have been called.

Section 3.21. Affiliate Transactions. Any and all Affiliate Agreements have been terminated before or will be terminated effective upon the Closing and, from and after the Closing, the Company shall not be bound thereby or have any Liability thereunder. Other than The Board of Trustees of the Leland Stanford Junior University in connection with the Stanford Agreements, neither any current or former member, manager, stockholder, director, officer or employee of the Company, nor any immediate family member of any of the foregoing: (w) has any ownership interest in any property or asset used by the Company; (x) provides material services to the Company (other than employment by the Company); (y) has borrowed money from or loaned money to the Company that is currently outstanding; or (z) is a party to any Contract or ongoing transaction or business relationship with, or has any claim or right against, the Company.

Section 3.22. Broker's Fees. Except Wedbush Securities Inc., none of the Company or any of its Representatives has employed any financial advisor, investment banker, broker or finder in a manner that would result in any Liability for any broker's fees, commissions or finder's fees in connection with any of the Transactions. There are no rights, obligations or other Liabilities under any Contract with any financial advisors, investment bankers, brokers or finders that will continue in effect beyond the Closing.

Section 3.23. Takeover Laws. To the extent that any state takeover statute or similar Law is applicable to the Transactions contemplated by this Agreement or the related ancillary agreements, the Company and the Company Board have taken such actions as are necessary, if any, to render the provisions of any "interested stockholder," "moratorium," "control share acquisition," "fair price" or other state anti-takeover law inapplicable to the Company, Parent and Merger Sub in connection with this Agreement or any of the Transactions (including the Merger). The Company does not have any "poison pill" or similar antitakeover device.

Section 3.24. Unlawful Payments.

a. Neither the Company nor any Affiliate, director, officer or employee of the Company, nor, to the Company's Knowledge, any agent, representative, sales intermediary or other third party acting on

behalf of the Company, in any way relating to the business of the Company: (i) has taken any action in violation of any applicable anticorruption Law, including the U.S. Foreign Corrupt Practices Act (15 U.S.C. § 78dd-1 et seq.); or (ii) has corruptly, offered, paid, given, promised to pay or give or authorized the payment or gift of anything of value, directly or indirectly through third parties, to any "Public Official" (as hereinafter defined) or other Person, for purposes of (A) influencing any act or decision of any Public Official or other Person in his, her or its official capacity; (B) inducing such Public Official or other Person to do or omit to do any act in violation of his, her or its lawful duty; (C) securing any improper advantage; or (D) inducing such Public Official or other Person to use his, her or its influence with a government, Governmental Entity, commercial enterprise owned or controlled by any government (including state-owned or controlled facilities), or any other Person in order to assist the business of the Company or any Person related in any way to the business of the Company, in obtaining or retaining business or directing any business to any Person.

b. There are no pending or, to the Knowledge of the Company, threatened claims against the Company with respect to violations of any applicable anticorruption Law.

c. "Public Official" means: (i) any director, officer, employee or representative of any regional, federal, state, provincial, county or municipal government or government department, agency, or other division; (ii) any director, officer, employee or representative of any commercial enterprise that is owned or controlled by a government, including any state-owned or controlled company or organization; (iii) any director, officer, employee or representative of any public international organization, such as the United Nations or the World Bank; (iv) any person acting in an official capacity for any government or government entity, enterprise, or organization identified above; and (v) any political party, party official or candidate for political office.

Section 3.25. No Known Disparagement Intention. To the Knowledge of the Company, no current holder of Company Common Stock intends (as of the Closing Date) to do anything after the Closing which, if done by a Preferred Stockholder, would violate Section 5.4(a) of this Agreement.

Section 3.26. Disclosure. To the Knowledge of the Company, the Company has disclosed to Parent and Merger Sub all facts material to the relationship of the Company with the customers and suppliers of the Company and the business, operations, prospects, results of operations, Liabilities, cash flows and condition (financial or otherwise) of the Company and the business of the Company as currently conducted. No representation or warranty or other statement made by the Company in this Agreement, the Company Disclosure Schedule, or any certificate or other document delivered hereunder contains any untrue statement of a material fact or omits any material fact necessary to make the statements contained herein or therein not misleading.

ARTICLE IV.

REPRESENTATIONS AND WARRANTIES OF PARENT AND MERGER SUB

Parent and Merger Sub jointly and severally hereby represent and warrant to the Company as follows:

Section 4.1. Organization and Qualification. Parent is a corporation duly incorporated, validly existing and in good standing under the Laws of the State of Delaware and has the requisite corporate power and authority to own, operate or lease all of the properties and assets that it purports to own, operate or lease and to carry on its business as it is now being conducted. Merger Sub is a corporation duly incorporated, validly existing and in good standing under the Laws of the State of Delaware and has the requisite corporate power and authority to own, operate or lease all of the properties and assets that it purports to own, operate or lease and to carry on its business as it is now being conducted. Each of Parent and Merger Sub is duly licensed or qualified to do business and is in good standing (with

respect to jurisdictions that recognize such concept) in each jurisdiction in which the nature of the business conducted by it or the character or location of the properties and assets owned, operated or leased by it makes such licensing or qualification necessary, except where the failure to be so licensed or qualified or in good standing would not reasonably be expected to have, when aggregated with all other such failures, a material adverse effect on Parent's or Merger Sub's ability to perform its obligations under this Agreement or prevent the consummation of the Transactions (a " Parent Material Adverse Effect").

Section 4.2. Authority. Each of Parent and Merger Sub has all necessary power and authority to execute and deliver this Agreement, to perform its obligations hereunder and to consummate the Transactions to be consummated by it. The execution and delivery by Parent and Merger Sub of this Agreement, the performance by each of Parent and Merger Sub of its obligations hereunder, and the consummation by each of Parent and Merger Sub of the Transactions to be consummated by it, have been duly and validly authorized by all necessary action on the part of Parent and Merger Sub, and no other or further action or proceeding on the part of Parent or Merger Sub or their respective equity holders is necessary to authorize the execution and delivery by Parent and Merger Sub of this Agreement, the performance by each of Parent and Merger Sub of its obligations hereunder and the consummation by each of Parent and Merger Sub of the Transactions to be consummated by it. This Agreement has been duly executed and delivered by Parent and Merger Sub and, assuming the due and valid authorization, execution and delivery of this Agreement by the Company, constitutes a valid and binding obligation of each of Parent and Merger Sub, enforceable against each of them in accordance with its terms, except that such enforceability: (a) may be limited by bankruptcy, insolvency, moratorium or other similar Laws affecting or relating to the enforcement of creditors' rights generally; and (b) is subject to general principles of equity.

Section 4.3. Consents and Approvals; No Violations.

a. Except for the filing of the Certificate of Merger with the Delaware Secretary of State, no Consent of, or filing, declaration or registration with, or notice to any Governmental Entity, which has not been received or made, is required to be obtained by or made by Parent or Merger Sub for the execution and delivery by each of Parent and Merger Sub of this Agreement or for the consummation by each of Parent and Merger Sub of the Transactions to be consummated by it, other than such Consents, filings, declarations, registrations or notices that, if not obtained or made, would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

b. The execution and delivery by each of Parent and Merger Sub of this Agreement, the performance by each of Parent and Merger Sub of its obligations hereunder, and the consummation by each of Parent and Merger Sub of the Transactions to be consummated by it do not and will not: (i) conflict with or violate any provision of the organizational or governing documents of Parent or Merger Sub; (ii) conflict with or result in a violation or breach of any Law applicable to Parent or Merger Sub or any of their respective properties or assets; (iii) conflict with, result in a violation or breach of, result in the loss of any material benefit under, constitute a default (or an event which, with notice or lapse of time, or both, would constitute a default) under, result in the termination, modification or cancellation of or a right of termination, modification or cancellation under, or accelerate the performance required under, any Contract to which Parent or Merger Sub is a party, or by which either of them or any of their respective properties or assets may be bound or affected; or (iv) result in the creation of any Lien upon any of the respective properties or assets of Parent or Merger Sub, except for such conflicts, violations, breaches, losses of benefits, defaults, events, terminations, rights of termination or cancellation, accelerations or Lien creations as would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

Section 4.4. Broker's Fees. None of Parent, or any of its Affiliates, or any of its officers or directors on behalf of Parent or any of its Affiliates, has employed any financial advisor, broker or finder in a manner that would

result in any Liability for the Company for any broker's fees, commissions or finder's fees in connection with any of the Transactions.

ARTICLE V.

COVENANTS

Section 5.1. Publicity.

a. So long as this Agreement is in effect, none of the Company, the Stockholders or any of their respective Affiliates (excluding, for the avoidance of doubt, Parent and the Surviving Corporation after the Effective Time) shall issue or cause the publication of any press release or other public or industry announcement, statement or acknowledgment with respect to the Merger, this Agreement or any of the other Transactions. Parent and its Affiliates (including, for the avoidance of doubt, the Surviving Corporation after the Effective Time) shall be permitted to issue, in their sole discretion, one or more press releases or other public or industry announcements, statements or acknowledgments with respect to this Agreement or any of the Transactions, including the Merger. For the avoidance of doubt, the Stockholders and their Affiliates shall not be restricted from (after Parent's public announcement of the Merger) issuing or causing the publication of any factually accurate press release or other public or industry announcement, statement or acknowledgment with respect to the Taxable Spinout.

b. Each Stockholder shall, and shall cause his, her or its Affiliates to, and shall cause his, her or its and their respective Representatives to, hold in confidence the existence of this Agreement, the ancillary documents contemplated by this Agreement, and the terms hereof and thereof, and each such Person shall not disclose any such information to any other Person; provided, however, that such Person may disclose any such information: (i) that after the date of this Agreement becomes generally available to the public other than through a breach by the applicable Stockholder, any of his, her or its Affiliates or any of his, her or its or their respective Representatives of their respective obligations under this Section 5.1(b); (ii) to his, her or its respective tax, accounting or legal Representatives who have a need to know such information and are informed of the confidential nature of such information; (iii) as required by applicable Law, by any Governmental Entity or under any subpoena, civil investigative demand or other similar process by a court of competent jurisdiction having jurisdiction over such Person; or (iv) with Parent's prior written consent.

Section 5.2. Further Assurances. Subject to the terms and conditions of this Agreement, each of the parties hereto agrees that, from and after the date hereof, at the reasonable request of the other party or parties, they shall execute and deliver, or cause to be executed and delivered, to the other party or parties such further documents or instruments of any kind and take, or cause to be taken, such other actions as may be reasonably necessary, proper or advisable to carry out any of the provisions of this Agreement or the Transactions. Each party shall bear its own costs and expenses in compliance with this Section 5.2.

Section 5.3. Post-Closing Confidentiality.

a. From and after the Closing, each Stockholder shall, and shall cause his, her or its Affiliates to, and shall instruct his, her or its and their respective Representatives to, hold in confidence any and all confidential, proprietary and non-public information and materials, whether in written, verbal, graphic or other form, concerning Parent, the Company or any of their respective Affiliates or any of their respective Intellectual Property (collectively, "Company Confidential Information"), except that no Stockholder nor his, her or its Affiliates shall have any obligation under this Section 5.3 with respect to any Company Confidential Information that: (i) after the date of this Agreement becomes generally available to the public other than

through a breach by the applicable Stockholder, any of his, her or its Affiliates or any of his, her or its or their respective Representatives of their respective obligations under Section 5.1 or this Section 5.3; (ii) is provided to the applicable Stockholder or any of his, her or its Affiliates by a third party that was not known to the receiving party to be bound by any duty of confidentiality to Parent, the Surviving Corporation or any of their respective Affiliates; or (iii) constitutes Spinout Assets or relates to the Spinout Preparation Agreement. In addition, each Stockholder is allowed to disclose any particular item of Company Confidential Information to his, her or its respective tax, accounting or legal Representatives to the extent such tax, accounting or legal Representative has a need to know such information (in the provision of the Representative's tax, accounting or legal services to the Stockholder) and is informed of the confidential nature of such information.

b. From and after the Closing, no Stockholder shall, and each Stockholder shall cause his, her or its Affiliates not to, and shall instruct his, her or its and their respective Representatives not to, use any Company Confidential Information except with respect to information referenced in clauses (i) through (iii) of Section 5.3(a) or as expressly authorized in writing by Parent or the Surviving Corporation. Each Stockholder shall, and shall cause his, her or its Affiliates to, and shall instruct his, her or its and their respective Representatives to, take the same degree of care to protect the Company Confidential Information that such Person uses to protect his, her or its own trade secrets and confidential information of a similar nature, which shall be no less than a reasonable degree of care.

c. Notwithstanding the foregoing, no Stockholder shall be in breach of this Section 5.3 as a result of any disclosure of Company Confidential Information that is required by applicable Law or that is required by any Governmental Entity or under any subpoena, civil investigative demand or other similar process by a court of competent jurisdiction having jurisdiction over such Stockholder; provided, however, that the applicable Stockholder shall give advance written notice of such compelled disclosure to Parent, and shall cooperate with Parent in connection with any efforts to prevent or limit the scope of such disclosure; and provided further, that the applicable Stockholder shall disclose no larger portion of such Company Confidential Information than that which is legally required to be disclosed.

d. Each Stockholder agrees to accept responsibility and liability for any breach of this Section 5.3 by any of his, her or its Affiliates or any of his, her or its or their respective Representatives.

Section 5.4. Non-Disparagement.

a. Each Preferred Stockholder agrees that he, she or it shall not, and shall cause his, her or its Affiliates not to and shall cause his, her or its and their respective Representatives not to, make or publish, verbally or in writing, any statements concerning Parent, Merger Sub, the Company or any of their respective Affiliates (including the Surviving Corporation) or any of their respective Representatives which statements are or reasonably may be construed as being injurious or inimical to the best interests of Parent, Merger Sub, the Company or any of their respective Affiliates (including the Surviving Corporation) or any of their respective Representatives, including statements alleging that Parent, Merger Sub, the Company or any of their respective Affiliates (including the Surviving Corporation) or any of their respective Representatives have acted improperly, illegally or unethically or have engaged in business practices which are improper, illegal or unethical; provided, however, that such restrictions shall not apply to any confidential communications with any Governmental Entity (including communications made in the course of any government investigation).

b. If any Preferred Stockholder breaches, or threatens to commit a breach of, any of the provisions of this Section 5.4, Parent and the Surviving Corporation shall have the following rights and remedies not subject to any limitations under Article VII, each of which rights and remedies shall be

independent of the others and severally enforceable, and each of which is in addition to, and not in lieu of, any other rights and remedies available to Parent or the Surviving Corporation under law or in equity:

i.the right and remedy to have such provision specifically enforced by any court having jurisdiction, it being acknowledged and agreed that any such breach or threatened breach may cause irreparable injury to each of Parent and the Surviving Corporation and that money damages may not provide an adequate remedy to Parent and the Surviving Corporation; and

ii.the right and remedy to recover from the applicable Preferred Stockholder all monetary damages suffered by Parent or the Surviving Corporation, as the case may be, as the result of any acts or omissions constituting a breach of this Section 5.4.

c. Each Preferred Stockholder acknowledges that the restrictions contained in this Section 5.4 (i) are reasonable and necessary to protect the legitimate interests of Parent and the goodwill, customer relationships, and Intellectual Property purchased by Parent and (ii) constitute a material inducement to Parent to enter into this Agreement and consummate the Transactions.

Section 5.5. General Release.

a. Each Stockholder, on behalf of himself, herself or itself and each of his, her or its past, present and future Affiliates, firms, corporations, limited liability companies, partnerships, trusts, associations, organizations, Representatives, investors, stockholders, members, partners, trustees, principals, consultants, contractors, family members, heirs, executors, administrators, predecessors, successors and assigns (each, a "Releasing Party" and, collectively, the "Releasing Parties"), hereby absolutely, unconditionally and irrevocably releases, acquits and forever discharges the Company, its former, present and future Affiliates, parent and subsidiary companies, joint ventures, predecessors, successors and assigns (including Parent, the Surviving Corporation and their respective Affiliates), and their respective former, present and future Representatives, investors, stockholders, members, partners, insurers and indemnitees (collectively the "Released Parties"), of and from any and all manner of action or inaction, cause or causes of action, Proceedings, Liens, Contracts, promises, Liabilities or Damages (whether for compensatory, special, incidental or punitive Damages, equitable relief or otherwise) of any kind or nature whatsoever, past, present or future, at law, in equity or otherwise (including with respect to conduct which is negligent, grossly negligent, willful, intentional, with or without malice, or a breach of any duty, Law or rule), whether known or unknown, whether fixed or contingent, whether concealed or hidden, whether disclosed or undisclosed, whether liquidated or unliquidated, whether foreseeable or unforeseeable, whether anticipated or unanticipated, whether suspected or unsuspected, which such Releasing Parties, or any of them, ever have had or ever in the future may have against the Released Parties, or any of them, and which are based on acts, events or omissions occurring up to and including the Effective Time (the "Released Claims"); provided, however, that the foregoing release shall not release, impair or diminish, and the term "Released Claims" shall not include, in any respect any rights of: (i) the Stockholders under this Agreement; or (ii) the Releasing Parties to indemnification, reimbursement or advancement of expenses under the provisions of the Certificate of Incorporation or Bylaws (or any directors' and officers' liability insurance policy maintained by the Company in respect of the same) if any Releasing Party is made a party to a Proceeding as a result of such Releasing Party's status as an officer, director or employee of the Company with respect to any act, omission, event or transaction occurring on or before the Effective Time.

b. Without limiting the generality of Section 5.5(a), with respect to the Released Claims, each Stockholder, on behalf of himself, herself or itself and each Releasing Party, hereby expressly waives all rights under Section 1542 of the California Civil Code and any similar Law or common law principle in any

applicable jurisdiction prohibiting or restricting the waiver of unknown claims. Section 1542 of the California Civil Code reads as follows:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, AND THAT IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."

c.

Notwithstanding the provisions of Section 1542 of the California Civil Code or any similar Law or common law principle in any applicable jurisdiction, and for the purpose of implementing a full and complete release and discharge of the Released Parties, each Stockholder, on behalf of himself, herself or itself and each Releasing Party, expressly acknowledges that the foregoing release is intended to include in its effect all claims which any Stockholder or any Releasing Party does not know or suspect to exist in his, her or its favor against any of the Released Parties (including unknown and contingent claims), and that the foregoing release expressly contemplates the extinguishment of all such claims (except to the extent expressly set forth herein).

c. Each Stockholder, on behalf of himself, herself or itself and each Releasing Party, acknowledges that he, she or it may hereafter discover facts in addition to or different from those which he, she or it now knows or believes to be true with respect to the subject matter of the Released Claims, but each Stockholder, on behalf of himself, herself or itself and each Releasing Party, intends to and, by operation of this Agreement shall have, fully, finally and forever settled and released any and all Released Claims without regard to the subsequent discovery of existence of such different or additional facts.

d. Each Stockholder, on behalf of himself, herself or itself and each Releasing Party, represents, warrants, covenants and agrees that such Releasing Party has not assigned or transferred and will not assign or transfer any Released Claim or possible Released Claim against any Released Party. Each Stockholder, on behalf of himself, herself or itself and each Releasing Party, agrees to indemnify and hold the Released Parties harmless from any Liabilities, Damages, costs, expenses and attorneys' fees arising as a result of any such assignment or transfer.

e. Each Stockholder, on behalf of himself, herself or itself and each Releasing Party, covenants and agrees not to, and agrees to cause his, her or its respective Affiliates not to, whether in his, her or its own capacity, as successor, by reason of assignment or otherwise, assert, commence, institute or join in, or assist or encourage any third party in asserting, commencing, instituting or joining in, any Proceeding of any kind whatsoever, in law or equity, in each case against the Released Parties, or any of them, with respect to any Released Claims.

Section 5.6. Director and Officer Insurance; Indemnification.

a. Prior to the Effective Time, the Company shall, at its own expense, purchase an extended reporting period endorsement under the Company's existing directors' and officers' liability insurance coverage in a form reasonably acceptable to Parent that shall provide the current and former members of the Company Board and the Company's officers (collectively, the "Indemnified D&Os") with coverage for six (6) years following the Effective Time of not less than the existing coverage and have other terms not materially less favorable to the insured persons than the Company's directors' and officers' liability insurance coverage presently maintained by the Company.

b. The Surviving Corporation will not knowingly take any action to alter or impair any indemnification provisions now existing in the Certificate of Incorporation or Bylaws for the benefit of any Indemnified D&Os; provided, however, that no individual who served as a director or officer of the

Company at any time prior to the Effective Time shall be entitled to indemnification from the Surviving Corporation for any matter which any Indemnitee (as hereinafter defined) is entitled to indemnification pursuant to Article VII.

Section 5.7. Section 280G. The Company shall submit to all the Stockholders for approval (in a manner reasonably satisfactory to Parent), by the holders of such number of shares of Company Capital Stock as is required by the terms of Section 280G(b)(5)(B) of the Code, any payments and/or benefits that may separately or in the aggregate, constitute "parachute payments" pursuant to Section 280G of the Code ("Section 280G Payments") (which determination shall be made by the Company and shall be subject to the reasonable review and approval by Parent), such that such payments and benefits shall not be deemed to be Section 280G Payments, and prior to the Effective Time the Company shall deliver to Parent evidence reasonably satisfactory to Parent that (A) a vote of the Stockholders was solicited in conformance with Section 280G and the regulations promulgated thereunder (including the distribution of an appropriate information statement and execution of a 280G Waiver in advance of such distribution) and the requisite Stockholder approval was obtained with respect to any payments and/or benefits that were subject to the Stockholder vote (the "Section 280G Stockholder Approval"), or (B) that the Section 280G Stockholder Approval was not obtained and as a consequence, that such payments and/or benefits shall not be made or provided to the extent they would cause any amounts to constitute Section 280G Payments, pursuant to the waivers of those payments and/or benefits (the "280G Waiver"), which were executed by the affected individuals prior to the Stockholder vote.

ARTICLE VI.

TAX MATTERS

Section 6.1. Conflict. In the event of any conflict or overlap between the provisions of this Article VI and Article VII, the provisions of this Article VI shall control.

Section 6.2. Tax Returns. Parent shall, or shall cause the Surviving Corporation to, prepare or cause to be prepared (consistent with past practice, except as required by applicable Law) and file or cause to be filed all Tax Returns of the Company for all periods ending on or before the Closing Date that are required to be filed after the Closing Date. Parent shall provide the Stockholders' Representative with a copy of each such income or other material Tax Return reflecting an amount for which indemnity will be sought under Article VII at least 20 days before the applicable filing date and shall consider in good faith the Stockholders' Representative's comments to such Tax Return.

Section 6.3. Cooperation on Tax Matters. Parent, the Surviving Corporation, the Stockholders and the Stockholders' Representative shall fully cooperate, to the extent reasonably requested by the other party, with respect to the filing of Tax Returns, filing of Tax elections, and any audit, litigation or other Proceeding with respect to Taxes. Such cooperation shall include the retention and provision of records and information relevant to such audit, litigation or other Proceeding and making employees available on a mutually convenient basis to provide additional information. Parent, the Stockholders and the Stockholders' Representative agree to retain records with respect to Tax matters pertinent to the Company until the expiration of the relevant statute of limitations. Parent, the Stockholders and the Stockholders' Representative further agree to use their reasonable efforts to obtain any certificate or other document from any Governmental Entity as may be necessary to mitigate, reduce or eliminate any Tax that may be imposed.

Section 6.4. Tax Contests. The Stockholders' Representative shall promptly notify Parent upon receipt by any Stockholder or the Stockholders' Representative of any written notice of any inquiries, claims, assessments, audits or similar events with respect to Taxes relating to a Pre-Closing Tax Period (any such inquiry, claim, assessment, audit or similar event, a "Tax Matter"). Subject to Section 6.8, in Parent's sole discretion, Parent may elect to have sole control of the conduct of any Tax Matter, including any settlement or compromise thereof; provided that Parent shall

not settle or compromise such Tax Matter without the prior written consent of the Stockholders' Representative (not to be unreasonably withheld, conditioned or delayed; and provided that if such consent is unreasonably withheld, conditioned or delayed such consent shall not be considered to be required). If Parent does not elect to have such sole control, the Stockholders' Representative shall, and shall cause the Stockholders to, provide copies of all correspondence with the applicable Governmental Entity, and neither the Stockholders nor the Stockholders' Representative shall settle or compromise such Tax Matter without the prior written consent of Parent (not to be unreasonably withheld, conditioned or delayed). Except as otherwise provided in this Section 6.4 or Section 6.8, Parent shall have the sole right to control any audit or examination by any Tax authority, initiate any claim for refund or amend or file any Tax Return, and contest, resolve and defend against any assessment for additional Taxes, notice of Tax deficiency or other adjustment of Taxes of, or relating to, the income, assets or operations of the Company for all Tax periods.

Section 6.5. Tax Sharing Agreements. All Tax sharing agreements or similar agreements between the Company, on the one hand, and any of the Stockholders and their Affiliates, on the other hand, shall be terminated before the Closing Date, and, after the Closing Date, the Company shall not be bound thereby or have any Liability thereunder.

Section 6.6. Straddle Periods. For purposes of this Agreement, the portion of any Tax that relates to the portion of any Straddle Period ending on the Closing Date shall (a) in the case of real property, personal property and similar ad valorem Taxes be deemed to be the amount of such Tax for the entire Straddle Period multiplied by a fraction (i) the numerator of which is the number of days in the Straddle Period ending on the Closing Date and (ii) the denominator of which is the number of days in the entire Straddle Period and (b) in the case of any other Tax, be deemed equal to the amount which would be payable if the relevant Straddle Period ended on the Closing Date, provided that exemptions, allowances or deductions that are calculated on an annual basis, such as amortization and depreciation deductions (other than with respect to property placed into service after the Closing Date) shall be allocated on a per diem basis.

Section 6.7. Post-Closing Actions. None of Parent or its Affiliates shall, or shall cause or permit the Surviving Corporation to, unreasonably: (i) amend any Tax Return of the Company with respect to any Pre-Closing Tax Period, enter into any voluntary disclosure agreement, engage in any voluntary compliance procedures or make any other similar voluntary contact with any Tax authority with respect to any Tax Return or Tax of the Company for any Pre-Closing Tax Period, (ii) consent to the extension or waiver of the limitations period applicable to any Tax claim or assessment with respect to the Company for any Pre-Closing Tax Period, or (iii) make any Tax election with respect to the Company that has effect for any Pre-Closing Tax Period, if, in each case, such action could reasonably be expected to result in an amount for which indemnity may be sought under Article VII.

Section 6.8. Tax Reporting. Notwithstanding anything to the contrary contained herein, for purposes of determining the Company's Taxes for any Pre-Closing Tax Period, including any Taxes arising out of or relating to the Taxable Spinout, and for purposes of determining the Tax consequences of the Taxable Spinout and the Merger to the Stockholders: (i) Parent, the Company, Spinout Company and each Stockholder shall treat the Spinout Stock received by such Stockholder as partial consideration for such Stockholder's shares of Company Capital Stock in connection with the Merger for U.S. income Tax purposes, (ii) none of the Tax Returns of Parent, the Company, Spinout Company or any Stockholder shall reflect any position inconsistent with the Valuation, unless otherwise required by a Governmental Entity in connection with an audit or examination, it being understood and agreed that in the event the Valuation is challenged by any Governmental Entity, the Stockholders' Representative shall have the right to assume the defense against any such challenge, (iii) any deductions attributable to payments of any Change of Control Payments, Company Transaction Expenses, Accrued Compensation or Deferred Compensation and any net operating losses of the Company shall be used to the fullest extent permitted by applicable Law to offset gain of the Company related to the Taxable Spinout (and in furtherance thereof, the Company shall make a closing-of-the-books election

pursuant to Treasury Regulations Section 1.382-6(b) unless requested otherwise by the Stockholders' Representative), and (iv) the Company and Spinout Company shall make an election pursuant to Section 336(e) of the Code and any similar provision of state, local, or non-U.S. Tax laws in connection with the Company's disposition of Spinout Stock.

ARTICLE VII.

SURVIVAL AND INDEMNIFICATION

Section 7.1. Survival of Representations and Covenants.

a. Survival. Subject to Section 7.1(d), the representations and warranties made by the Company in this Agreement shall survive the Effective Time until the first anniversary of the Closing Date (the date of expiration of such period, the "Survival Date"); provided, however, that, the representations and warranties made by the Company in Section 3.16(k), and the right to make indemnification claims in respect of such representations and warranties, shall survive until the sixth anniversary of the Closing Date (with all references herein to the "Survival Date" being understood to be references to, with regard to the representations and warranties made by the Company in Section 3.16(k), and the right to make indemnification claims in respect of such representations and warranties, the date of expiration of such six-year period); provided, further, that if, at any time on or before the Survival Date, any Indemnitee delivers to the Stockholders' Representative a written notice alleging the existence of an inaccuracy in or a breach of, or a potential inaccuracy in or a potential breach of, any such representation or warranty and asserting facts reasonably expected to establish a claim for recovery under Section 7.2 based on such alleged inaccuracy or breach or potential inaccuracy or breach, then the relevant representation and warranty and claim for recovery shall survive the Survival Date solely with respect to such claim until such time as such claim is fully and finally resolved or withdrawn.

b. Parent Representations. All representations and warranties made by Parent and Merger Sub shall terminate and expire at the Effective Time, and any liability of Parent or Merger Sub with respect to such representations and warranties shall thereupon cease.

c. Survival of Covenants. All covenants and agreements of the parties hereto contained herein shall survive the Effective Time until fully waived in writing, performed or complied with.

d. Intentional Misrepresentation; Fraud. The limitations set forth in Section 7.1(a) and Section 7.1(b) shall not apply in the event of any intentional misrepresentation or fraud (as determined by a non-appealable and binding decision by a court of law having jurisdiction over the parties).

Section 7.2. Indemnification by the Stockholders.

a. Indemnification. From and after the Effective Time (but subject to Section 7.1 and Section 7.3), the Stockholders, severally but not jointly, shall hold harmless and indemnify each of the Indemnitees from and against, and shall compensate and reimburse each of the Indemnitees for, any Damages which are directly or indirectly suffered or incurred at any time by any of the Indemnitees or to which any of the Indemnitees may otherwise directly or indirectly become subject at any time (regardless of whether or not such Damages relate to any Third Party Claim) and which arise directly or indirectly from or as a result of, or are directly or indirectly connected with:

i.any inaccuracy in or breach of any representation or warranty made by the Company in this Agreement or in any other agreement, document, certificate or instrument entered into or delivered by or on behalf of the Company or the Stockholders under or pursuant to this Agreement or in connection with the Transactions;

ii.any breach or non-fulfillment of any covenant or other obligation of or to be performed by any of the Stockholders or the Stockholders' Representative (in his, her or its capacity as such) in this Agreement or in any other agreement, document, certificate or instrument entered into or delivered by or on behalf of the Stockholders under or pursuant to this Agreement or in connection with the Transactions;

iii.without duplication, any unpaid Pre-Closing Taxes not accounted for in the calculation of the Final Merger Consideration;

iv.without duplication, any inaccuracy in the Allocation Schedule or schedule of Pre-Preference-Satisfaction Pro Rata Shares or Post-Preference-Satisfaction Pro Rata Shares;

v.without duplication, any claim of a Stockholder or former stockholder of the Company or any claim of a holder of Company Options or former holder of Company Options, in each case in his, her or its capacity as such, or of any other Person, to receive any payment (other than the right of the listed Stockholders of record to receive their respective Pre-Preference-Satisfaction Pro Rata Shares of the Net Estimated Merger Consideration and (if and when ever applicable) their respective Pre-Preference-Satisfaction Pro Rata Shares of the portion of the Additional Merger Consideration before the point of Preference Satisfaction (if any) and their respective Post-Preference-Satisfaction Pro Rata Shares of the portion of the Additional Merger Consideration after the point of Preference Satisfaction (if any) pursuant to this Agreement) based upon a claim of ownership or rights to ownership of any equity interests of the Company;

vi.without duplication, the amount of any Change of Control Payment, any Accrued Compensation, any Deferred Compensation, any Company Transaction Expenses, or any Indebtedness remaining unpaid at the Closing and not accounted for in the calculation of the Final Merger Consideration;

vii.any claim for appraisal or dissenters' rights under the laws of any State, including any payment in respect of Dissenting Shares in excess of the amounts otherwise payable to the holders seeking such rights under Section 2.6(c)/Section 2.6(d) and any other costs or expenses (including attorneys' fees, costs and expenses in connection with any Proceeding or in connection with any investigation) in respect of any such claims;

viii.any claim, liability or obligation in respect of or directly associated with any Spinout Assets, whether arising before or after the Closing;

ix.any claim by The Board of Trustees of the Leland Stanford Junior University that the Merger Consideration and Additional Merger Consideration should be treated as Nonroyalty Sublicensing Consideration under Stanford Agreement 2016 so as to result in any amounts being payable to The Board of Trustees of the Leland Stanford Junior University under Section 4.6 of Stanford Agreement 2016 as a result of such characterization; or

x.any portion of the principal amount of (and the corresponding interest on) any PPP loan received by the Company which by January 31, 2021 is not forgiven pursuant to applicable Law under applicable PPP program rules.

b. Damage to Parent. The parties acknowledge and agree that, if the Surviving Corporation suffers, incurs or otherwise becomes subject to any Damages as a result of or in connection with any inaccuracy in or breach of any representation, warranty, covenant or obligation, then (without limiting any of the rights of the Surviving Corporation as an Indemnitee) Parent shall also be deemed, by virtue of its ownership of the capital stock of the Surviving Corporation, to have incurred Damages as a result of and in connection with such inaccuracy or breach. This Section 7.2(b) shall not, however, allow a duplicative recovery of the same Damages by Parent, on the one hand, and the Indemnitees other than Parent, on the other hand.

Section 7.3. Limitations.

a. Basket.

i. The Stockholders shall not be required to make any indemnification payment pursuant to Section 7.2(a)(i)-(vii) until such time as the total amount of all Damages that have been directly or indirectly suffered or incurred by any one or more of the Indemnitees, or to which any one or more of the Indemnitees has or have otherwise directly or indirectly become subject, exceeds $20,000 (the "Basket Amount") in the aggregate. Once the total amount of such Damages exceeds the Basket Amount, then the Indemnitees shall be entitled to be indemnified and held harmless against and compensated and reimbursed for the entire amount of such Damages (subject to the Section 7.3(b) cap, if applicable), and not merely the portion of such Damages exceeding the Basket Amount.

ii. The limitation set forth in Section 7.3(a)(i) shall not apply (and shall not limit the indemnification or other obligations solely of the Stockholder or Stockholders that perpetuated such intentional misrepresentation or fraud) in the event of intentional misrepresentation or fraud (as determined by a non-appealable and binding decision by a court of law having jurisdiction over the parties).

b. Overall Liability Cap. Recourse by the Indemnitees under this Article VII shall be limited to an aggregate amount equal to the Additional Merger Consideration; provided, however, that the limitation set forth in this Section 7.3(b) shall not apply (and shall not limit the indemnification or other obligations solely of the Stockholder or Stockholders that perpetuated such intentional misrepresentation or fraud) in the event of intentional misrepresentation or fraud (as determined by a non-appealable and binding decision by a court of law having jurisdiction over the parties).

c. Qualifications. For purposes of Section 7.2(a), with respect to each representation, warranty, covenant or agreement contained in this Agreement that is subject to a "materiality," "material," "Company Material Adverse Effect," "in all material respects" or similar qualification (but not including knowledge or Knowledge of the Company), any such qualification shall be disregarded for purposes for purposes of calculating the amount of any Damages that is subject to indemnification hereunder.

d. Representations Not Limited. The Company and the Stockholders agree that the Indemnitees' rights to indemnification, compensation and reimbursement contained in this Article VII relating to the representations, warranties, covenants and obligations of the Company and the Stockholders are part of the basis of the bargain contemplated by this Agreement; and such representations, warranties, covenants and obligations, and the rights and remedies that may be exercised by the Indemnitees with respect thereto, shall not be waived, limited or otherwise affected by or as a result of (and the Indemnitees shall be deemed to have relied upon such representations, warranties, covenants or obligations notwithstanding) any knowledge on the part of any of the Indemnitees or any of their Representatives, regardless of whether obtained through any investigation by any Indemnitee or any Representative of any Indemnitee or through disclosure by the

Company or any other Person (other than by specific inclusion in the Company Disclosure Schedule), and regardless of whether such knowledge was obtained before or after the execution and delivery of this Agreement.

e. Special Rule. For avoidance of doubt: this Section 7.3 shall not apply to Section 7.2(a)(ix) or Section 7.2(a)(x).

f. No Double Recovery. If an Indemnitee's claim under Section 7.2(a) based on a single nucleus of operative facts may be brought under different sections of Section 7.2(a), then such Indemnitee shall have the right to bring such claim under any applicable section it chooses in accordance with Section 7.2(a), provided, however, that in no event shall any Indemnitee be entitled to double recovery with respect to any particular incident, fact or event which resulted in Damages subject to indemnification under Section 7.2(a) regardless of whether there were breaches of more than one representation, warranty, covenant, agreement or otherwise.

Section 7.4. No Contribution. Each Stockholder waives, and each Stockholder acknowledges and agrees that such Stockholder shall not have and shall not exercise or assert (or attempt to exercise or assert), any right of contribution, right of indemnity or advancement of expenses or other right or remedy against Parent, the Surviving Corporation or the Company in connection with any indemnification obligation or any other Liability to which such Stockholder may become subject under or in connection with this Agreement or any other agreement, document, certificate or instrument delivered to Parent in connection with this Agreement. Effective as of the Closing, each Stockholder expressly waives and releases any and all rights of subrogation, contribution, advancement, indemnification or other claim against Parent, the Surviving Corporation or the Company. It is agreed, however, that this Section 7.4 shall not apply to indemnification rights of officers or directors of the Company as such, except in cases of bad faith or willful misconduct.

Section 7.5. Tax Limitations. Notwithstanding anything to the contrary contained herein, no Indemnitee shall have a claim for Damages under this Article VII with respect to: (i) the amount, value or condition of, or any Indemnitee's ability to use after the Closing Date, any Tax attributes of the Company (and neither the Stockholders nor the Company are making nor shall be construed to have made any representation or warranty with respect to such matters), (ii) any Taxes resulting from any election by or at the direction of Parent under Section 338 of the Code (or any similar or analogous provision of applicable law) with respect to the transactions contemplated hereby, or (iii) any Taxes resulting from any action taken by Parent or the Company at the direction of Parent on the Closing Date after the Closing outside the ordinary course of business. There shall be no double-recovery of Damages under this Article VII to the extent of (and in respect of) the amount of Taxes that were taken into account in the calculation of Indebtedness, Change of Control Payments, Company Transaction Expenses, Current Liabilities, Accrued Compensation or Deferred Compensation.

Section 7.6. Defense of Third Party Claims.

a. In the event of the assertion or commencement by any Person, other than a party hereto, of any claim or Proceeding (whether against the Surviving Corporation, the Company, Parent or any other Person) with respect to which the Stockholders may become obligated to hold harmless, indemnify, compensate or reimburse any Indemnitee pursuant to this Article VII (a "Third Party Claim"), Parent shall have the right, at its election, to proceed with the defense of such Third Party Claim on its own with counsel reasonably satisfactory to the Stockholders' Representative; provided, however, that the Stockholders' Representative may retain separate co-counsel at its sole cost and expense and participate in the defense of such Third Party Claim or Proceeding. If Parent so proceeds with the defense of any such Third Party Claim:

i. subject to the other provisions of this Article VII, all reasonable expenses relating to the defense of such Third Party Claim shall be borne and paid exclusively by the Stockholders solely from the Additional Merger Consideration and any recoveries of such defense costs therefrom shall count against the liability cap set forth in Section 7.3(b);

ii. the Stockholders' Representative shall use commercially reasonable efforts to make available to Parent any reasonably requested documents and materials in his, her or its and in the Stockholders' possession or control that may be necessary to the defense of such Third Party Claim; and

iii. Parent may not settle, adjust or compromise such Third Party Claim without the consent of the Stockholders' Representative (it being understood and agreed that if Parent requests that the Stockholders' Representative consent to a settlement, adjustment or compromise, the Stockholders' Representative shall not unreasonably withhold, condition or delay such consent; without limitation, withholding, delaying or conditioning such consent will not be deemed to be unreasonable if such settlement, adjustment or compromise does not provide full release of the claims raised against the respective Stockholders).

b. If Parent does not elect to proceed with the defense of any such Third Party Claim, the Stockholders' Representative shall proceed with the defense of such Third Party Claim with counsel reasonably satisfactory to Parent; provided, however, that the Stockholders' Representative may not settle, adjust or compromise any such Third Party Claim without the prior written consent of Parent (which consent may not be unreasonably withheld, conditioned or delayed; without limitation, withholding, delaying or conditioning such consent will not be deemed to be unreasonable if such settlement, adjustment or compromise does not provide full release of the claims raised against Parent and the Surviving Corporation). Parent shall give the Stockholders' Representative prompt notice of the commencement of any such Third Party Claim against any Indemnitee and shall keep the Stockholders' Representative reasonably informed at all stages thereof; provided, however, that any failure on the part of Parent to so notify the Stockholders' Representative shall not limit any of the obligations of the Stockholders under this Article VII (except to the extent such failure materially prejudices the defense of such Third Party Claim).

Section 7.7. Indemnification Claim Procedure.

a. If any Indemnitee has or claims in good faith to have incurred or suffered, or believes in good faith that it may (pursuant to a Third Party Claim asserted or commenced before the Survival Date) incur or suffer, Damages for which it is or may be entitled to be held harmless, indemnified, compensated or reimbursed under this Article VII or for which it is or may be entitled to a monetary remedy (such as in the case of a claim based on fraud or intentional misrepresentation), such Indemnitee may deliver a notice of claim (a "Notice of Claim") promptly, and in any case within 30 days' of becoming aware of such claim, to the Stockholders' Representative and, to the extent any Additional Merger Consideration remains, to Parent. Each Notice of Claim shall: (i) state that such Indemnitee believes in good faith that such Indemnitee is or may be entitled to indemnification, compensation or reimbursement under this Article VII or is or may otherwise be entitled to a monetary remedy; (ii) contain a brief description of the facts and circumstances supporting the Indemnitee's claim; and (iii) contain a good faith, non-binding, preliminary estimate of the aggregate amount of the actual and potential Damages that the Indemnitee reasonably believes have arisen and may arise as a result of such facts and circumstances (the aggregate amount of such estimate, as it may be modified by such Indemnitee in good faith from time to time, being referred to as the "Claimed Amount").

b. During the 20-day period commencing upon delivery by an Indemnitee to the Stockholders' Representative of a Notice of Claim (the "Claim Dispute Period"), the Stockholders'

Representative may deliver to the Indemnitee who delivered the Notice of Claim and, to the extent any Additional Merger Consideration remains, to Parent a written response (the "Response Notice") in which the Stockholders' Representative: (i) agrees that the full Claimed Amount is owed to the Indemnitee; (ii) agrees that part, but not all, of the Claimed Amount (such agreed portion, the "Agreed Amount") is owed to the Indemnitee; or (iii) in good faith indicates that no part of the Claimed Amount is owed to the Indemnitee. If the Response Notice is delivered in accordance with clause (ii) or (iii) of the preceding sentence, the Response Notice shall also contain a brief description of the facts and circumstances supporting the Stockholders' Representative's claim that only a portion or no part of the Claimed Amount is owed to the Indemnitee, as the case may be. Any part of the Claimed Amount that is not agreed to be owed to the Indemnitee pursuant to the Response Notice (or the entire Claimed Amount, if the Stockholders' Representative asserts in the Response Notice that no part of the Claimed Amount is owed to the Indemnitee) is referred to in this Agreement as the "Contested Amount" (it being understood that the Contested Amount shall be modified from time to time to reflect any good faith modifications by the Indemnitee to the Claimed Amount). If no Response Notice is delivered before the expiration of the Claim Dispute Period, then the Stockholders shall be conclusively deemed to have agreed that the full Claimed Amount is owed to the Indemnitee.

c. If: (i) the Stockholders' Representative delivers a Response Notice agreeing that the full Claimed Amount is owed to the Indemnitee; or (ii) the Stockholders' Representative does not deliver a Response Notice during the Claim Dispute Period, then, within three Business Days following the receipt of such Response Notice by the Indemnitee (and, to the extent any Additional Merger Consideration remains, by Parent) or within three Business Days after the expiration of the Claim Dispute Period, as the case may be: (A) to the extent any Additional Merger Consideration remains, Parent shall release to the applicable Indemnitee from the Additional Merger Consideration an amount in cash equal to the full Claimed Amount (or such lesser amount as is then the remaining Additional Merger Consideration).

d. If the Stockholders' Representative delivers a Response Notice during the Claim Dispute Period agreeing that less than the full Claimed Amount is owed to the Indemnitee, then within three Business Days following the receipt of such Response Notice by the Indemnitee (and, to the extent any Additional Merger Consideration remains, by Parent), to the extent any Additional Merger Consideration remains, Parent shall release to the applicable Indemnitee from the Additional Merger Consideration an amount in cash equal to the Agreed Amount (or such lesser amount as is the remaining Additional Merger Consideration).

e. If the Stockholders' Representative delivers a Response Notice during the Claim Dispute Period indicating that there is a Contested Amount, the Stockholders' Representative and the Indemnitee shall attempt in good faith to resolve the dispute related to the Contested Amount. If the Indemnitee and the Stockholders' Representative resolve such dispute, a settlement agreement stipulating the amount owed to the Indemnitee (the "Stipulated Amount") shall be signed by the Indemnitee and the Stockholders' Representative; provided, that other than in the case of intentional misrepresentation or fraud (as determined by a non-appealable and binding decision by a court of law having jurisdiction over the parties), in no event shall the Stipulated Amount be greater than the then remaining Additional Merger Consideration. Within three Business Days following the execution of such settlement agreement, to the extent any Additional Merger Consideration remains, Parent shall pay to the applicable Indemnitee an amount in cash equal to the Stipulated Amount (or such lesser amount as is the remaining Additional Merger Consideration).

f. In the event that there is a dispute relating to any Notice of Claim or any Contested Amount (whether it is a matter between any Indemnitee, on the one hand, and the Stockholders, on the other hand, or it is a matter that is subject to a Third Party Claim brought against any Indemnitee) that remains

unresolved after application of the terms of Section 7.7(a)-(e), such dispute shall be settled in accordance with Section 8.10 hereof.

g. Notwithstanding the foregoing, nothing in this Section 7.7 shall increase or expand the indemnification obligations or liabilities of the Stockholders beyond the Additional Merger Consideration (except in the case of intentional misrepresentation or fraud, as determined by a non-appealable and binding decision by a court of law having jurisdiction over the parties, solely with respect to the Stockholder or Stockholders that perpetuated such intentional misrepresentation or fraud).

Section 7.8. Setoff. In addition to Section 7.7 and any rights of setoff or other similar rights that Parent or any of the other Indemnitees may have at common law or otherwise, Parent shall have the right to withhold and deduct from any sum that is or may be owed to any Stockholder hereunder: (a) any amount that is otherwise payable by any Stockholder to any Indemnitee under this Article VII or to Parent but has not yet been paid; and (b) pending final determination of such dispute (including any final determination under Section 2.10 or Section 7.7), any amount with respect to which there is a dispute as to whether such amount is payable by the Stockholder to any Indemnitee or to Parent under this Agreement.

Section 7.9. Exercise of Remedies Other Than by Parent. No Indemnitee (other than Parent, the Surviving Corporation or any successor thereto or assign thereof) shall be permitted to assert any indemnification claim or exercise any other remedy under this Agreement unless Parent, the Surviving Corporation or any successor thereto or assign thereof, as the case may be, shall have consented to the assertion of such indemnification claim or the exercise of such other remedy.

Section 7.10. Additional Merger Consideration Release.

a. If the remaining Additional Merger Consideration as of the Survival Date that exceeds the aggregate dollar amount, as of the Survival Date, of Claimed Amounts and Contested Amounts associated with all indemnification claims contained in any Notice of Claim that have not been finally resolved and paid before the Survival Date in accordance with Section 7.7 (each, an "Unresolved Additional Merger Consideration Claim" and the aggregate dollar amount of such Claimed Amounts and Contested Amounts as of the Survival Date being referred to as the "Pending Claim Amount"), then Parent shall, within three Business Days following the Survival Date, deliver an amount equal to such remaining Additional Merger Consideration *minus* the Pending Claim Amount to the Paying Agent (on behalf of and for distribution to the former Stockholders on a Pre-Preference-Satisfaction Pro Rata Share basis and/or, if and as applicable, on a Post-Preference-Satisfaction Pro Rata Share).

b. Following the Survival Date, if an Unresolved Additional Merger Consideration Claim is finally resolved, Parent shall, within three Business Days after the final resolution of such Unresolved Additional Merger Consideration Claim, deliver: (i) to the applicable Indemnitee an amount in cash determined in accordance with Section 7.7, if any, and (ii) to the Paying Agent (on behalf of and for distribution to the former Stockholders on a Pro Rata Share basis) an amount equal to the amount (if any) by which the remaining Additional Merger Consideration as of the date of resolution of such Unresolved Additional Merger Consideration Claim exceeds the then remaining Pending Claim Amount.

c. With regard to any Additional Merger Consideration (i.e., any post-Survival-Date Earnout Consideration) arising after the Survival Date, Section 7.10(a)-(b) shall be applied on each January 1, April 1, July 1 and each October 1 after the Survival Date as if such January 1, April 1, July 1 or such October 1 were the Survival Date – *mutatis mutandis*.

d. Notwithstanding anything to the contrary in this Agreement, if an Indemnitee delivers a Notice of Claim pursuant to the indemnity set forth in Section 7.2(a) for breaches of the representations and warranties made by the Company in Section 3.16(k), the payment of any applicable Additional Merger Consideration due shall not be withheld, setoff or delayed unless a third party has filed a Proceeding for the alleged infringement, misappropriation or similar claim, or the Indemnitee has filed a good faith declaratory judgment Proceeding against the third party with regard thereto, or the Indemnitee has agreed to a pre-Proceeding settlement with regard to the alleged infringement, misappropriation or similar claim. Nothing in this Section 7.10(d) shall affect in any way any Section 7.1(a) survival period or limit the ability of the Indemnitees to obtain indemnification for Damages in the aggregate amount specified in, and subject to, Section 7.3(b).

Section 7.11. Exclusive Remedy. Except: (a) for equitable relief, to which any party hereto may be entitled pursuant to this Agreement; (b) for Damages resulting from or arising out of fraud or intentional misrepresentation (as determined by a non-appealable and binding decision by a court of law having jurisdiction over the parties); and (c) as otherwise expressly provided in this Agreement, after the Effective Time the indemnification provided in this Article VII shall be the sole and exclusive remedy of the parties for monetary damages for any of the matters listed in Section 7.2(a) above, including, without limitation, any breach of any representation, warranty or covenant contained in this Agreement, but expressly excluding any intentional misrepresentation or fraud (as determined by a non-appealable and binding decision by a court of law having jurisdiction over the parties).

Section 7.12. Characterization of Payments. Any indemnity payments made pursuant to this Article VII shall constitute an adjustment to the Final Merger Consideration for Tax purposes and shall be treated as such by the parties to this Agreement and the Stockholders on their Tax Returns unless otherwise required by applicable law.

ARTICLE VIII.

MISCELLANEOUS

Section 8.1. Amendment and Modification. This Agreement may be amended, modified or supplemented in any and all respects by (but only by) written agreement of the parties hereto.

Section 8.2. Waiver.

a. No failure on the part of any party to assert or exercise any power, right, privilege or remedy under this Agreement, and no delay on the part of any party in asserting or exercising any power, right, privilege or remedy under this Agreement, shall operate as a waiver of such power, right, privilege or remedy; and no single or partial assertion or exercise of any such power, right, privilege or remedy shall preclude any other or further assertion or exercise thereof or of any other power, right, privilege or remedy.

b. No party shall be deemed to have waived any claim arising out of this Agreement, or any power, right, privilege or remedy under this Agreement, unless the waiver of such claim, power, right, privilege or remedy is expressly set forth in a written instrument duly executed and delivered on behalf of such party; and any such waiver shall not be applicable or have any effect except in the specific instance in which it is given.

Section 8.3. Notices. Any notice, request, approval, consent or other such communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been sufficiently given if and only if delivered in person, by email or by internationally recognized overnight courier service to the party to which it is directed at its physical or email address shown below or such other physical or email address as such party shall have last given by such written notice to the other parties in accordance with this Section:

a. if to the Company (before the Effective Time), to:

xCella Biosciences, Inc.
1440 O'Brien Drive, Suite D
Menlo Park, CA 94025
Attention: Dirk Thye
Email: dthye@xcellabio.com

with a copy (which shall not constitute notice) to:

Wilson Sonsini Goodrich & Rosati, P.C.
650 Page Mill Road
Palo Alto, CA 94304
Attention: Michael Coke
Email: mcoke@wsgr.com

b. if to the Stockholders' Representative, to:

Eton Venture Services, Ltd. Co.
3112 Windsor Drive, Suite A208
Austin, TX 78703
Attention: Chris Walton
Email: cwalton@etonvs.com

with a copy (which shall not constitute notice) to:

Wilson Sonsini Goodrich & Rosati, P.C.
650 Page Mill Road
Palo Alto, CA 94304
Attention: Michael Coke
Email: mcoke@wsgr.com

c. if to Parent or Merger Sub (or, from and after the Effective Time, the Surviving Corporation), to:

Ligand Pharmaceuticals Incorporated
3911 Sorrento Valley Boulevard, Suite 110
San Diego, California 92121
Attention: Charles Berkman
Email: cberkman@ligand.com

with a copy (which shall not constitute notice) to:

Stradling Yocca Carlson & Rauth, a Professional Corporation
4365 Executive Drive, Suite 1500
San Diego, California 92121
Attention: Hayden Trubitt
Email: htrubitt@sycr.com

If sent by email, the date on which such notice, request, approval or consent shall be deemed delivered is the date of transmission, if such notice, request, approval or consent is sent via email to such email address before 5:00 p.m. at the location of receipt on a Business Day, or the first Business Day after the date of transmission, if such notice, request, approval or consent is sent via email to such email address at or after 5:00 p.m. at the location of receipt on a Business Day or on a day that is not a Business Day. If sent by internationally recognized overnight courier, the date on which such notice, request, approval or consent shall be deemed delivered is the next Business Day after the date of deposit with such courier (by the courier's stated time for enabling next-business-day delivery), and if delivered after such stated time shall be deemed to be the second Business Day after the date of deposit.

Section 8.4. Counterparts. This Agreement may be executed in any number of counterparts, and by the different parties hereto in separate counterparts, each of which when executed shall be deemed an original, but all of which shall be considered one and the same agreement, and shall become effective when each party has received counterparts signed by each of the other parties, it being understood and agreed that delivery of a signed counterpart signature page to this Agreement by electronic mail attachment in portable document format (".pdf") form, or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document shall constitute valid and sufficient delivery thereof.

Section 8.5. Entire Agreement; Third Party Beneficiaries.

a. This Agreement (including the documents and the instruments referred to herein) constitutes the entire agreement among the parties with respect to the subject matter of this Agreement and supersedes all prior and contemporaneous agreements and understandings, whether written and oral, among or between the parties (or among or between any set of the parties) with respect to the subject matter of this Agreement; provided, however, that any existing confidentiality agreement shall remain in effect until the Effective Time. None of the parties hereto have made any promises, representations, warranties, covenants, or undertakings, other than those expressly set forth herein, to induce the other parties to execute and deliver this Agreement, and each of the parties acknowledge that the other parties have not executed or delivered this Agreement in reliance upon any such promise, representation, or warranty, covenant or undertaking not contained herein.

b. Except for the rights of Stockholders, Indemnified D&Os and Indemnitees expressly set forth herein, nothing in this Agreement, express or implied, is intended to or shall confer upon any Person, other than the parties hereto and their respective successors and permitted assigns, any rights, benefits or remedies whatsoever.

Section 8.6. Severability. Any term, provision, covenant or restriction of this Agreement that is invalid, void or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms, provisions, covenants and restrictions hereof or the validity or enforceability of the offending term, provision, covenant or restriction in any other situation or in any other jurisdiction. If the final judgment of a court of competent jurisdiction declares that any term, provision, covenant or restriction hereof is invalid or unenforceable, the parties hereto agree that the court making such determination shall have the power to limit the term, provision, covenant or restriction, to delete specific words or phrases or to replace any invalid, void or unenforceable term, provision, covenant or restriction with a term, provision, covenant or restriction that is valid and enforceable and that comes closest to expressing the intention of the invalid, void or unenforceable term, provision, covenant or restriction, and this Agreement shall be enforceable as so modified. In the event such court does not exercise the power granted to it in the prior sentence, the parties hereto agree to negotiate in good faith to replace such invalid, void or unenforceable term, provision, covenant or restriction with a valid and enforceable term, provision, covenant or restriction that will

achieve, to the extent possible, the economic, business and other purposes of such invalid, void or unenforceable term, provision, covenant or restriction.

Section 8.7. Governing Law. This Agreement, and all claims or causes of action (whether in contract, tort or statute) that may be based upon, arise out of or relate to the Merger or this Agreement or the negotiation, execution or performance of this Agreement (including any claim or cause of action based upon, arising out of or related to any representation or warranty made in or in connection with this Agreement or as an inducement to enter into this Agreement), shall be governed by and construed in accordance with the Laws of the State of Delaware (including in respect of statutes of repose or of limitations or other limitations period applicable to any state Law claim, controversy or dispute) that apply to agreements made and performed entirely within the State of Delaware, without regard to the conflicts of law provisions thereof or of any other jurisdiction. Each party hereto agrees and acknowledges that the application of the Laws of the State of Delaware is reasonable and appropriate based upon the parties' respective interests and contacts with the State of Delaware. Each of the parties waives any right or interest in having the Laws of any other state, including specifically, state Law regarding statutes of repose or of limitations or other limitations periods, apply.

Section 8.8. Assignment. Neither this Agreement nor any of the rights, interests or obligations hereunder may be assigned by any of the parties hereto, in whole or in part (whether by operation of law or otherwise), without the prior written consent of the other parties hereto; provided, however, that without such prior written consent: (a) each of Parent and Merger Sub may assign its rights and/or delegate its obligations under this Agreement (in whole but not in part) to any of its Affiliates; and (b) any or all of the rights and interests and/or obligations of Parent or Merger Sub under this Agreement: (i) may be assigned and/or delegated to any purchaser of a substantial portion of the assets of Parent, Merger Sub or any of their respective Affiliates (whereupon the assigning party shall cease to have any further liabilities or obligations hereunder); and (ii) may be assigned as a matter of law to the surviving entity in any merger, consolidation, share exchange or reorganization involving Parent, Merger Sub or any of their respective Affiliates. Subject to the preceding sentence, this Agreement shall be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and permitted assigns. Any purported assignment in violation of the provisions of this Agreement shall be null and void.

Section 8.9. Expenses. Except as expressly set forth in this Agreement, all fees, costs and expenses incurred by any party to this Agreement or on its behalf in connection with this Agreement and the Transactions shall be paid by the party incurring such expenses, whether or not the Merger occurs; provided, however, that Parent may pay any such fees, costs and expenses incurred by Parent or Merger Sub or on their behalf directly or through one of its Affiliates (including the Surviving Corporation following the Closing).

Section 8.10. Submission to Jurisdiction; Waiver of Jury Trial.

a. Each party hereto, for itself and its successors and assigns, irrevocably agrees that any Proceeding arising out of or relating to this Agreement or any of the Transactions shall be brought and determined in any state or federal court in San Diego County or Orange County, California (and each such party shall not bring any Proceeding arising out of or relating to this Agreement or any of the Transactions in any court other than the aforesaid courts), and each party hereto, for itself and its successors and assigns and in respect to its property, hereby irrevocably submits with regard to any such Proceeding, generally and unconditionally, to the exclusive jurisdiction of the aforesaid courts. Each party hereto, for itself and its successors and assigns, hereby irrevocably waives, and agrees not to assert, by way of motion, as a defense, counterclaim or otherwise, in any such Proceeding: (i) any position that it is not personally subject to the jurisdiction of the above-named courts for any reason other than the failure to lawfully serve process; (ii) that it or its property is exempt or immune from jurisdiction of such court or from any legal process commenced in such courts; and (iii) that (A) such Proceeding in any such court is brought in an inconvenient forum; (B) the

venue of such Proceeding is improper; and (C) this Agreement, the Transactions or the subject matter hereof or thereof, may not be enforced in or by such courts.

b. EACH PARTY HERETO ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND, THEREFORE, EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OF THE TRANSACTIONS. EACH PARTY HERETO CERTIFIES AND ACKNOWLEDGES THAT: (i) NO REPRESENTATIVE OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT SEEK TO ENFORCE THE FOREGOING WAIVER IN THE EVENT OF ANY SUCH PROCEEDING; (ii) SUCH PARTY HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER; (iii) SUCH PARTY MAKES THIS WAIVER VOLUNTARILY; AND (iv) SUCH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 8.10(b).

Section 8.11. Construction of Agreement.

a. The terms and provisions of this Agreement represent the results of negotiations among the parties hereto, each of which has been represented by counsel of its own choosing, and none of which has acted under duress or compulsion, whether legal, economic or otherwise. Accordingly, the terms and provisions of this Agreement shall be interpreted and construed in accordance with their usual and customary meanings, and each of the parties hereto hereby waives the application in connection with the interpretation and construction of this Agreement of any Law to the effect that ambiguous or conflicting terms or provisions contained in this Agreement shall be interpreted or construed against the party whose attorney prepared the executed draft or any earlier draft of this Agreement.

b. All references in this Agreement to Sections, Articles and Schedules without further specification are to Sections and Articles of, and Schedules to, this Agreement.

c. The Table of Contents and the captions in this Agreement are for convenience only and shall not in any way affect the meaning, interpretation or construction of any provisions of this Agreement.

d. Unless the context otherwise requires, “or” is not exclusive.

e. Unless the context otherwise requires, “including” means “including but not limited to”.

f. Unless the context otherwise requires, the singular number shall include the plural, and vice versa; the masculine gender shall include the feminine and neuter genders; the feminine gender shall include the masculine and neuter genders; and the neuter gender shall include the masculine and feminine genders.

g. Time is of the essence in the performance of the parties’ respective obligations under this Agreement.

h. Any item disclosed in any particular section or subsection of the Company Disclosure Schedule shall be deemed to be disclosed in any other section or subsection of the Company Disclosure

Schedule if the relevance of such item to the other section or subsection is readily apparent on the face of such disclosure.

Section 8.12. Specific Performance and Other Remedies. The parties hereto agree that if any of the provisions of this Agreement were not to be performed as required by their specific terms or were to be otherwise breached, irreparable damage will occur to the other parties, no adequate remedy at law would exist and damages would be difficult to determine. Accordingly, the parties hereto acknowledge that the parties hereto shall be entitled to an injunction or injunctions (on a temporary, preliminary and/or permanent basis) to prevent breaches or threatened breaches of this Agreement by any other party and/or to an order for specific performance of the terms hereof, without posting any bond and without proving that monetary damages would be inadequate, in addition to any other remedy at law or equity. No party shall oppose, argue, contend or otherwise be permitted to raise as a defense that an adequate remedy at law exists or that specific performance or equitable or injunctive relief is inappropriate or unavailable with respect to any breach of this Agreement.

Section 8.13. Stockholders' Representative.

a. Appointment. Each Stockholder shall, without any further action on the part of any such Stockholder, be deemed (by virtue of the adoption and approval of this Agreement and approval of the Merger and/or such Stockholder's acceptance of any consideration pursuant to this Agreement) to have consented to the irrevocable nomination, constitution and appointment of Eton Venture Services, Ltd. Co. as the agent and true lawful attorney in fact of such Stockholder (the "Stockholders' Representative"), with full power of substitution, to act in the name, place and stead of such Stockholder for purposes of executing any documents and taking any actions that the Stockholders' Representative may, in his, her or its sole discretion, determine to be necessary, desirable or appropriate in connection with such Stockholders' Representative's duties and obligations under this Agreement or in connection with the distribution of any amounts deposited with the Paying Agent for the benefit of and for distribution to the former Stockholders pursuant to this Agreement.

b. Authority. Each Stockholder shall, without any further action on the part of any such Stockholder, be deemed (by virtue of the adoption and approval of this Agreement and approval of the Merger and/or such Stockholder's acceptance of any consideration pursuant to this Agreement) to have granted to the Stockholders' Representative full authority to execute, deliver, acknowledge, certify and file on behalf of the Stockholders (in the name of any or all of the Stockholders or otherwise) any and all documents that the Stockholders' Representative may, in his, her or its sole discretion, determine to be necessary, desirable or appropriate, in such forms and containing such provisions as the Stockholders' Representative may, in his, her or its sole discretion, determine to be appropriate, in performing his, her or its duties as contemplated by this Agreement or in connection with the distribution of any amounts deposited with the Paying Agent for the benefit of and for distribution to the former Stockholders pursuant to this Agreement. Notwithstanding anything to the contrary set forth in this Agreement or in any other agreement executed in connection with the Transactions: (i) each of the Surviving Corporation, Parent, each Indemnitee and each such party's Representatives shall be entitled to deal exclusively with the Stockholders' Representative on all matters relating to the Closing Date Statement and the determination of the Final Merger Consideration under Section 2.10, on all tax matters under Article VI, on all matters relating to any claim for indemnification, compensation or reimbursement under Article VII, and on all matters related to the Additional Merger Consideration; and (ii) each of the Surviving Corporation, Parent, each Indemnitee and each such party's Representatives shall be entitled to rely conclusively (without further evidence of any kind whatsoever) on any document executed or purported to be executed on behalf of any Stockholder by the Stockholders' Representative, and on any other action taken or purported to be taken on behalf of any Stockholder by the Stockholders' Representative, as fully binding upon such Stockholder. The Stockholders, individually and independently, hereby acknowledge

and agree that (x) the Paying Agent shall be solely responsible for ensuring that each Stockholder receives that portion of any amount(s) to which such Stockholder is entitled in connection with the Transactions based upon his, her or its Pre-Preference-Satisfaction Pro Rata Share and/or (as applicable) Post-Preference-Satisfaction Pro Rata Share and which is paid by Parent to the Paying Agent; (y) upon payment of any such amount(s) to the Paying Agent, Parent shall have no further obligation or Liability to any individual Stockholder for payment of such Stockholder's Pre-Preference-Satisfaction Pro Rata Share and/or (as applicable) Post-Preference-Satisfaction Pro Rata Share of such payment or otherwise; and (z) Parent shall bear no obligation or responsibility to any Stockholder with regard to the obligations of the Paying Agent relating to the pro-rata distribution of such payments or otherwise.

c. Power of Attorney. Each Stockholder recognizes and intends that the power of attorney granted in this Section 8.13: (i) is coupled with an interest and is irrevocable; (ii) may be delegated by the Stockholders' Representative; (iii) shall apply equally as to any successor Stockholders' Representative, as to the initial Stockholders' Representative; and (iv) shall survive the death, incapacity, dissolution, liquidation or winding up of each and any of the respective Stockholders.

d. Replacement. If the Stockholders' Representative shall die, resign, become disabled, or otherwise be unable to fulfill his, her or its responsibilities hereunder, the Stockholders shall (by consent of the Stockholders entitled to at least a majority of the Merger Consideration), within 10 days after such death, resignation, disability, or inability, appoint a successor to the Stockholders' Representative (who shall be reasonably satisfactory to Parent) and immediately thereafter notify Parent of the identity of such successor. Any such successor shall succeed the Stockholders' Representative as Stockholders' Representative hereunder. If for any reason there is no Stockholders' Representative at any time, all references herein to the Stockholders' Representative shall be deemed to refer to the Stockholders.

e. Fees and Expenses. The Stockholders' Representative shall be entitled to reimbursement from the Stockholders of all reasonable documented expenses incurred in the performance of his, her or its duties hereunder. In no event shall Parent, Merger Sub, the Company or the Surviving Corporation have any responsibility for any fees or expenses of the Stockholders' Representative, or for the payment or satisfaction thereof.

Section 8.14. Conflict Waiver. Recognizing that Wilson Sonsini Goodrich & Rosati, P.C. ("WSGR") has acted as legal counsel to certain of the Stockholders and the Company and its affiliates in connection with the transactions contemplated by this Agreement, and that WSGR may act as legal counsel to certain of the Company's Stockholders after the Closing, each of Parent, Merger Sub and the Surviving Corporation hereby waives, on its own behalf and agrees to cause its Affiliates to waive, any conflicts that may arise in connection with WSGR representing any such Stockholders and/or its Affiliates after the Closing as such representation may relate to the transactions contemplated herein. In addition, all communications involving attorney-client confidences between any Stockholders and its Affiliates in the course of the negotiation, documentation and consummation of the transactions contemplated hereby shall be deemed to be attorney-client confidences that belong solely to such Stockholders and their Affiliates (and not the Company). Accordingly, the Company shall not have access to any such communications, or to the files of WSGR relating to such engagement, whether or not the Closing shall have occurred. Without limiting the generality of the foregoing, upon and after the Closing, (a) the applicable Stockholders and their Affiliates (and not the Company) shall be the sole holders of the attorney-client privilege with respect to such engagement, and the Company shall not be a holder thereof, (b) to the extent that files of WSGR in respect of such engagement constitute property of the client, only the applicable Stockholders and their Affiliates (and not the Company) shall hold such property rights and (c) WSGR shall have no duty whatsoever to reveal or disclose any such attorney-client communications or files to the Company by reason of any attorney-client relationship between WSGR and the Company. WSGR shall be a third-party beneficiary to this Agreement, solely with respect to this Section 8.14.

[*Remainder of page intentionally left blank*.]

IN WITNESS WHEREOF, the Company, Parent, Merger Sub and the Stockholders' Representative have caused this Agreement and Plan of Merger to be executed and delivered on the date first set forth above.

PARENT:

Ligand Pharmaceuticals Incorporated

By: /s/ Charles Berkman
Name: Charles Berkman
Title: Senior Vice President, General Counsel and Secretary

MERGER SUB:

XSP Merger, Inc.

By: /s/ Charles Berkman
Name: Charles Berkman
Title: Senior Vice President, General Counsel and Secretary

COMPANY:

xCella Biosciences, Inc.

By: /s/ Dirk Thye
Name: Dirk Thye
Title: Acting CEO

STOCKHOLDERS' REPRESENTATIVE:

Eton Venture Services, Ltd. Co.

By: /s/ Chris Walton
Name: Chris Walton
Title: Managing Director

Exhibit 10.2

AGREEMENT AND PLAN OF MERGER

by and among:

Ligand Pharmaceuticals Incorporated,
a Delaware corporation;

Taurus Acquisition Merger Sub, LLC,
a Delaware limited liability company;

Taurus Biosciences, LLC,
a Delaware limited liability company; and

The Other Signatories Hereto

Dated as of September 9, 2020

TABLE OF CONTENTS

ARTICLE 1 CERTAIN DEFINITIONS 2

ARTICLE 2 THE MERGER; EFFECTIVE TIME 8
- Section 2.1 Merger of Merger Sub into the Company 8
- Section 2.2 Effect of the Merger 8
- Section 2.3 Effective Time 9
- Section 2.4 Certificate of Formation and Limited Liability Company Agreement; Officers and Manager 9
- Section 2.5 Closing 9
- Section 2.6 Closing Deliveries 10
- Section 2.7 Conversion of Company Interests 12
- Section 2.8 Closing of the Company's Transfer Books 13
- Section 2.9 Exchange Procedures 13
- Section 2.10 Holdback Distribution(s) 14

ARTICLE 3 REPRESENTATIONS AND WARRANTIES OF THE MEMBERS 14
- Section 3.1 Ownership 14
- Section 3.2 Authority; Non-Contravention 14

ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF THE COMPANY 15
- Section 4.1 Organization, Standing and Power 15
- Section 4.2 Capitalization 16
- Section 4.3 Authority; Non-contravention; Voting Requirements 16
- Section 4.4 Governmental Approvals 17
- Section 4.5 Liabilities 17
- Section 4.6 Legal Proceedings 17
- Section 4.7 Compliance With Legal Requirements; Governmental Authorizations 18
- Section 4.8 Bank Accounts; Powers of Attorney 18
- Section 4.9 Tax Matters 18
- Section 4.10 Employee Benefits and Labor Matters 19
- Section 4.11 Contracts 20
- Section 4.12 Environmental Matters 21
- Section 4.13 Intellectual Property 21
- Section 4.14 Assets 23
- Section 4.15 Real Property 24
- Section 4.16 Insurance 24
- Section 4.17 Certain Business Relationships with Affiliates 24
- Section 4.18 Products and Services 24
- Section 4.19 Ordinary Course 24
- Section 4.20 Brokers and Other Advisors 25
- Section 4.21 State Takeover Statutes 25
- Section 4.22 Bad Actor 25
- Section 4.23 Disclosure 25

ARTICLE 5 REPRESENTATIONS AND WARRANTIES OF PARENT AND MERGER SUB 25
- Section 5.1 Organization and Standing 25
- Section 5.2 Authority; Non-contravention 26

Section 5.3 Ownership and Operations of Merger Sub 26
Section 5.4 Governmental Approvals 26
Section 5.5 Legal Proceedings 26
ARTICLE 6 COVENANTS; OTHER MATTERS 27
Section 6.1 Filings; Other Action 27
Section 6.2 Publicity 27
Section 6.3 Indemnification of D&O Indemnified Parties 28
Section 6.4 Further Assurances 28
Section 6.5 Post-Closing Confidentiality 28
Section 6.6 General Release 29
Section 6.7 Vaughn Smider Covenant Not To Compete 31
Section 6.8 Members' Representative 32
ARTICLE 7 SURVIVAL AND INDEMNIFICATION 33
Section 7.1 Survival of Representations and Warranties 33
Section 7.2 Parent Representations 34
Section 7.3 Survival of Covenants 34
Section 7.4 Indemnification by the Members and Indemnification Amount 34
Section 7.5 Limitations 35
Section 7.6 Nonpayment After and Pending Determination(s) 36
Section 7.7 No Contribution 36
Section 7.8 Claim Procedure 37
Section 7.9 Indemnifiable Claims by Third Party 37
Section 7.10 Exercise of Remedies Other Than by Parent 38
Section 7.11 Expenses of the Members' Representative 38
Section 7.12 Characterization of Payments 38
Section 7.13 Exclusive Remedy 39
Section 7.14 CVRs Catch-up After Determination 39
ARTICLE 8 MISCELLANEOUS PROVISIONS 39
Section 8.1 Amendment 39
Section 8.2 Waiver 39
Section 8.3 Entire Agreement; Counterparts 39
Section 8.4 Governing Law 40
Section 8.5 Arbitration 40
Section 8.6 Payment of Expenses 41
Section 8.7 Transfer Taxes 41
Section 8.8 Assignability; No Third Party Rights 41
Section 8.9 Notices 42
Section 8.10 Severability 43
Section 8.11 Specific Performance 44
Section 8.12 Remedies 44
Section 8.13 Construction 44

Exhibits

EXHIBIT A: Company Equity Interests
EXHIBIT B: Patents
EXHIBIT C: CVR Agreement

INDEX OF DEFINED TERMS

(NOT OTHERWISE DEFINED IN ARTICLE 1)

Agreement Preamble
Bankruptcy and Equity Exception Section 3.2(a)
Certificate of Merger Section 2.3
Claim Notice Section 7.8(a)
Claimed Amount Section 7.8(a)
Closing Section 2.5(a)
Closing Date Section 2.5(a)
Company Preamble
Company Charter Documents Section 4.1(c)
Company Confidential Information Section 6.5(a)
Company Disclosure Letter Article 3 Preamble
Company Manager Recitals
Company Plan Section 4.10(a)
Company Equityholder Approval Section 4.3(a)
DLLC Act Recitals
Dispute Period Section 7.8(b)
Environmental Laws Section 4.12(a)
Indemnification Amount Section 7.4
Indemnified Party(ies) Section 7.4
Insurance Policies Section 4.16
Members Preamble
Members' Representative Section 6.8(a)
Merger Recitals
Merger Consideration Section 2.7(c)
Merger Sub Preamble
Minotaur License Section 2.6(a)(x)
Minotaur Services Agreement Section 2.6(a)(x)
Owned Company Patents Section 4.13(b)
Parent Preamble
Provisional IL-5 Patent Section 2.6(a)(v)
Released Claims Section 6.6(a)
Released Parties Section 6.6(a)
Releasing Party(ies) Section 6.6(a)
Restricted Period Section 6.7(a)
Restricted Person Section 6.7(a)
Surviving Company Section 2.1
Total Indemnification Amount Section 7.4
Transfer Taxes Section 8.7

AGREEMENT AND PLAN OF MERGER

This Agreement And Plan Of Merger ("Agreement") is made and entered into as of September 9, 2020, by and among Ligand Pharmaceuticals Incorporated, a Delaware corporation ("Parent"); Taurus Acquisition Merger Sub, LLC, a Delaware limited liability company and a wholly-owned Subsidiary of Parent ("Merger Sub"); Taurus Biosciences, LLC, a Delaware limited liability company (also sometimes known as Taurus Bioscience, LLC) (formerly Taurus Biosciences, Inc.) (the "Company"); the members of the Company signatory hereto (collectively, the "Members" and each, a "Member"); Vaughn Smider, in his capacity as the Restricted Person (as hereinafter defined); and Vaughn Smider, in his capacity as the Members' Representative (as hereinafter defined).

Capitalized terms used but not otherwise defined in this Agreement shall have the meanings given to them in **Article 1**.

WHEREAS, upon the terms and subject to the conditions set forth in this Agreement, Merger Sub shall merge with and into the Company (the "Merger") and each Company Interest that is issued and outstanding immediately before the Effective Time will be canceled and converted into the right to receive the Merger Consideration, all upon the terms and subject to the conditions set forth herein;

WHEREAS, the manager of the Company (the "Company Manager") has, upon the terms and subject to the conditions set forth herein, duly adopted resolutions (i) determining that the transactions contemplated by this Agreement, including the Merger, are advisable and in the best interests of the Company and its members, (ii) approving this Agreement and the Transactions in accordance with the Delaware Limited Liability Company Act (the "DLLC Act"), (iii) directing that this Agreement be submitted to the members of the Company for adoption, and (iv) recommending that the members of the Company adopt this Agreement and approve the Transactions;

WHEREAS, concurrently with the execution of this Agreement, and as a condition and material inducement to Parent's and Merger Sub's willingness to enter into this Agreement, the Company is delivering to Parent a written consent action representing the Company Equityholder Approval (as hereinafter defined) in accordance with the DLLC Act and the Company Charter Documents;

WHEREAS, the board of directors of Parent and the manager of Merger Sub have, upon the terms and subject to the conditions set forth herein, unanimously and duly approved and declared advisable this Agreement and the Transactions, and Parent, in its capacity as the sole member of Merger Sub, has adopted this Agreement, in each case, in accordance with the DLLC Act;

WHEREAS, Parent, Merger Sub, the Company and the Members desire to make certain representations, warranties, covenants and agreements in connection with the Merger and the other transactions contemplated by this Agreement;

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements herein contained, and intending to be legally bound hereby, the parties hereto hereby agree as follows:

ARTICLE 1.

CERTAIN DEFINITIONS

For purposes of the Agreement:

"Affiliate" shall mean a Person who is related to another Person such that such Person directly or indirectly controls, is directly or indirectly controlled by or is directly or indirectly under common control with such other Person.

"Applicable Law" means all applicable statutes, ordinances, regulations, rules, or orders of any kind whatsoever of any governmental authority, all as amended from time to time, together with any rules, regulations, and compliance guidance promulgated thereunder, as well as foreign equivalents of any of the foregoing.

"Business Day" shall mean any day other than a Saturday, Sunday or a day on which the banks in San Diego, California are authorized by applicable Legal Requirement or executive order to be closed.

"Closing Cash" shall mean the aggregate amount of cash in the Company's bank accounts immediately prior to the Closing as evidenced by any statement or certificate reasonably acceptable to Parent.

"Closing Payments" shall mean the payments referred to in **Section 2.5(b)**.

"Code" shall mean the Internal Revenue Code of 1986, as amended from time to time.

"Company Contract" shall mean any Contract (including all material amendments, modifications, extensions or renewals with respect thereto) to which the Company is a party and which fall into any of the following categories:

i. of the sort which, if the Company were a reporting company under the Exchange Act, would be required to be filed as an exhibit to any report of the Company filed pursuant to the Exchange Act of the type described in Item 601(b)(10) of Regulation S-K promulgated by the SEC;

ii. that contains a covenant restricting the ability of the Company to (i) compete in any business or with any Person or in any geographic area, or (ii) generate or isolate or commercialize antibodies (for its own account or for the benefit of Persons other than the Contract counterparty) against any particular target or disease;

iii. that contains a "most-favored-nation" type of provision;

iv. with any Affiliate or member of the Company;

v. between the Company and any Company employee, with regard to employment services or compensation;

vi. between the Company and any Company consultant, with regard to consultant services or compensation;

vii. which entitles any Person to any payment or benefit in the event of a change in control of the Company (whether or not any other eventuality must also occur in order for the Person to be so entitled);

viii. under which the Company is the lessee of, or is provided the use of, (i) any equipment or other tangible property owned by any third party, (ii) any employees employed by any third party, or (iii) any real property;

ix. any Contract containing provisions restricting the Company's right to seek, hire or retain any employees, customers, vendors, suppliers or other service providers;

x. which primarily relates to (i) the granting to the Company of any license in or to any Licensed Intellectual Property, or (ii) the granting by the Company to a third party of any license in or to any Intellectual Property;

xi. relating to any joint venture, partnership or other similar arrangement involving co-investment, collaboration, partnering or a sharing of liabilities, revenues, profits or losses with a third party;

xii. with a Governmental Entity;

xiii. pursuant to which any Indebtedness of the Company is outstanding or may be incurred or pursuant to which the Company has guaranteed any Indebtedness of any other Person;

xiv. pursuant to which the Company or any other party thereto has continuing obligations, rights or interests relating to the research, development, clinical trial, distribution, supply, manufacture, marketing or co-promotion of, or collaboration with respect to, any product or product candidate for which the Company is currently engaged in research or development;

xv. which relate to (i) the disposition or acquisition of any material assets or properties, or (ii) any merger or other business combination transaction; and

xvi. any Contract which commits the Company to enter into any of the foregoing.

"Company Intellectual Property" means all Owned Intellectual Property and all Licensed Intellectual Property.

"Company Interests" shall mean all Units or other limited liability company membership interests of the Company.

"Company Material Adverse Effect" shall mean, in reference to any fact, circumstance, event, change or occurrence, any such fact, circumstance, event, change or occurrence that, individually or in the aggregate with all other facts, circumstances, events, changes or occurrences, has or would reasonably be expected to have a material adverse effect on the results of operations or financial condition of the Company, other than changes, events, occurrences or effects arising out of, resulting from or attributable to (a) changes in conditions in the United States or global economy or capital or financial markets generally, including changes in interest or exchange rates, (b) conditions (or changes therein) in any industry or industries in which the Company operates, (c) any change in Legal Requirements or GAAP or interpretation of any of the foregoing, (d) acts of war, sabotage or terrorism, or any escalation or worsening of any such acts of war, sabotage or terrorism threatened or underway as of the date of this Agreement, or (e) pandemics, storms, earthquakes or other natural disasters; except, in the case of the foregoing clauses (a), (b), (c), (d) and (e), to the extent that any such condition has a materially

disproportionate adverse effect on the Company, relative to other companies of comparable size to the Company operating in the industry in which the Company operates.

"Company Patents" shall mean all U.S. and foreign patents and patent applications, including reissues, divisions, continuations, continuations-in-part, extensions and reexaminations thereof as of the date of this Agreement owned by or licensed to, or purported to be owned by or licensed to, the Company (whether exclusively, jointly with another Person, or otherwise).

"Confidentiality Agreement" shall mean the Mutual Confidentiality Agreement dated February 7, 2018, and as may be thereafter extended/amended, between Parent and the Company.

"Contract" shall mean any written or oral contract or other legally binding promise, commitment, agreement, instrument, arrangement, understanding, obligation or undertaking (each, including all amendments thereto), whether express or implied.

"CVR" shall mean a contingent value right having the terms and conditions set forth in the CVR Agreement to be issued in accordance with **Section 2.7** in respect of each Outstanding Company Interest.

"CVR Agreement" shall mean the agreement governing the terms and conditions of the CVRs, dated as of the date of this Agreement and entered into between Parent and the Members' Representative, substantially in the form attached hereto as Exhibit C.

"D&O Indemnified Party" shall mean each individual who is or was an officer, manager, director, employee or agent of the Company at any time on or before the Effective Time who is or was entitled to indemnification pursuant to the DLLC Act, the Company Charter Documents or any Contract with such Person.

"Effective Time" shall mean the time at which the Merger becomes effective upon the Certificate of Merger being filed with the Secretary of State of the State of Delaware, or upon such later time as is agreed to in writing by the parties hereto and specified in the Certificate of Merger.

"Encumbrance" shall mean, with respect to any property or asset, any mortgage, easement, lien, pledge (including any negative pledge), security interest or other encumbrance of any nature whatsoever in respect of such property or asset.

"Entity" shall mean any corporation (including any non-profit corporation), general partnership, limited partnership, limited liability partnership, joint venture, estate, trust, company (including any company limited by shares, limited liability company or joint stock company), firm, society or other enterprise, association, organization or entity (including any Governmental Entity).

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

"GAAP" shall mean United States generally accepted accounting principles.

"Governmental Authorization" shall mean any permit, license, registration, qualification, certificate, clearance, variance, waiver, exemption, certificate of occupancy, exception, franchise, entitlement, consent, confirmation, order, approval or authorization granted by any Governmental Entity.

"Governmental Entity" shall mean any foreign, federal, state or local government or body or any agency, authority, subdivision or instrumentality of any of the foregoing, including any court, tribunal, department, bureau, administrative agency, commission or board, or any quasi-governmental or private body duly exercising any regulatory, taxing, inspecting or other governmental authority.

"Holdback Amount Unpaid" shall mean the applicable Member's pro rata share of the Holdback Distribution Amount, before any subtractions as contemplated by the definition of "Holdback Distribution Amount."

"Holdback Distribution" shall mean the payment of the Holdback Distribution Amount to the former holders of Outstanding Company Interests as provided for in **Section 2.10**.

"Holdback Distribution Amount" shall mean $500,000 minus the sum of (a) each Claimed Amount for which indemnifiability and the size of the Loss have been finally determined (and which has thereby become an established Indemnification Amount) and (b) pending final determination, each Claimed Amount for which final determination has not yet occurred.

"Indebtedness" shall mean (a) indebtedness for borrowed money, including indebtedness evidenced by a note, bond, debenture or similar instrument and all guaranties, sureties, assumptions and other contingent obligations in respect of, or to purchase or to otherwise acquire, any of the foregoing whether on the debtor's account or with respect to the indebtedness of others, or (b) obligations in respect of outstanding letters of credit, acceptances and similar obligations created for the account of such Person.

"Indemnifiable Claim By Third Party" means an indemnifiable claim under this Agreement resulting from the assertion of liability by any third party.

"Intellectual Property" means any and all of the following in any jurisdiction throughout the world: (a) patents and patent applications, including reissues, divisions, continuations, continuations-in-part, extensions and reexaminations thereof, any counterparts claiming priority therefrom and like statutory rights; (b) works of authorship and copyrights, and registrations and applications for registration thereof; (c) trademarks, service marks, trade dress, logos, trade names and other source identifiers, and registrations and applications for registration thereof; (d) trade secrets, business, technical and know-how information, including inventions, whether patentable or unpatentable, and confidential information; (e) rights of publicity and privacy; (f) computer software and firmware, including source code, object code, files, documentation and other materials related thereto; (g) proprietary databases and data compilations; (h) domain names and registrations and applications for registration thereof; (i) any other intellectual property; and (j) rights in any of the foregoing, including rights to sue or recover and retain Losses for past, present, and future infringement, dilution, misappropriation or other violation of any of the foregoing.

"IRS" shall mean the United States Internal Revenue Service.

"Knowledge of Parent" shall mean the actual knowledge, after reasonable inquiry, of Matthew Foehr.

"Knowledge of the Company" shall mean the actual knowledge, after reasonable inquiry, of Vaughn Smider; provided, that reasonable inquiry is stipulated to exclude any search or other inquiry as to patents or patent applications.

"Legal Proceeding" shall mean any claim (presented formally to a judicial or quasi-judicial Governmental Entity), lawsuit, court action, suit, arbitration or other judicial or administrative proceeding.

"Legal Prohibition" shall mean any final, permanent Legal Requirement that is in effect and that prevents or prohibits consummation of the Transactions.

"Legal Requirement" shall mean any foreign, federal, state or local law, statute, code, ordinance, regulation, order, judgment, writ, injunction, decision, ruling or decree promulgated by any Governmental Entity.

"Liability" means any debt, obligation, duty, commitment or liability of any nature whatsoever (including any unknown, undisclosed, unmatured, unaccrued, unasserted, unliquidated, contingent, indirect, conditional, implied, vicarious, derivative, joint, several or secondary liability), regardless of whether such debt, obligation, duty, commitment or liability would be required to be disclosed on a balance sheet prepared in accordance with GAAP and regardless of whether such debt, obligation, duty, commitment or liability is immediately due and payable.

"Licensed Intellectual Property" means all Intellectual Property licensed to the Company.

"Loss" shall mean any injury, diminution of value, Tax, Encumbrance, liability, debt, loss, Legal Proceeding, judgment, settlement, order, injunction, decree, ruling, assessment, arbitration award, damage, fine, penalty, expense (including one's own (and, if chargeable, one's adversary's) reasonably attorneys' or other professional fees and expenses and court costs), or other obligations of any nature, whether absolute, contingent, liquidated, unliquidated or otherwise, due or to become due or otherwise, and whether or not required to be reflected on a balance sheet prepared in accordance with GAAP, whether or not involving the claim of another Person.

"Minotaur" means Minotaur Therapeutics, Inc.

"Outstanding Company Interests" shall mean the Company Interests issued and outstanding immediately before the Effective Time.

"Owned Intellectual Property" means all Intellectual Property in which the Company has (or purports to have) an ownership interest of any nature (whether exclusively, jointly with another Person or otherwise).

"Ownership Interest" means, with respect to any Person, any (a) equity security in such Person, (b) option, warrant or other right to purchase, acquire or subscribe for any equity security in such Person, (c) Contract relating to the issuance of or obligating such Person to issue any equity security or any securities convertible into or exchangeable for any equity security in such Person, (d) equity appreciation, phantom equity, profits interests or similar right in such Person, or (e) security convertible into or exchangeable for any of the foregoing.

"Parent Material Adverse Effect" shall mean, in reference to any fact, circumstance, event, change or occurrence, any such fact, circumstance, event, change or occurrence that, individually or in the aggregate with all other facts, circumstances, events, changes or occurrences, has or would reasonably be expected to have a material adverse effect on the results of operations or financial condition of Parent, other than changes, events, occurrences or effects arising out of, resulting from or attributable to (a) changes in conditions in the United States or global economy or capital or financial markets generally,

including changes in interest or exchange rates, (b) conditions (or changes therein) in any industry or industries in which Parent operates, (c) any change in Legal Requirements or GAAP or interpretation of any of the foregoing, (d) acts of war, sabotage or terrorism, or any escalation or worsening of any such acts of war, sabotage or terrorism threatened or underway as of the date of this Agreement, or (e) pandemics, storms, earthquakes or other natural disasters; except, in the case of the foregoing clauses (a), (b), (c), (d) and (e), to the extent that any such condition has a materially disproportionate adverse effect on Parent, relative to other companies of comparable size to Parent operating in such industry or industries.

"Permitted Encumbrances" shall mean: (a) Encumbrances for Taxes not yet due and payable or for Taxes that are being contested in good faith by appropriate proceedings; (b) Encumbrances or imperfections of title, resulting from or otherwise relating to any Contracts, to the extent the Company Disclosure Letter expressly identifies such Encumbrance or imperfection of title (or such is obvious on the face of the Contract); and (c) Encumbrances arising from or otherwise relating to transfer restrictions under the Securities Act and the securities laws of the various states.

"Person" shall mean any individual or Entity.

"Representatives" means, when used with respect to any Person, such Person's officers, directors, managers, employees, agents, bona fide potential financing sources, advisors and other representatives (including any investment banker, financial advisor, attorney or accountant retained by or on behalf of such Person or any of the foregoing).

"Restricted Business" means the development or exploitation of long/ultra-long H3 transgenic animal platform technology for the generation and discovery of antibodies, for use in humans, upon immunization of genus-bos animals or of other animals with genus-bos genes. It is expressly and specially agreed, however, that "Restricted Business" does not include the performance of Applied Biomedical Science Institute's work under any project funded by the National Institutes of Health or any other governmental or non-profit entity, and does not include any activities by Minotaur so long as the Minotaur License (including, without limitation, Section 2.6 thereof) remains in effect (including as it may be amended).

"Scripps License" means the Exclusive License Agreement dated as of July 2, 2020 between Taurus and The Scripps Research Institute, as it may hereafter be amended.

"SEC" shall mean the United States Securities and Exchange Commission.

"Securities Act" shall mean the United States Securities Act of 1933, as amended.

"Subsidiary" shall mean an Entity that is related to another Entity such that such other Entity directly or indirectly owns, beneficially or of record: (a) an amount of voting securities or other interests in such Entity that is sufficient to enable such other Entity to elect at least a majority of the members of such Entity's board of directors or comparable governing body; or (b) more than 50% of the outstanding equity interests issued by such Entity.

"Tax" or "Taxes" shall mean (a) all federal, state, local or foreign taxes, including all net income, gross receipts, capital, sales, use, ad valorem, value added, transfer, franchise, profits, inventory, capital stock, license, withholding, payroll, employment, social security, unemployment, excise, severance, stamp, occupation, property and estimated taxes or other taxes any kind whatsoever, and (b) all interest,

penalties, fines, additions to tax or additional amounts imposed by any Governmental Entity in connection with any item described in clause (a).

"Tax Returns" shall mean any return, report, claim for refund, estimate, information return or statement or other similar document relating to or required to be filed with any Governmental Entity with respect to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

"Territory" means worldwide.

"Total Merger Consideration" shall mean (a) the sum of $4,500,000, plus the amount of the Closing Cash, less the aggregate amount of the Closing Payments, plus (b) a number of CVRs equal to the number of Outstanding Company Interests, plus (c) the right to receive, at the time of the Holdback Distribution as provided in **Section 2.10**, the Holdback Distribution Amount.

"Transaction Expenses" shall mean all amounts paid or payable by the Company in connection with the preparation, negotiation, execution or performance of this Agreement and the Transactions, including the fees and expenses of the Company's legal counsel, financial advisors and accountants.

"Transactions" shall mean the transactions contemplated by this Agreement, including the Merger, and shall also include, unless the context clearly otherwise requires, the Minotaur License and the Minotaur Services Agreement.

ARTICLE 2.

THE MERGER; EFFECTIVE TIME

Section 2.1 Merger of Merger Sub into the Company. Upon the terms and subject to the conditions set forth in this Agreement and in accordance with the DLLC Act, at the Effective Time, Merger Sub shall be merged with and into the Company, and the separate existence of Merger Sub shall cease. The Company will continue as the surviving Entity in the Merger (the "Surviving Company").

Section 2.2 Effect of the Merger. The Merger shall have the effects set forth in this Agreement and in the applicable provisions of the DLLC Act. Without limiting the generality of the foregoing and subject thereto, at the Effective Time, all the property rights, privileges, immunities, powers and franchises of the Company and Merger Sub shall vest in the Surviving Company and all the debts, liabilities and duties of the Company and Merger Sub shall become the debts, liabilities and duties of the Surviving Company.

Section 2.3 Effective Time. Subject to the provisions of this Agreement, Parent, Merger Sub and the Company will cause a properly executed certificate of merger conforming to the requirements of the DLLC Act (the "Certificate of Merger") to be filed with the Secretary of State of the State of Delaware on the Closing Date. The Merger shall become effective at the Effective Time.

Section 2.4 Certificate of Formation and Limited Liability Company Agreement; Officers and Manager. At the Effective Time:

a. Subject to **Section 6.3(a)**, (i) the certificate of formation of the Company as in effect immediately before the Effective Time, shall be amended as a result of the Merger so as to read in its entirety in the form of the certificate of formation of Merger Sub, except that the name of the Surviving Company shall be "Taurus Biosciences, LLC" and, as so amended, shall be the certificate of formation of the Surviving Company, until thereafter changed or amended as provided therein or by

applicable Legal Requirements, and (ii) the limited liability company agreement of the Company, as in effect immediately before the Effective Time, shall be amended as a result of the Merger to read in its entirety in the form of the limited liability company agreement of Merger Sub, except that the name of the Surviving Company shall be "Taurus Biosciences, LLC" and, as so amended, shall be the limited liability company agreement of the Surviving Company, until thereafter duly amended as provided therein, or as provided by the certificate of formation of the Surviving Company or by applicable Legal Requirements.

b. The manager and officers of Merger Sub immediately before the Effective Time shall be the initial manager and officers, respectively, of the Surviving Company, each to hold office in accordance with the certificate of formation and limited liability company agreement of the Surviving Company.

Section 2.5 Closing.

a. The closing of the Transactions (the "Closing") will take place at 10:00 a.m. (San Diego time) on the date hereof, or on such other date or at such other time and place as the parties hereto may mutually agree in writing. The date on which the Closing occurs is hereinafter referred to as the "Closing Date". The Closing shall be held at the offices of Stradling Yocca Carlson & Rauth, A Professional Corporation, located at 4365 Executive Drive, Suite 1500, San Diego, California 92121, unless another place is agreed to in writing by the parties. At the Closing, documents and signature pages may be exchanged remotely via email/.pdf or other electronic exchange (with originals to be delivered to the other parties as soon as reasonably practicable after the Closing and requested by such other party).

b. At the Closing, Parent shall pay all known Liabilities of the Company (*i.e.*, shall pay the Closing Payments) pursuant to a schedule (certified by an officer of the Company to be true and correct) delivered to Parent at least one Business Day (but in no event more than four Business Days) before the Closing by an officer of the Company, to the respective holders of such Liability obligations, including without limitation:

i. all Indebtedness;

ii. any unpaid fees and expenses for legal services rendered by Pillsbury Winthrop Shaw Pittman LLP to the Company through the Closing;

iii. any unpaid fees and expenses for legal services rendered by Morrison & Foerster LLP to the Company through the Closing;

iv. any unpaid fees and expenses for legal services rendered by Crosbie Gliner Schiffman Southard & Swanson LLP to the Company through the Closing;

v. any unpaid patent cost reimbursement owed to The Scripps Research Institute pursuant to the Scripps License; and

vi. any unpaid fees and expenses for services rendered to the Company through the Closing by any other attorneys, any accountants and any financial advisors.

Section 2.6 Closing Deliveries. At the Closing:

a. The Company shall deliver, or cause to be delivered, to Parent or any other Person designated by Parent (unless the delivery is waived in writing by Parent), the following documents, in each case duly executed or otherwise in proper form:

i. A certificate, in a form satisfactory to Parent, signed by the Company Manager and dated as of the Closing Date, certifying: (A) the Company Charter Documents; (B) the satisfaction by the Company of all advance notice rights, if any, pursuant to the Company Charter Documents and the DLLC Act (or the enforceable waiver thereof by every Person entitled to such advance notice); and (C) the resolutions of the Company Manager (I) determining that it is in the best interests of the Company and the Members, and declaring it advisable, to enter into this Agreement, (II) approving the execution, delivery and performance by the Company of this Agreement and the consummation of the Transactions, including the Merger, and (III) recommending adoption of this Agreement and approval of the Transactions, including the Merger, by the Members;

ii. A good standing certificate with respect to the Company issued by the Delaware Secretary of State, dated as of a date not more than ten Business Days before the Closing Date;

iii. Payoff letters, in form and substance satisfactory to Parent, from each holder of Indebtedness or Transaction Expenses or other Liabilities to be paid by Parent pursuant to **Section 2.5(b)** evidencing the discharge or payment in full of the applicable Liability to such holder and releasing the Company, Parent and their respective Affiliates from any and all claims that such holder of Liabilities may have against the Company (or, through the Company, against any Affiliate of the Company or against Parent or any Affiliate of Parent) at the Effective Time, in each case duly executed by each holder of such of Liabilities, and with an agreement to upon request provide termination statements on Form UCC-3, or other appropriate releases following any payoff thereof, which when filed will release and satisfy any and all Encumbrances relating to such of Liabilities, together with proper authority to file such termination statements or other releases at and following the Closing;

iv. Liability satisfaction letters, in form and substance satisfactory to Parent, from each service provider owed money or equity interests by the Company (including Applied Biomedical Science Institute), evidencing the issuance of Units to such service providers as satisfaction in full of the applicable claims of such service providers for money or equity interests and releasing the Company, Parent and their respective Affiliates from any and all claims that such service providers may have against the Company (or, through the Company, against any Affiliate of the Company or against Parent or any Affiliate of Parent) at the Effective Time, in each case duly executed by such service provider, and with an agreement to upon request provide termination statements on Form UCC-3, or other appropriate releases, which when filed will release and satisfy any and all Encumbrances relating to such claims, together with proper authority to file such termination statements or other releases at and following the Closing;

v. A "terminal assignment" in favor of the Company executed and acknowledged by Applied Biomedical Science Institute, assigning to the Company (free and clear of all Encumbrances) all of Applied Biomedical Science Institute's right, title and interest in and to any and all Intellectual Property which pertains to the Restricted Business (identifying and assigning such Intellectual Property with specificity insofar as possible and also assigning generally all other (unspecified) Intellectual Property which pertains to the Restricted Business), including United States provisional Patent No. 62/925,740 ("Chimeric Cytokine Modified Antibodies and Methods of Use Thereof") (the "Provisional

IL-15 Patent") as well as any and all related rights, including as to (i) all patent applications filed either from the Provisional IL-15 Patent or from an application claiming priority from either of these, including divisionals, continuations, continuations-in-part, provisionals, converted provisionals and continued prosecution applications, (ii) any and all patents that issue from the foregoing patent applications, (iii) any and all extensions or restorations by existing or future extension or restoration mechanisms, including revalidations, reissues, re-examinations and extensions (including any supplementary protection certificates and the like) of the foregoing patents or patent applications, and (iv) all counterparts of any of the foregoing in any jurisdiction throughout the world;

vi. Resignations, in customary form, of each manager, director and officer of the Company, which resignations shall be effective as of the Effective Time;

vii. (A) A properly executed statement, dated as of the Closing Date, stating under penalties of perjury that the Company is not, and has not been, a "United States real property holding corporation" as defined in Section 897(c)(2) of the Code during the applicable period described in Section 897(c)(1)(A)(ii) of the Code, in form and substance reasonably acceptable to Parent, and (B) proof reasonably satisfactory to Parent that the Company has provided notice of such verification to the Internal Revenue Service in accordance with the provisions of Treasury Regulations Section 1.897-2(h)(2), if such is required;

viii. Evidence reasonably satisfactory to Parent that the Company has (A) obtained consents or approvals from all parties in the absence of whose consent or approval the consummation of the Merger and the Transactions would violate or constitute a default under any Company Contract, and (B) obtained, made or received all consents or approvals of, or filings, declarations or registrations with, any Governmental Entity necessary for the execution and delivery of this Agreement and the CVR Agreement by the Company and the consummation by the Company of the Transactions, other than the filing of the Certificate of Merger with the Secretary of State of the State of Delaware pursuant to the DLLC Act;

ix. A counterpart signature page to the CVR Agreement, duly executed by the Members' Representative;

x. Copies of the fully executed Commercial License Agreement (the "Minotaur License") and Master Services Agreement (the "Minotaur Services Agreement"), each dated on or before the Closing Date and entered into by and between the Company and Minotaur, inclusive of any and all amendments thereto, in form and substance satisfactory to Parent, and complete and correct copies of the certificate of incorporation and bylaws of Minotaur, in each case as amended through the date of this Agreement;

xi. Counterpart signature pages to the fully completed Professional Services Agreement and Consultant Confidential Information and Invention Assignment Agreement, each dated the Closing Date and in form and substance satisfactory to Parent, duly executed by Vaughn Smider; and

xii. All other instruments, agreements, certificates and documents required to be delivered by the Company at or before the Closing pursuant to this Agreement and such other certificates of authority and similar instruments as Parent or Merger Sub has reasonably requested before the Closing.

b. Parent shall pay, or cause to be paid, the Closing Payments, in the amounts and to the payees set forth in the schedule delivered to Parent by the Company as provided in **Section 2.5(b)** and shall deliver, or cause to be delivered, to the Company or any other Person designated by the Company

(unless the delivery is waived in writing by the Company), in each case duly executed or otherwise in proper form, all instruments, agreements, certificates and documents required to be delivered by Parent or Merger Sub at or before the Closing pursuant to this Agreement and such other certificates of authority and similar instruments as the Company has reasonably requested before the Closing.

Section 2.7 Conversion of Company Interests. At the Effective Time, by virtue of the Merger and without any further action on the part of Parent, Merger Sub, the Company or any member of the Company or member of Merger Sub:

a. any Company Interests then held by the Company (or held in the Company's treasury) shall cease to exist, and no consideration shall be paid in exchange therefor;

b. any Company Interests then held by Parent, Merger Sub or any other wholly-owned Parent Subsidiary shall cease to exist, and no consideration shall be paid in exchange therefor;

c. except as provided in clauses (a) and (b) above, each issued and outstanding Company Interest shall be converted into the right to receive a portion of the Total Merger Consideration as follows:

i. an amount in cash equal to the quotient of (A) the sum of $4,500,000, plus the amount of the Closing Cash, less the aggregate amount of the Closing Payments, divided by (B) the number of Outstanding Company Interests;

ii. at the time set forth in **Section 2.10** for payment of the Holdback Distribution, an amount in cash equal to the quotient of (A) the Holdback Distribution Amount (if any), divided by (B) the number of Outstanding Company Interests;

iii. at the time of any supplemental post-365th-day Holdback Distribution Amount distributions described in **Section 2.10**, an amount in cash equal to the quotient of (A) such supplemental payment amount, divided by (B) the number of Outstanding Company Interests; and

iv. one CVR

d. (all referred to herein, as applicable in context per former Outstanding Company Interest, as the "Merger Consideration"); and

e. all of the limited liability company membership interests of Merger Sub then outstanding shall be converted into all of the limited liability company membership interests of the Surviving Company, such that immediately after the Effective Time Parent shall, as the former holder of all the limited liability company membership interests of Merger Sub, own all the limited liability company membership interests of the Surviving Company.

Section 2.8 Closing of the Company's Transfer Books. At the Effective Time: (a) all Company Interests outstanding immediately before the Effective Time shall cease to exist as provided in **Section 2.7** and all holders of Company Interests that were outstanding immediately before the Effective Time shall cease to have any rights as members of the Company except the right to receive the applicable Merger Consideration therefor; and (b) the limited liability company membership interest transfer books of the Company shall be closed with respect to all Company Interests. No further transfer of any such Company Interests shall be made on such limited liability company membership interest transfer books after the Effective Time.

Section 2.9 Exchange Procedures.

a. Surrender of a Member's Company Interests requires only that such Member duly execute this Agreement in order to trigger payment of the applicable Merger Consideration with respect to such Member's Company Interests. Each Member acknowledges and agrees that all of such Member's Company Interests are hereby surrendered to be exchanged for the applicable Merger Consideration on the terms set forth herein and that the Merger Consideration paid in exchange for such Member's Company Interests shall be deemed to have been issued in full satisfaction of all rights pertaining to such Company Interests.

b. Parent shall ensure that, after the Merger and upon surrender to Parent of Company Interests, the holder of such Company Interests shall promptly receive in respect thereof the applicable Merger Consideration (including the CVRs and any payment distributed between the Effective Time and the time of such surrender on the CVRs), without interest. Payment of the cash portion of the applicable Merger Consideration shall be made by Parent to each Member by wire transfer of immediately available funds in accordance with the wire transfer instructions provided no less than three Business Days before the Closing Date in writing by the Company to Parent.

c. Neither Parent nor the Surviving Company shall be liable to any holder of Company Interests for any amount properly paid to a public official pursuant to any applicable abandoned property or escheat Legal Requirements.

d. Parent and the Surviving Company shall be entitled to deduct and withhold from the consideration otherwise payable pursuant to the Merger or this Agreement to any holder of Outstanding Company Interests, such amounts as Parent or the Surviving Company are required to deduct and withhold under the Code with respect to the making of such payment. To the extent that amounts are so withheld and paid over to the appropriate Tax authority or other Governmental Entity by Parent or the Surviving Company, such withheld amounts shall be treated for all purposes of this Agreement as having been paid to the holder of Outstanding Company Interests, in respect of whom such deduction and withholding was made by Parent or the Surviving Company.

Section 2.10 Holdback Distribution(s). The Holdback Distribution shall be made on the 365th day after the date of this Agreement; provided, that if as of such 365th day there is any Claimed Amount for which final determination has not yet occurred (and for which the Holdback Distribution Amount is therefore reduced pending final determination), then upon any final determination of non-indemnifiability or of a smaller size of Loss, within 30 days thereafter a supplemental Holdback Distribution shall be made in respect of the indicated amount (or applicable portion thereof) that had been held back beyond such 365th day.

ARTICLE 3.

REPRESENTATIONS AND WARRANTIES OF THE MEMBERS

Each Member hereby represents and warrants to Parent and Merger Sub solely with respect to such Member, of the date of this Agreement, which representations and warranties shall however be deemed qualified by disclosures set forth in the letter delivered by the Company to Parent before the execution of this Agreement (the "Company Disclosure Letter"). The Company Disclosure Letter is arranged in sections and subsections corresponding to the numbered and lettered sections and subsections contained in this **Article 3** and in **Article 4**. The disclosures in any section or subsection of the Company

Disclosure Letter shall qualify only the corresponding section or subsection in this **Article 3** or in **Article 4** and any other Sections where the applicability thereof is clearly apparent from the face of such Company Disclosure Letter:

Section 3.1 Ownership. All of the Company Interests set forth opposite such Member's name on Exhibit A hereto under the "Number of Interests Units" column are owned beneficially and of record by such Member free and clear of any Encumbrances or any other restrictions on transfer (except for Permitted Encumbrances). Such Member is not party to any option, warrant, purchase right or other Contract (other than this Agreement) that (including upon the occurrence of any contingency or event) requires such Member to sell, transfer or otherwise dispose of any Company Interests or any direct or indirect interest therein. Such Member is not party to any voting trust, proxy or other agreement or understanding with respect to the voting of any of the Company Interests. Such Member has good and valid title to such Member's Company Interests.

Section 3.2 Authority; Non-Contravention.

a. Such Member has all requisite power and authority (and, if an individual, legal capacity) to execute and deliver this Agreement and to perform his, her or its obligations hereunder, including, but not limited to surrendering such Member's Company Interests as provided herein for payment as provided herein. Such Member has duly executed and validly delivered this Agreement, which constitutes a valid and legally binding obligation of such Member, enforceable against such Member in accordance with its terms and conditions, except that such enforceability (i) may be limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other similar Legal Requirements of general application affecting or relating to the enforcement of creditors' rights generally and (ii) is subject to general principles of equity, whether considered in a proceeding at law or in equity (the "Bankruptcy and Equity Exception").

b. Such Member is not required to give any notice to, make any filing with, or obtain any authorization, consent, or approval of any Governmental Entity in connection with the execution and delivery of this Agreement by such Member or the consummation of the Transactions. To the extent that such Member is an Entity, the execution and delivery of this Agreement by such Member and the consummation by such Member of the Transactions have been duly authorized by all necessary action on the part of such Member (including by the board of directors, manager, managing member, or other managing body of such Member, if required) and no other corporate, limited liability company or other action, as the case may be, on the part of such Member is necessary to authorize the execution and delivery of this Agreement by such Member or the consummation by such Member of the Transactions.

c. Neither the execution and the delivery of this Agreement, the performance by such Member of his, her or its obligations hereunder nor the consummation of the Transactions will (i) violate any Legal Requirement applicable to such Member, (ii) if such Member is an Entity, violate or conflict with any provision of the undersigned's governing documents, (iii) conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, or cancel or give rise to any obligation of such Member to make any payments under, any material Contract to which such Member is a party, (iv) require any notice to, filing with or authorization, consent or approval of any Person (other than a Governmental Entity), or (v) result in the creation of any material Encumbrance on such Member's Company Interests.

d. Such Member is not aware of any obligation or liability to pay any fees or commissions to any broker, finder, financial adviser, investment banker or agent with respect to the Transactions based upon any agreements, Contracts or other arrangements made by or on behalf of such

Member for which the Company, Parent, the Surviving Company or any of their respective Affiliates would be responsible.

ARTICLE 4.

REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company hereby represents and warrants to Parent and Merger Sub as set forth in all the respective sections of this **Article 4**, which representations and warranties shall however be deemed qualified by disclosures set forth in the Company Disclosure Letter:

Section 4.1 Organization, Standing and Power.

a. The Company is a limited liability company duly organized, validly existing and in good standing under the Legal Requirements of the State of Delaware and has all requisite limited liability company power and authority necessary to own or lease all of its properties and assets and to carry on its business as it is now being conducted. The Company is duly licensed or qualified to do business and is in good standing in each jurisdiction in which the nature of the business conducted by it or the character or location of the properties and assets owned or leased or held under license by it makes such licensing or qualification necessary.

b. The Company has no Subsidiaries and has never had any Subsidiaries.

c. The Company has delivered to Parent complete and correct copies of the certificate of formation and limited liability company agreement of the Company, in each case as amended through the date of this Agreement (the "Company Charter Documents"). The Company has made available to Parent and its representatives true and complete copies of the minutes (or, in the case of minutes that have not yet been finalized, a brief summary of the meeting, including in each case a summary of any resolutions adopted by the Company Manager), of all meetings of the members, the Company Manager and each committee thereof, if any, held since its formation.

Section 4.2 Capitalization.

a. The only authorized Ownership Interests of the Company are Units. At the execution and delivery of this Agreement the only Company Interests outstanding are, and as of the Effective Time the only Company Interests outstanding will be, 141,612 Units outstanding, all as specified on Exhibit A hereto. Collectively, the Members hold of record and own beneficially, free and clear of any Encumbrances or any other restrictions on transfer (except for Permitted Encumbrances), all of the issued and outstanding Company Interests. There are no other issued and outstanding Ownership Interests of the Company other than the Company Interests. Since its formation, the Company has not issued, or reserved for issuance, any securities convertible into or exchangeable or exercisable for any of its Ownership Interests.

b. There are no outstanding contractual obligations of the Company requiring the issuance, sale, repurchase, redemption or disposition of, or containing any right of first refusal with respect to, any Company Interests. There are no options or warrants outstanding to purchase any Company Interests and the Company has never issued any options or warrants to purchase any Company Interests. There are no bonds, debentures, notes or other indebtedness or liabilities of the Company

having the right to vote (or convertible into or exchangeable for securities having the right to vote) on any matters.

Section 4.3 Authority; Non-contravention; Voting Requirements.

a. The Company has all necessary limited liability company power and authority to execute and deliver this Agreement and the CVR Agreement and, subject to the holders of a majority of outstanding Company Interests of the Company entitled to vote thereon voting in favor of the adoption of this Agreement and approval of the Transactions (the "Company Equityholder Approval"), to perform its obligations hereunder and consummate the Transactions. The execution, delivery and performance by the Company of this Agreement and the CVR Agreement, and the consummation by it of the Transactions, have been duly authorized and approved by the Company Manager, and except for obtaining the Company Equityholder Approval, no other limited liability company action on the part of the Company or any member of the Company is necessary to authorize the execution, delivery and performance by the Company of this Agreement and the CVR Agreement and the consummation by it of the Transactions. This Agreement has been duly executed and delivered by the Company and, assuming due authorization, execution and delivery hereof by the other parties hereto, constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, subject to the Bankruptcy and Equity Exception.

b. The Company Manager has, upon the terms and subject to the conditions set forth in this Agreement, unanimously duly adopted resolutions by written consent (i) determining that this Agreement and the Transactions are advisable and in the best interests of the Company and its members, (ii) approving this Agreement and the Transactions, including the Merger, in accordance with the DLLC Act, (iii) directing that this Agreement be submitted to the members of the Company for adoption, and (iv) recommending that the members of the Company adopt this Agreement and approve the Transactions.

c. Neither the execution and delivery of this Agreement by nor the execution and delivery of the CVR Agreement by the Members' Representative nor the consummation by the Company of the Transactions, nor compliance by the Company with any of the terms or provisions hereof, will (i) conflict with or violate any provision of the Company Charter Documents or (ii) assuming that the filing referred to in **Section 4.4** is made, (x) violate any Legal Requirement applicable to the Company or (y) violate or constitute a default under any Company Contract.

d. The Company Equityholder Approval is the only vote or approval of the holders of limited liability company membership interests of the Company (or of any class or series thereof) which is necessary to adopt this Agreement and approve the Transactions and the Company has obtained the Company Equityholder Approval on or before the date of this Agreement.

e. The Company Manager personally and exclusively possesses all of the authority (for and on behalf of the Company) customarily associated with sole managers of Delaware manager-managed limited liability companies.

Section 4.4 Governmental Approvals. Except for the filing of the Certificate of Merger with the Secretary of State of the State of Delaware pursuant to the DLLC Act, no consents or approvals of, or filings, declarations or registrations with, any Governmental Entity are necessary for the execution and delivery of this Agreement by the Company and the Members, the execution and delivery of the CVR Agreement by the

Members' Representative, and the consummation by the Company, the Members and the Members' Representative of the Transactions.

Section 4.5 Liabilities.

a. The Company has (and as of the Effective Time will have) no liabilities of any nature (whether accrued, absolute, determined, determinable, fixed or contingent), except (i) Transaction Expenses, (ii) $250,000 in principal amount of Indebtedness (plus accrued interest) consisting of promissory notes payable to certain Members that will be paid at the Closing pursuant to **Section 2.5(b)**, and (iii) other liabilities that will be paid at the Closing pursuant to **Section 2.5(b)**.

b. Since its formation, (i) except for actions taken in connection with this Agreement and the Transactions, the Company has conducted its business in all material respects in the ordinary course, and (ii) there has not been any Company Material Adverse Effect or any change, event, development, condition, occurrence or effect that has had or would reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect.

Section 4.6 Legal Proceedings. There is no pending or, to the Knowledge of the Company, threatened Legal Proceeding by or against the Company or relating to the Company or its properties or assets, nor is there any injunction, order, judgment, ruling or decree imposed upon the Company, in each case, by or before any Governmental Entity.

Section 4.7 Compliance With Legal Requirements; Governmental Authorizations. The Company is in compliance in all material respects with all Legal Requirements applicable to the Company. The Company holds all Governmental Authorizations necessary for the lawful conduct of its business, and all such Governmental Authorizations are valid and in full force and effect. The Company is in compliance with the terms of all Governmental Authorizations.

Section 4.8 Bank Accounts; Powers of Attorney. A statement delivered by the Company to Parent before the date hereof, and so designated, sets forth: an accurate, correct and complete list of the names and addresses of all banks, commercial lending institutions and other financial institutions in which the Company has an account, deposit, safe-deposit box, line of credit or other loan facility or relationship, or lock box or other arrangement for the collection of accounts receivable, with the names of all Persons authorized to draw or borrow thereon or to obtain access thereto, and an accurate, correct and complete list of the names and addresses of all persons holding powers of attorney for the Company or for any officer or agent thereof.

Section 4.9 Tax Matters.

a. (i) The Company has timely filed, or has caused to be timely filed on its behalf (taking into account any extension of time within which to file), all income Tax Returns and all other material Tax Returns required to be filed by it, and all such filed Tax Returns are correct and complete in all material respects; (ii) all Taxes shown to be due on such Tax Returns have been timely paid; (iii) no deficiency with respect to Taxes has been proposed, asserted or assessed in writing against the Company which have not been fully paid; and (iv) to the Knowledge of the Company, no audit or other administrative or court proceedings are pending with any Governmental Entity with respect to Taxes of the Company, and no written notice thereof has been received.

b. The Company is not a party to or bound by any Tax allocation, Tax sharing agreement, Tax indemnity agreement, or similar agreement or arrangement, other than customary

commercial Contracts entered into in the ordinary course of business the principal subject matter of which is not Taxes.

c. The Company (i) has never been a member of an affiliated group filing a consolidated federal income Tax Return and (ii) has no liability for the Taxes of any Person (other than the Company) under United States Treasury Regulation Section 1.1502-6 (or any similar provision of any Legal Requirement), as a transferee or successor, by Contract, or otherwise.

d. There are no liens for Taxes upon any material property or other material assets of the Company.

e. All income and other material Taxes required to be withheld, collected or deposited by or with respect to the Company have been timely withheld, collected or deposited, as the case may be, and to the extent required, have been paid to the relevant Tax authority or other Governmental Entity.

f. The Company is a not a party to any agreement, contract, arrangement or plan that has resulted or would result, individually or in the aggregate, in the payment of any "excess parachute payment" within the meaning of Section 280G of the Code (or any corresponding provision of state, local or foreign Tax law).

g. The Company has not been a party to a transaction governed in whole or part by Code Section 355.

h. No position has been taken on any Tax Return with respect to the business or operations of the Company for a taxable period for which the statute of limitations for the assessment of any Taxes with respect thereto has not expired that is contrary to any publicly announced position of a taxing authority or that is substantially similar to any position which a taxing authority has successfully challenged in the course of an examination of a Tax Return of the Company. The Company has disclosed on its federal income Tax Returns all positions taken therein that could give rise to a substantial understatement of income Tax under Section 6662 of the Code.

i. The Company has not entered into any transaction identified as a "listed transaction" for purposes of Treasury Regulations Sections 1.6011-4(b)(2) or 301.6111-2(b)(2).

j. The Company has delivered or made available to Parent complete and accurate copies of all Tax Returns of the Company for each fiscal year since the Company's formation.

k. The Company has, at all times since its inception, been taxable as a partnership and not as a corporation. Neither the Company nor any of its members has ever made any election or filed any Tax Return inconsistent with the foregoing sentence.

l. The Company Manager has taken into full consideration the difficulty of determining with certainty from the tax literature whether the IRS would take the position that the taxable gain or loss of holders of Outstanding Company Interests as a result of the Merger would be based on "closed transaction" treatment or the IRS would take the position that the taxable gain or loss of holders of Outstanding Company Interests as a result of the Merger would be based on "open transaction" treatment; and that the tax value assigned to the CVRs for the purposes of "closed transaction" tax treatment (if such treatment were applicable) might differ from the tax value which the Company or any holder of Outstanding Company Interests might consider to be appropriate or accurate.

Section 4.10 Employee Benefits and Labor Matters.

a. The Company has never had any "employee benefit plan" (as defined in Section 3(3) of ERISA) or any other material employee plan or agreement or similar Contract maintained by the Company and with respect to which the Company would reasonably be expected to have any liability (each, a "Company Plan"). The Company is in material compliance with the applicable provisions of ERISA, the Code and all other applicable Legal Requirements. There never have been any Company Plans that constitute "employee pension plans" (as defined in Section 3(3) of ERISA) and are intended to be Tax qualified under Section 401(a) of the Code. The Company has never contributed or been obligated to contribute to an "employee benefit plan" subject to Title IV of ERISA, a "multiemployer plan," as defined in Section 3(37) of ERISA, or an "employee benefit plan" subject to Sections 4063 or 4064 of ERISA.

b. The Company has no liability for life, health, medical or other welfare benefits for former employees or beneficiaries or dependents thereof under any Company Plans.

c. There are no claims, lawsuits, arbitrations or audits asserted or instituted against any Company Plan, any fiduciary (as defined by Section 3(21) of ERISA) thereto, the Company or any employee or administrator thereof in connection with the existence, operation or administration of a Company Plan.

d. The Company has no employees and has not had any since its formation. There is no agreement or arrangement for any Person to provide (or "lease") personnel to or for the use of the Company, or to second personnel to or for the use of the Company, except for agreements or arrangements which the Company and the counterparty thereto have agreed are being wholly terminated (without liability to the Company) as of no later than the Closing.

e. There is no stay or severance or bonus or employment agreement or other similar Contract between the Company and any of its managers, directors, officers, employees or consultants.

f. The Company has not committed any unfair labor practice, nor has there been any charge or complaint of unfair labor practice filed or threatened against the Company before the National Labor Relations Board or any other Governmental Entity. There has been no complaint, claim or charge of discrimination filed or threatened against the Company with the Equal Employment Opportunity Commission or any other Governmental Entity.

g. The Company has never had an employee equity incentive plan.

Section 4.11 Contracts.

a. The Company has made available to Parent correct and complete copies of each Company Contract.

b. Each Company Contract is valid and binding on the Company and on each other party thereto, subject to the Bankruptcy and Equity Exception, and is in full force and effect, and the Company has performed all obligations required to be performed by it before the date hereof under each Company Contract and, to the Knowledge of the Company, each other party to each Company Contract has performed all obligations required to be performed by it before the date hereof under such Company Contract, except for such failures to be in compliance as would not, individually or in the aggregate, reasonably be expected to result in an allegation of material breach thereof. With respect to each

Company Contract, the Company has not provided to or received from any counterparty thereto any written notice announcing, contemplating or threatening to, and, to its Knowledge, the Company is not otherwise aware of any intention by any counterparty thereto to: (A) repudiate, terminate or not renew such Company Contract, or (B) seek the renegotiation of such Company Contract in any material respect.

c. The Company has not received or enjoyed any benefit, inducement or incentive from any Governmental Entity which will, as a result of this Agreement or the Transactions or the reduction of or (should it occur) cessation of the Company's business operations in the geographic area where they are currently conducted or the reduction in force of or (should it occur) the termination of any or all Company employees, result in any clawback, recapture, recoupment, repayment obligation, penalty, Tax or other such liability.

Section 4.12 Environmental Matters.

a. The Company is and always has been in compliance with (i) all applicable Legal Requirements concerning pollution or protection of the environment, including all those relating to the presence, use, production, generation, handling, transportation, treatment, storage, disposal, distribution, labeling, testing, processing, discharge, release, threatened release, control or cleanup of any hazardous materials, substances or wastes ("Environmental Laws"), and (ii) any Governmental Authorizations required, issued, held or obtained under Environmental Laws for the operations of the Company.

b. There has been no violation of, and the Company has never received any written notice or report regarding any actual or alleged violation of, any Environmental Law or any liabilities of the Company arising under Environmental Laws. No event has occurred, and no circumstance exists, at any location or in connection with the business or assets of the Company, in each case that to the Knowledge of the Company could reasonably be expected to (with or without notice or lapse of time): (i) materially prevent, hinder or limit continued compliance with Environmental Laws; (ii) give rise to any investigatory, monitoring, remedial or corrective action obligations pursuant to Environmental Laws, which obligations are or would be material; or (iii) result in the imposition of any material Liability or costs pursuant to any Environmental Law.

Section 4.13 Intellectual Property.

a. Exhibit B hereto sets forth as of the date hereof a true, complete and correct list of all Company Patents, and identifies which are Owned Company Patents and which are not.

b. The Company is the sole and exclusive assignee (or otherwise the sole and exclusive owner) of all Company Patents that are Owned Intellectual Property ("Owned Company Patents"). All Owned Company Patents are subsisting, in full force and effect and have not lapsed, expired or been abandoned.

c. To the Knowledge of the Company, the actions of the Company in the conduct of its business do not, never have, and have not been alleged to infringe, constitute contributory infringement, inducement to infringe, misappropriation or unlawful use of, or otherwise violate any valid and enforceable Intellectual Property of any Person. The Company has not received any notice or other communication asserting or alleging that the actions of the Company in the conduct of its business infringe, constitute contributory infringement, inducement to infringe, misappropriation or unlawful use of, or otherwise violate any valid and enforceable Intellectual Property of any Person. No settlement agreements, consents, orders, forbearances to sue or similar obligations to which the Company is a party

limit or restrict any rights of the Company in and to any Company Patents or other Company Intellectual Property.

d. No third party has challenged or has threatened to challenge the Company's (or, to the Knowledge of the Company, the Company's licensor's) right, title or interest in, to or under any Company Patent or other Company Intellectual Property, or the validity, enforceability or claim scope of any (now- or hereafter-) issued patent within the Owned Company Patents (or, to the Company's Knowledge, any other Company Patents), nor are there any facts known to the Company that the Company believes are reasonably likely to give rise to a conclusion of invalidity, unenforceability or narrowing of claim construction of any (now- or hereafter-) issued patent within the Company Patents. No interference, inter partes review, post-grant review, opposition, reissue, reexamination or other Legal Proceeding is or has been pending or, to the Knowledge of the Company, threatened in writing, in which the ownership, scope, validity or enforceability of any Owned Company Patent is being, has been or would be contested or challenged. To the Knowledge of the Company, no interference, inter partes review, post-grant review, opposition, reissue, reexamination or other Legal Proceeding is or has been pending or threatened in writing, in which the ownership, scope, validity or enforceability of any Company Intellectual Property other than Owned Company Patent is being, has been or would be contested or challenged.

e. No Person has asserted or threatened a claim which if adversely resolved would adversely affect the Company's ownership or license rights to or under (nor are there any facts known to the Company that the Company believes are reasonably likely to adversely affect the Company's ownership or license rights to or under) any of the Company Patents or other Company Intellectual Property.

f. To the Knowledge of the Company, (i) all Company Patents have been prosecuted in good faith, (ii) there are no inventorship challenges to any Company Patents, (iii) no interference has been declared or provoked relating to any Company Patents, (iv) all issued patents within the Company Patents are valid and enforceable, and (v) all required maintenance and annual fees for all issued patents within the Company Patents have been fully paid, and all fees paid during prosecution and after issuance of any patents within the Company Patents have been paid in the correct entity status amounts, with respect to such patents. To the Knowledge of the Company, there does not exist any material fact that the Company reasonably believes would (i) preclude the issuance of any patents from patent applications included in the Company Patents, (ii) render any (now- or hereafter-) issued patents included in the Company Patents invalid or unenforceable, or (iii) cause any claims included in the Company Patents to be materially narrowed.

g. The Company has taken all commercially reasonable steps and precautions to protect and maintain the confidentiality of all confidential know-how, trade secrets and other confidential items included within the Company Intellectual Property and otherwise to maintain and protect the value of all such confidential know-how, trade secrets and other confidential items.

h. Other than pursuant to the express terms of the Minotaur License, the Company has not granted, licensed or conveyed to any third party, pursuant to any written or oral contract, agreement, license or other arrangement, any license or other right, title or interest in, to or under (i) any Company Intellectual Property, or (ii) any future intellectual property (or any tangible embodiment thereof) that may be developed from Company Intellectual Property.

i. With respect to in-licensed Company Intellectual Property: the Company possesses appropriate, valid and subsisting in-licenses to all such in-licensed Company Intellectual Property; neither party is in breach of any such in-license; there exists no default which (or condition which, with the passage of time, the giving or notice or both) would give rise to a right to terminate, convert rights to non-exclusive or otherwise limit rights granted to the Company under any such in-license; neither party thereto has terminated or non-renewed any such in-license nor expressed an intent to do so; each such in-license is an exclusive in-license; no such in-license contains any diligence or milestones obligation which if not satisfied would allow the counterparty to terminate the in-license; and no such in-license has a scheduled expiration date which is sooner than December 31, 2035.

j. The Company has never disclosed confidential information or other confidential items (including any tangible embodiment) included within Company Intellectual Property to a third party without having the recipient thereof execute a written agreement regarding the non-disclosure and non-use (other than research uses only) thereof, other than the disclosure of patent rights after the filing of any application in respect thereof.

k. Other than pursuant to the express terms of the Minotaur License and the Scripps License, there are no royalties, fees or other amounts payable by the Company to any Person by reason of the ownership (other than customary fees and amounts payable for filing, prosecuting and maintaining patents and patent applications), use, sale or disposition of Company Intellectual Property (or any tangible embodiment thereof), and there are no obligations to pay any such royalties, fees or other amounts that are currently payable or past due.

l. To the Knowledge of the Company, no Company Intellectual Property has been infringed or misappropriated by any third party.

m. The Company has never entered into any Contract to indemnify any other person against any charge of infringement of any Intellectual Property.

n. All current and former managers, officers and employees of the Company (including "leased employees") have executed and delivered to the Company an agreement regarding the protection of proprietary information and assigning to the Company (and requiring the assignment to the Company of) any Intellectual Property arising from services performed for the Company by such persons, the form of which has been provided to Parent. All current and former consultants and independent contractors to the Company (including "leased consultants") have executed and delivered to the Company an agreement in the form provided to Parent regarding the protection of proprietary information and assigning to the Company (and requiring the assignment to the Company of) any intellectual property arising from services performed for the Company by such persons. No current or former employee or independent contractor of the Company is in material violation of any term of any such proprietary information/assignment agreement, or any patent disclosure agreement, intellectual property disclosure agreement or employment contract or any other contract or agreement relating to the relationship of any such employee or independent contractor with the Company, nor has the Company waived or failed to enforce any such violation.

o. No university, Governmental Entity or other organization sponsored research and development conducted by the Company in such a way as to have any claim of right to or ownership of or other Encumbrance on any Owned Intellectual Property. No research and development conducted by the Company was performed by a graduate student or employee of any Governmental Entity.

p. The Transactions will not, with or without notice or lapse of time, result in, or give any other Person the right or option to cause or declare: (i) a loss of, or Encumbrance on, any Company Intellectual Property; (ii) the release, disclosure or delivery of any Company Intellectual Property by or to any escrow agent or other Person; or (iii) the grant, assignment or transfer to any other Person of any license or other right or interest under, to or in any of the Company Intellectual Property.

Section 4.14 Assets. The Company has good and valid title to all of its assets (tangible or intangible), free and clear of any Encumbrances, other than Permitted Encumbrances. (It is understood that for in-licensed intangible assets, "good and valid title" to the asset shall be understood to mean good and valid title to the in-license agreement.) There is no agreement or arrangement for any Person to provide (or "lease") equipment or other personal property to or for the use of the Company, except for agreements or arrangements which the Company and the counterparty thereto have agreed are being wholly terminated (without liability to the Company) as of no later than the Closing.

Section 4.15 Real Property.

(i)The Company does not own any real property, nor has the Company ever owned any real property.

(ii)The Company does not lease any real property, nor has the Company since its formation used or occupied under lease (or had the right to use or occupy under lease) any real property. There is no agreement or arrangement for any Person to provide (or "lease") real property to or for the use of the Company, except for agreements or arrangements which the Company and the counterparty thereto have agreed are being wholly terminated (without liability to the Company) as of no later than the Closing.

Section 4.16 Insurance. A statement delivered by the Company to Parent before the date hereof, and so designated, sets forth, as of the date of this Agreement, a complete and accurate list of all policies or binders of insurance covering the Company, in each case held by the Company or any other Person (the "Insurance Policies"), setting forth, in respect of each such Insurance Policy: (a) the policy number; (b) the insurer and the named insured(s); (c) policy limits and deductibles; (d) the dates of premiums or payments due thereunder; and (e) the expiration date. Each Insurance Policy is in full force and effect. To the Knowledge of the Company, there have been no gaps in insurance coverage that could expose the Company to uninsured material liability for events that occurred before the date of this Agreement. There is no material claim pending under any Insurance Policy as to which coverage has been questioned, denied or disputed by the underwriters of such Insurance Policy. All premiums due and payable to date under all Insurance Policies have been paid and the Company is otherwise in compliance in all material respects with the terms of such policies and Contracts.

Section 4.17 Certain Business Relationships with Affiliates. No event has occurred, and, other than entry into the Minotaur License and the Minotaur Services Agreement, there has been no transaction, or series of similar transactions, agreements, arrangements or understandings to which the Company is a party, of the sort which, if the Company were a reporting company under the Exchange Act, would be required heretofore or ultimately to be reported pursuant to Item 404 of Regulation S-K promulgated by the SEC.

Section 4.18 Products and Services. The Company has never offered or sold any product or service, except the provision of research and development services to customers, collaborators and licensees.

Section 4.19 Ordinary Course.

a. The Company has since its formation conducted its business in the ordinary course of its business and not otherwise.

b. The Company has at all times exercised commercially reasonable efforts to (i) maintain its books and records (including both detailed and summary records of scientific data) in any and all tangible and intangible media, in accordance with commercially reasonable practices, and (ii) cause its consultants and counterparties to maintain books and records pertaining to Company matters (including both detailed and summary records of scientific data) in any and all tangible and intangible media, in accordance with commercially reasonable practices; and it and they have not destroyed any of such books and records.

Section 4.20 Brokers and Other Advisors. No broker, investment banker, financial advisor, agent or other Person is entitled to any broker's, finder's, financial advisor's, agent's or other similar fee or commission in connection with the Transactions based upon arrangements made by or on behalf of the Company. Except for the reasonable Transactions-related fees and expenses of Pillsbury Winthrop Shaw Pittman LLP, Morrison & Foerster LLP and Crosbie Gliner Schiffman Southard & Swanson LLP, which will be paid by the Company whether or not the Merger occurs, there are and will be no other Transaction Expenses.

Section 4.21 State Takeover Statutes. No DLLC Act takeover or business-combinations statute is applicable to the Merger. The Company does not have any "poison pill" or similar antitakeover device.

Section 4.22 Bad Actor. Neither (a) any record or beneficial equityholder of the Company, or (b) any of such person's managers, directors, executive officers, other officers that may serve as a manager, director or officer of any company in which it invests, general partners or managing members, is subject to any "Bad Actor" disqualifying event described in Rule 506(d)(1)(i) to (viii) of the Securities Act, except for disqualifying events covered by Rule 506(d)(2)(ii) or (iii) or (d)(3) under the Securities Act and disclosed reasonably in advance of the Closing in writing in reasonable detail to Parent.

Section 4.23 Disclosure. No representation or warranty of the Company in this Agreement (as modified by the Company Disclosure Letter), including all exhibits, certificates and schedules delivered in connection herewith, and no statement in the Company Disclosure Letter, contains any material untrue statement or omits to state a material fact necessary to make the statements herein or therein, in light of the circumstances in which they were made, not misleading.

ARTICLE 5.

REPRESENTATIONS AND WARRANTIES OF PARENT AND MERGER SUB

Parent and Merger Sub hereby represent and warrant to the Company and the Members that:

Section 5.1 Organization and Standing. Parent is a corporation duly organized, validly existing and in good standing under the Legal Requirements of the State of Delaware and Merger Sub is a limited liability company duly organized, validly existing and in good standing under the Legal Requirements of the State of Delaware. Each of Parent and Merger Sub has all requisite corporate or limited liability company power and authority necessary to own or lease all of its properties and assets and to carry on its business as it is now being conducted.

Section 5.2 Authority; Non-contravention.

a. Each of Parent and Merger Sub has all necessary corporate or limited liability company power and authority to (as applicable) execute and deliver this Agreement and the CVR Agreement, to perform their respective obligations hereunder and thereunder and to consummate the Transactions. The execution, delivery and performance by Parent and Merger Sub of (as applicable) this

Agreement and the CVR Agreement, and the consummation by Parent and Merger Sub of the Transactions, have been duly authorized and approved by their board of directors and manager, respectively, and adopted and approved by Parent as the sole member of Merger Sub, and no other corporate or limited liability company action on the part of Parent and Merger Sub or any stockholders of Parent is necessary to authorize the execution, delivery and performance by Parent and Merger Sub of (as applicable) this Agreement and the CVR Agreement and the consummation by them of the Transactions. This Agreement has been duly executed and delivered by Parent and Merger Sub and, assuming due authorization, execution and delivery hereof by the Company, constitutes a legal, valid and binding obligation of each of Parent and Merger Sub, enforceable against each of them in accordance with its terms, subject to the Bankruptcy and Equity Exception.

b. Neither the execution and delivery of this Agreement by Parent and Merger Sub, nor the execution and delivery of the CVR Agreement by Parent, nor the consummation by Parent or Merger Sub of the Transactions, nor compliance by Parent or Merger Sub with any of the terms or provisions hereof, will (i) conflict with or violate any provision of the certificate of incorporation or bylaws of Parent or the certificate of formation or limited liability company agreement of Merger Sub or (ii) assuming that the filing and compliance referred to in **Section 4.4** are effected, (x) violate any Legal Requirement of any Governmental Entity applicable to Parent or any of its Subsidiaries, or (y) violate or constitute a default under any of the terms, conditions or provisions of any Contract to which Parent, Merger Sub or any of their respective Subsidiaries is a party, except, in the case of clause (ii), for such violations or defaults as would not, individually or in the aggregate, reasonably be expected to have a Parent Material Adverse Effect, impair in any material respect the ability of Parent or Merger Sub to perform their obligations hereunder or prevent or materially delay consummation of the Transactions.

Section 5.3 Ownership and Operations of Merger Sub. Parent owns all of the outstanding limited liability company membership interests of Merger Sub. Merger Sub was formed solely for the purpose of engaging in the Transactions, has engaged in no other business activities and has conducted its operations only as contemplated hereby.

Section 5.4 Governmental Approvals. Except for the filing of the Certificate of Merger with the Secretary of State of the State of Delaware pursuant to the DLLC Act, no consents or approvals of, or filings, declarations or registrations with, any Governmental Entity are necessary for the execution, delivery and performance of this Agreement by Parent and Merger Sub, the execution, delivery and performance of the CVR Agreement by Parent or the consummation by Parent and Merger Sub of the Transactions, other than such other consents, approvals, filings, declarations or registrations that, if not obtained, made or given, would not, individually or in the aggregate, reasonably be expected to have a Parent Material Adverse Effect, impair in any material respect the ability of Parent or Merger Sub to perform their obligations hereunder or prevent or materially delay consummation of the Transactions.

Section 5.5 Legal Proceedings. There is no pending or, to the Knowledge of Parent, threatened Legal Proceeding against or relating to Parent, nor is there any injunction, order, judgment, ruling or decree imposed upon Parent, in each case, by or before any Governmental Entity, that would, individually or in the aggregate, reasonably be expected to have a Parent Material Adverse Effect, impair in any material respect the ability of Parent or Merger Sub to perform their obligations hereunder or prevent or materially delay consummation of the Transactions.

ARTICLE 6.

COVENANTS; OTHER MATTERS

Section 6.1 Filings; Other Action.

a. Each of the Company, Parent, the Members' Representative and Merger Sub shall: (i) promptly make and effect all registrations, filings and submissions required to be made or effected by it pursuant to applicable Legal Requirements with respect to the Transactions; and (ii) use its reasonable best efforts to cause to be taken, on a timely basis, all other actions necessary or appropriate for the purpose of consummating and effectuating the transactions contemplated by this Agreement.

b. For avoidance of doubt, the parties recognize that Parent shall, upon issuance thereof, not register the CVRs under the Exchange Act, and Parent shall have no obligation under this Agreement or the CVR Agreement to ever list or include the CVRs, or any of them, on any national securities exchange or any quotation system.

Section 6.2 Publicity.

a. So long as this Agreement is in effect, none of the Company, the Members or any of their respective Affiliates (excluding, for the avoidance of doubt, Parent and the Surviving Company after the Effective Time) shall issue or cause the publication of any press release or other public or industry announcement, statement or acknowledgment with respect to the Merger, this Agreement or any of the other Transactions. Parent and its Affiliates (including, for the avoidance of doubt, the Surviving Company after the Effective Time) shall be permitted to issue, in their sole discretion, one or more press releases or other public or industry announcements, statements or acknowledgments with respect to this Agreement or any of the Transactions, including the Merger.

b. Each Member shall, and shall cause his, her or its Affiliates to, and shall cause his, her or its and their respective Representatives to, hold in confidence the existence of this Agreement, the ancillary documents contemplated by this Agreement, and the terms hereof and thereof, and each such Person shall not disclose any such information to any other Person; provided, however, that such Person may disclose any such information: (i) that after the date of this Agreement becomes generally available to the public other than through a breach by the applicable Member, any of his, her or its Affiliates or any of his, her or its or their respective Representatives of their respective obligations under this **Section 6.2(b)** (ii) to his, her or its respective tax, accounting or legal Representatives who have a need to know such information and are informed of the confidential nature of such information; (iii) as required by applicable Legal Requirements, by any Governmental Entity or under any subpoena, civil investigative demand or other similar process by a court of competent jurisdiction having jurisdiction over such Person; or (iv) with Parent's prior written consent.

Section 6.3 Indemnification of D&O Indemnified Parties.

a. From and after the Effective Time, Parent will cause the Surviving Company to fulfill and honor in all respects the obligations of the Company pursuant to (i) any indemnification provision and any exculpation provision in favor of a D&O Indemnified Party (as such) that is set forth in the Company Charter Documents in effect as of the date of this Agreement, and (iii) any other rights to indemnification now existing in favor of any D&O Indemnified Party (as such) under any statute or any express written Contract, in each case with respect to claims arising out of matters occurring at or before the Effective Time. The certificate of formation and limited liability company agreement of the Surviving Company shall contain provisions no less favorable with respect to indemnification and exculpation from

liability of present and former managers, directors and officers as set forth in the Company's Charter Documents on the date of this Agreement, and, from and after the Effective Time, such provisions shall not be amended, repealed or otherwise modified in any manner that could adversely affect the rights thereunder of any D&O Indemnified Party (as such).

b. Parent and the Surviving Company jointly and severally agree to pay all expenses, including reasonable attorneys' fees, that are incurred by the D&O Indemnified Parties in successfully enforcing their indemnity rights and other rights provided in this **Section 6.3**.

c. This **Section 6.3** shall survive the Effective Time and the consummation of the Merger. This **Section 6.3** is intended to benefit, and may be enforced by, the Indemnified Parties and their respective heirs, representatives, successors and assigns, and shall be binding on all successors and assigns of Parent and the Surviving Company.

Section 6.4 Further Assurances. The parties hereto shall execute and deliver such certificates and other documents and take such other actions as may be reasonably necessary or appropriate in order to effect and to more perfectly evidence the Merger and the Transactions, including, but not limited to, making filings, recordings or publications required under the DLLC Act. Without limitation, if at any time after the Effective Time any further action is necessary to vest in the Surviving Company the title to all property or rights of Merger Sub or the Company, the officers of the Surviving Company are fully authorized in the name of Merger Sub or the Company, as the case may be, to take, and shall take, any and all such lawful action.

Section 6.5 Post-Closing Confidentiality.

a. From and after the Closing, each Member shall, and shall cause his, her or its Affiliates to, and shall instruct his, her or its and their respective Representatives to, hold in confidence any and all confidential, proprietary and non-public information and materials, whether in written, verbal, graphic or other form, concerning Parent, the Company or any of their respective Affiliates or any of their respective Intellectual Property (collectively, "Company Confidential Information"), except that no Member shall have any obligation under this **Section 6.5** with respect to any Company Confidential Information that: (i) after the date of this Agreement becomes generally available to the public other than through a breach by the applicable Member, any of his, her or its Affiliates or any of his, her or its or their respective Representatives of their respective obligations under **Section 6.2** or this **Section 6.5**; or (ii) is provided to the applicable Member or any of his, her or its Affiliates by a third party that was not known to the receiving party to be bound by any duty of confidentiality to Parent, the Surviving Company or any of their respective Affiliates. In addition, each Member is allowed to disclose any particular item of Company Confidential Information to his, her or its respective tax, accounting or legal Representatives to the extent such tax, accounting or legal Representative has a need to know such information (in the provision of the Representative's tax, accounting or legal services to the Member) and is informed of the confidential nature of such information.

b. From and after the Closing, no Member shall, and each Member shall cause his, her or its Affiliates not to, and shall instruct his, her or its and their respective Representatives not to, use any Company Confidential Information except as expressly authorized in writing by Parent or the Surviving Company. Each Member shall, and shall cause his, her or its Affiliates to, and shall instruct his, her or its and their respective Representatives to, take the same degree of care to protect the Company Confidential Information that such Person uses to protect his, her or its own trade secrets and confidential information of a similar nature, which shall be no less than a reasonable degree of care.

c. Notwithstanding the foregoing, no Member shall be in breach of this **Section 6.5** as a result of any disclosure of Company Confidential Information that is required by applicable Legal Requirements or that is required by any Governmental Entity or under any subpoena, civil investigative demand or other similar process by a court of competent jurisdiction having jurisdiction over such Member; provided, however, that the applicable Member shall give advance written notice of such compelled disclosure to Parent, and shall cooperate with Parent in connection with any efforts to prevent or limit the scope of such disclosure; and provided further, that the applicable Member shall disclose no larger portion of such Company Confidential Information than that which is legally required to be disclosed.

d. Each Member agrees to accept responsibility and liability for any breach of this **Section 6.5** by any of his, her or its Affiliates or any of his, her or its or their respective Representatives.

Section 6.6 General Release.

a. Each Member, on behalf of himself, herself or itself and each of his, her or its past, present and future Affiliates, firms, corporations, limited liability companies, partnerships, trusts, associations, organizations, Representatives, investors, stockholders, members, partners, trustees, principals, consultants, contractors, family members, heirs, executors, administrators, predecessors, successors and assigns (each, a "Releasing Party" and, collectively, the "Releasing Parties"), hereby absolutely, unconditionally and irrevocably releases, acquits and forever discharges the Company, its former, present and future Affiliates, parent and subsidiary companies, joint ventures, predecessors, successors and assigns (including Parent, the Surviving Company and their respective Affiliates), and their respective former, present and future Representatives, investors, stockholders, members, partners, insurers and indemnitees (collectively the "Released Parties"), of and from any and all manner of action or inaction, cause or causes of action, Legal Proceedings, Encumbrances, Contracts, promises, or Losses (whether for compensatory, special, incidental or punitive Losses, equitable relief or otherwise) of any kind or nature whatsoever, past, present or future, at law, in equity or otherwise (including with respect to conduct which is negligent, grossly negligent, willful, intentional, with or without malice, or a breach of any duty, Legal Requirement or rule), whether known or unknown, whether fixed or contingent, whether concealed or hidden, whether disclosed or undisclosed, whether liquidated or unliquidated, whether foreseeable or unforeseeable, whether anticipated or unanticipated, whether suspected or unsuspected, which such Releasing Parties, or any of them, ever have had or ever in the future may have against the Released Parties, or any of them, and which are based on acts, events or omissions occurring up to and including the Effective Time (the "Released Claims"); provided, however, that the foregoing release shall not release, impair or diminish, and the term "Released Claims" shall not include, in any respect any rights of: (i) the Members under this Agreement; (ii) the Members under the CVR Agreement; or (iii) the Releasing Parties to indemnification, reimbursement or advancement of expenses under the provisions of the Company Charter Documents (or any directors' and officers' liability insurance policy maintained by the Company in respect of the same) if any Releasing Party is made a party to a Legal Proceeding as a result of such Releasing Party's status as an officer, manager, director or employee of the Company with respect to any act, omission, event or transaction occurring on or before the Effective Time.

b. Without limiting the generality of **Section 6.6(a),** with respect to the Released Claims, each Member, on behalf of himself, herself or itself and each Releasing Party, hereby expressly waives all rights under Section 1542 of the California Civil Code and any similar Legal Requirement or common law principle in any applicable jurisdiction prohibiting or restricting the waiver of unknown claims. Section 1542 of the California Civil Code reads as follows:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, AND THAT IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."

Notwithstanding the provisions of Section 1542 of the California Civil Code or any similar Legal Requirement or common law principle in any applicable jurisdiction, and for the purpose of implementing a full and complete release and discharge of the Released Parties, each Member, on behalf of himself, herself or itself and each Releasing Party, expressly acknowledges that the foregoing release is intended to include in its effect all claims which any Member or any Releasing Party does not know or suspect to exist in his, her or its favor against any of the Released Parties (including unknown and contingent claims), and that the foregoing release expressly contemplates the extinguishment of all such claims (except to the extent expressly set forth herein).

:. Each Member, on behalf of himself, herself or itself and each Releasing Party, acknowledges that he, she or it may hereafter discover facts in addition to or different from those which he, she or it now knows or believes to be true with respect to the subject matter of the Released Claims, but each Member, on behalf of himself, herself or itself and each Releasing Party, intends to and, by operation of this Agreement shall have, fully, finally and forever settled and released any and all Released Claims without regard to the subsequent discovery of existence of such different or additional facts.

1. Each Member, on behalf of himself, herself or itself and each Releasing Party, represents, warrants, covenants and agrees that such Releasing Party has not assigned or transferred and will not assign or transfer any Released Claim or possible Released Claim against any Released Party. Each Member, on behalf of himself, herself or itself and each Releasing Party, agrees to indemnify and hold the Released Parties harmless from any Losses or costs arising as a result of any such assignment or transfer by such Member.

:. Each Member, on behalf of himself, herself or itself and each Releasing Party, covenants and agrees not to, and agrees to cause his, her or its respective Affiliates not to, whether in his, her or its own capacity, as successor, by reason of assignment or otherwise, assert, commence, institute or join in, or assist or encourage any third party in asserting, commencing, instituting or joining in, any Legal Proceeding of any kind whatsoever, in law or equity, in each case against the Released Parties, or any of them, with respect to any Released Claims.

Section 6.7 Vaughn Smider Covenant Not to Compete.

a. For a period commencing on the Closing Date and ending on the fourth anniversary of the date of this Agreement (the "Restricted Period"), Vaughn Smider (the "Restricted Person") shall not, nor shall he permit any of his Affiliates to, directly or indirectly: (i) engage in or assist others in engaging (whether through employment, consultation, advisory services, representation on a board of directors or other similar governing body or by any financial or other investment) in the Restricted Business in the Territory; (ii) have an interest in any Person that engages directly or indirectly in the Restricted Business in the Territory in any capacity, including as a partner, stockholder, manager, member, employee, principal, agent, trustee or consultant; or (iii) intentionally interfere in any material respect with the business relationships involving the Restricted Business (whether formed prior to or after the date of this Agreement) between the Surviving Company or Parent and any customer, supplier, licensee, licensor, client or distributor of the Surviving Company or Parent. Notwithstanding the foregoing, the Restricted Person may own, directly or indirectly, solely as an investment, securities of any Person traded on any national securities exchange if the Restricted Person is not a controlling Person of, or a member of a group which controls, such Person and does not, directly or indirectly, own 2% or more of any class of securities of such Person. For the avoidance of doubt, the Restricted Person may engage in the Restricted Business on behalf of Minotaur, solely to the extent that such engagement is necessary for and in compliance with the terms of any Contract entered into between the Surviving Company or Parent and Minotaur.

b. During the Restricted Period, the Restricted Person shall not, nor shall he permit any of his Affiliates to, directly or indirectly, solicit or entice, or attempt to solicit or entice, any customers, suppliers, vendors, licensees, licensors, clients or distributors of the Company or Parent or potential customers, suppliers, vendors, licensees, licensors, clients or distributors of the Company for purposes of diverting their business or services, to the extent relating to the Restricted Business, from the Surviving Company or Parent, respectively.

c. If the Restricted Person breaches, or threatens to commit a breach of, any of the provisions of this **Section 6.7**, Parent and the Surviving Company shall have the following rights and remedies not subject to any limitations under **Article 7**, each of which rights and remedies shall be independent of the others and severally enforceable, and each of which is in addition to, and not in lieu of, any other rights and remedies available to Parent or the Surviving Company under law or in equity:

i. the right and remedy to have such provision specifically enforced by any arbitration forum or court having jurisdiction (and with any requirement for posting a bond or other security in connection therewith being hereby waived by the Restricted Person), it being acknowledged and agreed that any such breach or threatened breach may cause irreparable injury to each of Parent and the Surviving Company and that money damages may not provide an adequate remedy to Parent and the Surviving Company; and

ii. the right and remedy to recover from the Restricted Person all monetary damages suffered by Parent or the Surviving Company, as the case may be, as the result of any acts or omissions constituting a breach of this **Section 6.7**.

d. The Restricted Person acknowledges that the restrictions contained in this **Section 6.7** (i) are reasonable and necessary to protect the legitimate interests of Parent and the goodwill, customer relationships, and Intellectual Property purchased by Parent and (ii) constitute a material inducement to Parent to enter into this Agreement and consummate the Transactions. In the event that

any covenant contained in this **Section 6.7** should ever be ruled or adjudicated to exceed the time, geographic, product or service, or other limitations permitted by applicable Legal Requirements in any jurisdiction, then any arbitration forum or court is expressly requested and empowered to "blue-pencil" and reform such covenant, and such covenant shall be deemed reformed, in such jurisdiction within the Territory to the maximum time, geographic, product or service, or other limitations permitted by applicable Legal Requirements. The covenants contained in this **Section 6.7** and each provision hereof are severable and distinct covenants and provisions. The invalidity or unenforceability of any such covenant or provision (or portion thereof) as written shall not invalidate or render unenforceable the remaining covenants or provisions hereof (or the remaining portions of the subject covenant or provision), and any such invalidity or unenforceability in any jurisdiction shall not invalidate or render unenforceable such covenant or provision in any other jurisdiction.

Section 6.8 Members' Representative.

a. For purposes of (i) negotiating and settling, on behalf of the Members, any dispute that arises under this Agreement or the CVR Agreement after the Effective Time, (ii) accepting delivery of notices hereunder to the Members after the Effective Time, (iii) confirming the satisfaction of Parent's obligations under the CVR Agreement, including receiving and reviewing the certificates and/or reports to be provided to the Members' Representative thereunder and (iv) negotiating and settling matters with respect to the amounts to be paid to the holders of CVRs pursuant to the CVR Agreement, Vaughn Smider is hereby appointed, authorized and empowered to be the exclusive representative, agent and attorney-in-fact of the Members and holders of CVRs (the "Members' Representative"), with full power of substitution, to make all decisions and determinations and to act (or not act) and execute, deliver and receive all agreements, documents, instruments and consents on behalf of and as agent for such Members or holders of CVRs at any time in connection with, and that may be necessary or appropriate to accomplish the intent and implement the provisions of this Agreement and the CVR Agreement, and to facilitate the consummation of the transactions contemplated hereby and thereby. By executing this Agreement, the Members' Representative accepts such appointment, authority and power. Without limiting the generality of the foregoing, the Members' Representative shall have the power to take any of the following actions on behalf of the Members: to give and receive notices, communications and consents under this Agreement and the CVR Agreement on behalf of the Members and holders of CVRs; to negotiate, enter into settlements and compromises of, resolve and comply with orders of courts and arbitration forums with respect to any disputes arising under this Agreement or the CVR Agreement; and to make, execute, acknowledge and deliver all such other agreements, guarantees, orders, receipts, endorsements, notices, requests, instructions, certificates, stock powers, letters and other writings, and, in general, to do any and all things and to take any and all action that the Members' Representative, in Members' Representative's sole and absolute discretion, may consider necessary or proper or convenient in connection with or to carry out the activities described in this **Section 6.8**.

b. The appointment of the Members' Representative by each Member and holder of CVRs by the Members' collective adoption of this Agreement is coupled with an interest and may not be revoked in whole or in part (including upon the death or incapacity of any member). Such appointment shall be binding upon the heirs, executors, administrators, estates, personal representatives, officers, directors, security holders, successors and assigns of each Member. All decisions of the Members' Representative shall be final and binding on all of the Members and holders of CVRs, and no Member or holder of CVRs, shall have the right to object, dissent, protest or otherwise contest the same. Parent shall be entitled to rely upon, without independent investigation, any act, notice, instruction or communication from the Members' Representative and any document executed by the Members' Representative on behalf of any Member or holder of CVRs and shall be fully protected in connection with any action or

inaction taken or omitted to be taken in reliance thereon by Parent absent willful misconduct by Parent. The Members' Representative shall not be responsible for any Loss suffered by the Members or holders of CVRs arising out of any act done or omitted by the Members' Representative in connection with the acceptance or administration of the Members' Representative's duties hereunder, unless such act or omission involves gross negligence or willful misconduct.

c. In the event that the Members' Representative dies, becomes unable to perform the Members' Representative's responsibilities hereunder or resigns from such position, the holders of at least 50.1% of the then outstanding CVRs shall be authorized to and shall select another representative reasonably acceptable to Parent to fill such vacancy and such substituted representative shall be deemed to be the Members' Representative for all purposes of this Agreement and the CVR Agreement. The newly-appointed Members' Representative shall notify Parent, the Surviving Company and any other appropriate Person in writing of his or her appointment and provide appropriate contact information for purposes of this Agreement and the CVR Agreement. Parent shall be entitled to rely upon, without independent investigation, the identity and validity of such newly-appointed Members' Representative as set forth in such written notice. If for any reason there is no Members' Representative at any time, all references herein to the Members' Representative shall be deemed to refer to all of the Members.

d. The Members' Representative shall serve without compensation.

ARTICLE 7.

SURVIVAL AND INDEMNIFICATION

Section 7.1 Survival of Representations and Warranties. For purposes of determining each Indemnification Amount and the Total Indemnification Amount (as defined below), (a) all representations and warranties contained in **Article 4** or any certificate, instrument or document delivered by the Company in connection with this Agreement (and all claims based upon preclosing covenants and agreements herein) shall survive the Closing, irrespective of any facts known to Parent at or before the Closing or any investigation at any time made by or on behalf of Parent, for a survival period of 48 months from the Effective Time, and (b) all representations and warranties contained in **Article 3** or any certificate, instrument or document delivered by the Company or any Member in connection with this Agreement shall survive the Closing, irrespective of any facts known to Parent at or before the Closing or any investigation at any time made by or on behalf of Parent, until the date which is 60 days following the applicable status of limitations and no longer - provided, that if Parent delivers to the Members' Representative, before expiration of such survival period, either a notice asserting a Loss that would constitute an Indemnification Amount, or a notice that, as a result of a Legal Proceeding instituted or claim made by a Person not a party to this Agreement, Parent reasonably expects that Parent or any other Indemnified Party may incur Losses which would constitute an Indemnification Amount, then the applicable representation, warranty, covenant or agreement will survive until, but only for purposes of, the resolution of the matter covered by such notice and the final determination of the actual Loss and the related Indemnification Amount, if any. This **Section 7.1** and the determination of each of the Indemnification Amount and of the Total Indemnification Amount will not be affected by any investigation conducted with respect to, or any knowledge acquired (or capable of being acquired) at any time, whether before or after the execution and delivery of this Agreement or the Closing Date, by or on behalf of Parent.

Section 7.2 Parent Representations. All representations and warranties made by Parent and Merger Sub shall terminate and expire at the Effective Time, and any liability of Parent or Merger Sub with respect to such representations and warranties shall thereupon cease.

Section 7.3 Survival of Covenants. All covenants and agreements of the parties hereto contained herein shall survive the Effective Time until fully waived in writing, performed or complied with.

Section 7.4 Indemnification by the Members and Indemnification Amount. From and after the Effective Time (but subject to **Section 7.1** and **Section 7.5**), the Members shall hold harmless and indemnify each of Parent, any of Parent's Affiliates, the Surviving Company or any of their respective directors, managers, officers, employees, agents, consultants, advisors, representatives and equityholders (individually the "Indemnified Party" and collectively, the " Indemnified Parties") from and against, and shall (subject to any limitations expressly set forth herein) compensate and reimburse each Indemnified Party for 100% of the monetary value of any and all Losses directly or indirectly arising out of, relating to or resulting from any of the following, and incurred or suffered by any Indemnified Party (the monetary value of each such Loss being an "Indemnification Amount" and the aggregate monetary value of all Indemnification Amounts being, on a cumulative basis, the " Total Indemnification Amount"):

a. any inaccuracy in or breach of any representation or warranty of the Company and the Members contained in **Article 4** of this Agreement or in any certificate, instrument or document delivered by the Company in connection with this Agreement;

b. any breach or inaccuracy of any representation or warranty made by the Members in **Article 3** of this Agreement; provided, however, that that the indemnification obligations for any such breach or inaccuracy by a Member shall be limited to the applicable Member;

c. the nonfulfillment, nonperformance or other breach of any covenant or agreement of the Company contained in this Agreement or in any certificate, instrument or document delivered pursuant hereto;

d. the nonfulfillment, nonperformance or other breach of any covenant or agreement of any Member contained in this Agreement or in any certificate, instrument or document delivered pursuant hereto; provided, however, that the indemnification obligations for such a breach or nonperformance by any Member shall be limited to the applicable breaching or nonperforming Member;

e. any Transaction Expenses which are not paid in full at or before the Closing or otherwise reflected as a deduction in the determination of the Merger Consideration;

f. any Indebtedness of the Company which is not paid in full at or before the Closing;

g. any Tax arising during, or payable with respect to, any period ending on or before the Closing (or any portion of any such period) or payable with respect to anything which occurred before the Closing, whether or not known as of the Closing to be owing; and

h. any claim by any actual or purported holder of a CVR, member or former member of the Company, or any other Person, against any of the Indemnified Parties or against any actual or purported holder of a CVR, member or former member of the Company, relating to the Transactions or seeking to assert, or based upon, (i) ownership or rights to ownership of any equity securities of the Company, (ii) any rights of a member of the Company (other than the right of any actual holder of a CVR to receive such member's portion of the Total Merger Consideration pursuant to the express provisions of this Agreement), including any option, preemptive rights or rights to notice or to vote, (iii) any rights as a member of the Company under the DLLC Act or the Company Charter Documents, in effect as of immediately before the Effective Time, (iv) any fiduciary or statutory duties of the Company or any of its

managers, directors, officers or controlling persons, or (v) any claim that his, her or its equity securities of the Company were wrongfully repurchased by the Company.

Section 7.5 Limitations.

a. For purposes of **Section 7.4**, with respect to each representation, warranty, covenant or agreement contained in this Agreement that is subject to a "materiality," "material," "Material Adverse Effect," "in all material respects" or similar qualification (but not including knowledge or Knowledge of the Company), any such qualification shall be disregarded for purposes of calculating the amount of any Losses that is subject to indemnification hereunder (but not for purposes of determining whether a breach of or inaccuracy in such representation, warranty, covenant or agreement has occurred).

b. Except in the case of fraud by such Member, the liability of each Member pursuant to **Section 7.4** shall be capped at 100% of the applicable Member's Holdback Amount Unpaid plus 50% of the Merger Consideration which would be payable to such Member pursuant to such Member's CVRs plus (in the case of Vaughn Smider and his Affiliates only) 40% of any cash actually paid to Vaughn Smider and his Affiliates at the Closing and 40% of any Holdback Distribution Amount actually paid to Vaughn Smider and his Affiliates; provided, however, that these limits shall not apply (and, instead, the foregoing caps shall all be 100% instead of 40% or 50%) with respect to the following: (i) **Section 7.4(b)** (regarding any breach or inaccuracy of any representation or warranty made by the applicable Member in **Article 3** of this Agreement); (ii) **Section 7.4(d)** (regarding the nonfulfillment, nonperformance or other breach of any covenant or agreement of the applicable Member contained in this Agreement or in any certificate, instrument or document delivered pursuant hereto); (iii) **Section 7.4(g)** (regarding any Tax arising during, or payable with respect to, any period ending on or before the Closing (or any portion of any such period) or payable with respect to anything which occurred before the Closing); and (iv) clause (i) of **Section 7.4(h)** (regarding any claim by any actual or purported holder of a CVR, member or former member of the Company, or any other Person, in each instance other than a Member, against any of the Indemnified Parties or against any actual or purported holder of a CVR, member or former member of the Company, seeking to assert, or based upon, ownership or rights to ownership of any equity securities of the Company).

c. The obligations of each respective Member under **Section 7.4** shall be limited by the principle of several-but-not-joint liability.

d. Except in the case of fraud by such Member, the obligations of each respective Member (other than Vaughn Smider and his Affiliates) under **Section 7.4** (as limited under **Section 7.5(a)-(c)**) may be enforced only by debiting (dollar-for-dollar, upon demand and as incurred) against the Member's Holdback Amount Unpaid and by debiting (dollar-for-dollar, upon demand and as incurred) amounts that would otherwise have been payable to the Member under the Member's CVRs (i.e., that would otherwise have been payable to the Member in such Member's capacity as a "Holder" under the CVR Agreement). For avoidance of doubt: except in the case of fraud by such Member, the obligations of each respective Member (other than Vaughn Smider and his Affiliates) under **Section 7.4** (as limited under **Section 7.5(a)-(c)**) may not be enforced against any cash actually paid to such Member at the Closing, against any Holdback Distribution payments made to such Member or against any cash actually paid to such Member in such Member's capacity as a "Holder" under the CVR Agreement.

e. The obligations of Vaughn Smider and his Affiliates under **Section 7.4** (as limited under **Section 7.5(a)-(c)**) may be enforced not only by debiting (dollar-for-dollar, upon demand

and as incurred) against the Holdback Amount Unpaid of Vaughn Smider and his Affiliates and by debiting (dollar-for-dollar, upon demand and as incurred) amounts that would otherwise have been payable to Vaughn Smider and his Affiliates under the CVRs of Vaughn Smider and his Affiliates (i.e., that would otherwise have been payable to Vaughn Smider and his Affiliates in the capacity as a "Holder" under the CVR Agreement), but also and in addition by a direct claim under **Section 8.5** to recover such liability (dollar-for-dollar, upon demand and as incurred) in the form of cash (provided that, except in the case of fraud by Vaughn Smider, the amount of the recovery in the form of cash shall not exceed the sum of 40% of any cash actually paid to Vaughn Smider and his Affiliates at the Closing and 40% of any Holdback Distribution Amount actually paid to Vaughn Smider and his Affiliates). The Indemnified Party(ies) shall not be subject to any election of remedies or to any required sequencing of remedies. Notwithstanding the foregoing, no such direct claim under **Section 8.5** to recover such liability shall be commenced after the date which is 24 months after the Effective Time, except in the case of fraud by Vaughn Smider.

Section 7.6 Nonpayment After and Pending Determinations. Parent shall have the right to, subject to any limitations expressly set forth herein, subtract and withhold from any sum that is or may be owed to any Member for the Holdback Distribution or in such Member's capacity as a "Holder" under the CVR Agreement : (a) each Claimed Amount for which indemnifiability and the size of the Loss have been finally determined (and which has thereby become an established Indemnification Amount); and (b) pending final determination, each Claimed Amount for which final determination has not yet occurred.

Section 7.7 No Contribution. Without limiting the provisions of **Section 6.3**, no Member has and shall have, as a member or former member of the Company, (and by execution of this Agreement and acceptance of CVRs each Holder, as a member/former member of the Company, waives) any right of subrogation, indemnification or contribution against the Company or any of its pre-Merger managers or other officials with respect to any breach by the Company or any of its pre-Merger managers or other officials or any other Member of any of their respective representations, warranties, covenants or agreements in this Agreement or any duty owed by any of them to such Member (as a Holder or in a prior capacity as a member of the Company) or to the Members generally (as Holders or in their prior capacity as members of the Company), whether by virtue of any equitable, fiduciary, contractual or statutory right of indemnity or otherwise, and all claims to the contrary are hereby waived and released.

Section 7.8 Claim Procedure.

a. If an Indemnified Party determines to seek indemnification under this **Article 7**, it shall give notice in writing to the Members' Representative (each such notice, a "Claim Notice"), which notice shall set forth such material information with respect to such claim for indemnification as is then reasonably available to the Indemnified Party and shall contain a good faith, non-binding, preliminary estimate of the aggregate amount of the actual and potential Losses that the Indemnified Party believes have arisen and may arise as a result of such facts and circumstances (the aggregate amount of such estimate, as it may be modified by such Indemnitee in good faith from time to time, being referred to as the "Claimed Amount"). In the event that a Claim Notice is given with respect to an Indemnifiable Claim by Third Party, such notice shall be delivered to the Members' Representative within 20 calendar days of the Indemnified Party becoming aware of such claim.

b. If the Members' Representative disputes liability with respect to any Claimed Amount or disputes the size of the claimed Loss, the Members' Representative shall, within 20 calendar days after receiving the Claim Notice (the "Dispute Period"), give written notice of such dispute to the Indemnified Party in which event the parties will negotiate in good faith to mutually agree to resolve such

dispute. If the parties are unable to resolve the indemnifiability of such Claimed Amount and the size of the Loss within 30 calendar days after the Members' Representative delivers such notice, then (i) such dispute shall be settled in accordance with **Section 8.5** hereof upon invocation of such procedure by the Indemnified Party or the Members' Representative, and (ii) if such dispute relates to an Indemnifiable Claim by Third Party, then pending resolution of any such dispute, the Indemnified Party shall have the right to defend, compromise, or settle such Indemnifiable Claim By Third Party (although any compromise or settlement shall require the consent of the Members' Representative, not to be unreasonably withheld, conditioned or delayed) – but all, if it is ultimately determined that the Indemnifiable Claim By Third Party was indemnifiable, with the same indemnification effect as if there had never been such an indemnifiability dispute. If no written notice of dispute is delivered by the Members' Representative before the expiration of the Dispute Period, then the Members shall be conclusively deemed to have agreed that the full Claimed Amount is owed to the Indemnified Party (albeit subject in all instances to any limitations expressly set forth herein).

Section 7.9 Indemnifiable Claims By Third Party. A Claim Notice with respect to an Indemnifiable Claim By Third Party shall set forth such material information with respect to such Indemnifiable Claim By Third Party as is then reasonably available to the Indemnified Party. If any such liability is asserted against the Indemnified Party and the Indemnified Party notifies the Members' Representative of such liability, the Members' Representative shall be entitled, if the Members' Representative so elects by written notice delivered to the Indemnified Party within 20 calendar days after receiving the Claim Notice, to assume the defense of such asserted liability with counsel reasonably satisfactory to the Indemnified Party (provided, that the Members' Representative shall have no such entitlement if Parent reasonably determines, and notifies the Members' Representative of such determination, that the Members' Representative lacks the financial wherewithal to properly conduct such defense). If the Members' Representative elects to assume the defense of such asserted liability, the claims made by such third party shall be conclusively established as being within the scope of and subject to the indemnification provisions of this Agreement. Notwithstanding the foregoing, the Indemnified Party shall have the right to employ its own counsel in any such case, but the fees and expenses of such counsel shall be payable by the Indemnified Party, and the right to (in the scenario where the Members' Representative shall fail to assume in a timely manner the defense of and reasonably defend such Indemnifiable Claim By Third Party or in the scenario where Parent reasonably determines, and notifies the Members' Representative of such determination, that the Members' Representative lacks the financial wherewithal to properly conduct such defense) control the defense and settlement. If the Members' Representative shall be entitled to and does control the defense of any such Indemnifiable Claim By Third Party, the Members' Representative shall have the right to settle such Indemnifiable Claim By Third Party; provided, that the Members' Representative agrees to obtain the prior written consent (which shall not be unreasonably withheld, conditioned or delayed) of the Indemnified Party before entering into any settlement of (or resolving by consent to the entry of judgment upon) such Indemnifiable Claim By Third Party unless (A) there is no finding or admission of any violation of Applicable Law or any violation of the rights of any Person by an Indemnified Party, no requirement that the Indemnified Party admit fault or culpability, and no adverse effect on any other claims that may be made by or against the Indemnified Party and (B) the sole relief provided is monetary damages that are paid in full by the Members' Representative and such settlement does not require the Indemnified Party to take (or refrain from taking) any action. With respect to any assertion of liability by a third party that results in an Indemnifiable Claim By Third Party, the parties shall make reasonably available to each other all relevant information in their possession that is material to any such assertion and otherwise cooperate in the defense of the Indemnifiable Claim By Third Party subject to their respective attorney-client privileges and work product doctrine protections.

Section 7.10 Exercise of Remedies Other Than by Parent. No Indemnified Party (other than Parent, the Surviving Company or any successor thereto or assign thereof) shall be permitted to assert any

indemnification claim or exercise any other remedy under this Agreement unless Parent, the Surviving Company or any successor thereto or assign thereof, as the case may be, shall have consented to the assertion of such indemnification claim or the exercise of such other remedy. The parties acknowledge and agree that, if the Surviving Company suffers, incurs or otherwise becomes subject to any Losses as a result of or in connection with any inaccuracy in or breach of any representation, warranty, covenant or obligation, then (without limiting any of the rights of the Surviving Company as an Indemnified Party) Parent shall also be deemed, by virtue of its ownership of the Ownership Interests of the Surviving Company, to have incurred Losses as a result of and in connection with such inaccuracy or breach; provided, that this **Section 7.10** shall not, however, allow a duplicative recovery of the same Losses by Parent, on the one hand, and the Indemnified Parties other than Parent, on the other hand).

Section 7.11 Expenses of the Members' Representative. The Members' Representative shall be entitled to recover, on a dollar-for-dollar basis from the next payment(s) otherwise due (after application of all other provisions of the CVR Agreement) to the Holders (as defined in the CVR Agreement), any amounts expended by the Members' Representative for indemnification/defense or other out-of-pocket costs and expenses pursuant to this **Article 7**.

Section 7.12 Characterization of Payments. Any indemnity payments made pursuant to this **Article 7** shall constitute an adjustment to the Total Merger Consideration for Tax purposes and shall be treated as such by the parties to this Agreement and the Members on their Tax Returns unless otherwise required by applicable law.

Section 7.13 Exclusive Remedy. Subject to **Section 8.11**, and except with respect to fraud, Parent and Merger Sub acknowledge and agree that the remedies provided for in this **Article 7** shall be the sole and exclusive remedies of Parent, Merger Sub and any other Indemnified Parties with respect to any and all claims against or in respect of any Member relating to this Agreement or the Transactions (including, without limitation, the matters set forth in **Section 7.4** as well as any breach, inaccuracy, misrepresentation or nonperformance of any representation, warranty, covenant, agreement or obligation).

Section 7.14 CVRs Catch-Up After Determination. Similarly to **Section 2.10**, if as of any CVR Payment Date (as defined in the CVR Agreement) there is any Claimed Amount for which final determination has not yet occurred (and for which the CVR Payment Amount (as defined in the CVR Agreement) is therefore reduced), then upon any final determination of non-indemnifiability or of a smaller size of Loss, within 30 days thereafter Parent shall pay each Holder the indicated Claimed Amount (or applicable portion thereof) that had been held back beyond such CVR Payment Date, plus interest as set forth in **Section 2.4(a)** of the CVR Agreement

ARTICLE 8.

MISCELLANEOUS PROVISIONS

Section 8.1 Amendment. This Agreement may be amended, modified or supplemented in any and all respects by (but only by) written agreement of the parties hereto; provided, that a majority in interest of the Members together with a majority per capita of the Members, both together, shall be and hereby are empowered and authorized to amend, modify, supplement or waive this Agreement or any provision thereof on behalf of all Members, so long as any such amendment, modification, supplement or waiver affects all Members equally or proportionately with respect to their Company Interests, and any such amendment, modification, supplement or waiver shall be binding on all Members, even Members who did not themselves agree to so amend, modify, supplement or waive (or who even opposed doing so).

Section 8.2 Waiver.

a. No failure on the part of any party to exercise any power, right, privilege or remedy under this Agreement, and no delay on the part of any party in exercising any power, right, privilege or remedy under this Agreement, shall operate as a waiver of such power, right, privilege or remedy; and no single or partial exercise of any such power, right, privilege or remedy shall preclude any other or further exercise thereof or of any other power, right, privilege or remedy.

b. Subject to the proviso sentence of **Section 8.1**, no party shall be deemed to have waived any claim arising out of this Agreement, or any power, right, privilege or remedy under this Agreement, unless the waiver of such claim, power, right, privilege or remedy is expressly set forth in a written instrument duly executed and delivered on behalf of such party; and any such waiver shall not be applicable or have any effect except in the specific instance in which it is given.

Section 8.3 Entire Agreement; Counterparts. This Agreement, the CVR Agreement, any other agreements expressly referred to herein, and the Confidentiality Agreement constitute the entire agreement of the parties hereto and supersede all prior or contemporaneous agreements, commitments and understandings, both written and oral, among or between any of the parties hereto with respect to the subject matter hereof and thereof. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument. Parent has made no promises, representations, warranties, covenants, or undertakings, other than those expressly set forth herein and in the CVR Agreement, to induce the Company or the Members to execute and deliver this Agreement, and the Company and each Member, respectively, acknowledges that the Company and such Member has not executed or delivered this Agreement in reliance upon any such promise, representation, or warranty, covenant or undertaking not contained herein. The Company has made no promises, representations, warranties, covenants, or undertakings, other than those expressly set forth herein and in the CVR Agreement, to induce Parent and Merger Sub to execute and deliver this Agreement, and Parent and Merger Sub acknowledge that Parent and Merger Sub have not executed or delivered this Agreement in reliance upon any such promise, representation, or warranty, covenant or undertaking of the Company not contained herein.

Section 8.4 Governing Law. This Agreement, and all claims or causes of action (whether in contract, tort or statute) that may be based upon, arise out of or relate to this Agreement or the negotiation, execution or performance of this Agreement (including any claim or cause of action based upon, arising out of or related to any representation or warranty made in or in connection with this Agreement or as an inducement to enter into this Agreement), shall be governed by, construed in accordance with and enforced in accordance with the internal laws of the State of Delaware (including its statutes of limitations and of repose, and without giving effect to any conflicts of law principles that require the application of the law of a different state or country).

Section 8.5 Arbitration.

a. Any and all any disputes, controversies or claims between or among the parties (whether based on contract, tort or otherwise) arising out of or relating to this Agreement shall be exclusively and finally resolved by binding arbitration (using the English language) in accordance with the commercial arbitration rules and administration rules of JAMS then in effect, in San Diego, California, USA. The arbitration shall be conducted by an arbitrator reasonably knowledgeable about acquisition transactions in the pharmaceutical/biotechnology industry and reasonably acceptable to Parent and the Members' Representative. If Parent and the Members' Representative cannot agree on a single arbitrator within 30 days after a demand for arbitration has been made, Parent shall appoint an arbitrator, the Members' Representative shall appoint an arbitrator, the two arbitrators shall appoint a third

arbitrator, and the three arbitrators shall hear and decide the issue in controversy. If a party fails to appoint an arbitrator within 45 days after service of the demand for arbitration, then the arbitrator appointed by the other party shall arbitrate any controversy in accordance with this **Section 8.5(a)**. Except as to the selection of arbitrators, the arbitration proceedings shall be conducted promptly and in accordance with the commercial arbitration rules of JAMS then in effect. The expenses of any arbitration, including the reasonable attorney fees and expenses of the prevailing party, shall be awarded by the arbitrator(s) to the prevailing party against the other party.

b. All arbitration proceedings hereunder shall be confidential, and the arbitrator(s) shall issue appropriate protective orders to safeguard each party's confidential information. Except as required by applicable Legal Requirements, neither Parent nor the Members' Representative shall make (or instruct the arbitrator(s) to make) any public announcement with respect to the proceedings or decision of the arbitrator(s) without prior written consent of the other.

c. Each party recognizes that the covenants and agreements herein and their continued performance as set forth in this Agreement are necessary and critical to protect the legitimate interests of the other parties, that each other party would not have entered into this Agreement in the absence of such covenants and agreements and the assurance of continued performance as set forth in this Agreement, and that a party's breach or threatened breach of such covenants and agreements (including, without limitation, **Section 6.2**, **Section 6.5** and **Section 6.7**) may cause another party irreparable harm and significant injury, the amount of which will be extremely difficult to estimate and ascertain, thus potentially making any remedy at law or in damages inadequate. Therefore, each party confirms and agrees that, notwithstanding **Section 8.5(a)**, any other party shall be entitled to seek (from the arbitrator(s) and/or from any court of competent jurisdiction) on an interim or permanent basis an order for specific performance, an order restraining any breach or threatened breach (of **Section 6.2**, **Section 6.5**, **Section 6.7** and/or of any or all other provisions of this Agreement), and any other equitable relief (including but not limited to temporary, preliminary and/or permanent injunctive relief), all without need to post any bond or other security, and in addition to and not exclusive of any other remedy available to such other party at law or in equity.

d. No party shall commence any court proceeding or action against the other to resolve any dispute, except to enforce an arbitral award rendered pursuant to this **Section 8.5** or for equitable relief. For all purposes of this Agreement (but subject to the preceding sentence), the parties hereby irrevocably consent to personal jurisdiction and venue in the state and federal courts located in San Diego County, California, USA, and irrevocably agree to service of process issued or authorized by any such court in any such action or proceeding. The parties hereby irrevocably waive any objection which they may now have or hereafter have to the laying of venue in the federal or state courts located in San Diego County, California, USA in any such action or proceeding, and hereby irrevocably waive and agree not to plead or claim in any such court that any such action or proceeding brought in any such court has been brought in an inconvenient forum. Notwithstanding anything in this **Section 8.5**, a party may seek to enforce an arbitral award or pursue equitable relief at any time in any court of competent jurisdiction.

e. The provisions of this **Section 8.5** shall survive any termination of this Agreement, and shall be severable and binding on the parties hereto, notwithstanding that any other provision of this Agreement may be held or declared to be invalid, illegal or unenforceable.

Section 8.6 Payment of Expenses. Whether or not the Merger is consummated, each party hereto shall (subject to express provisions hereof resulting in reduction of the Total Merger Consideration) pay its own expenses incident to this Agreement and preparing for, and otherwise in connection with, the Transactions.

Section 8.7 Transfer Taxes. All transfer, documentary, sales, use, stamp, registration and other substantially similar Taxes and fees (including any penalties and interest) incurred in connection with this Agreement (collectively, "Transfer Taxes") shall be paid by Parent and Merger Sub when due, and Parent and Merger Sub will, at their own expense, file all necessary Tax Returns and other documentation with respect to all such Transfer Taxes.

Section 8.8 Assignability; No Third Party Rights. Before the Effective Time, neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned, in whole or in part, by operation of a Legal Requirement or otherwise, by any of the parties without the prior written consent of the other parties and any purported assignment without such consent shall be void. This Agreement shall be binding upon, and shall be enforceable by and inure to the benefit of, the parties hereto and their respective permitted successors and assigns. Except (a) any rights of holders of Company Interests to receive payment in accordance with **Article 2** after the Effective Time, and (b) as set forth in **Section 6.3** (Indemnification of D&O Indemnified Parties), nothing in this Agreement, express or implied, is intended to or shall confer upon any Person, other than the parties hereto, any right, benefit or remedy of any nature. To the extent permitted by applicable Legal Requirements, it is expressly agreed that in no event shall any former members of the Company (as opposed to the Members' Representative in the name of and on behalf of such former member(s) of the Company) or any holders of CVRs (as opposed to the Members' Representative in the name of and on behalf of such holder(s) of CVRs) have, after the Effective Time, any power or right to commence or join in any Legal Proceeding based on or arising out of the Transactions, this Agreement, the CVR Agreement or the CVRs.

Section 8.9 Notices. Any notice, request, approval, consent or other such communication required or permitted to be given under this Agreement or the CVR Agreement shall be in writing and shall be deemed to have been sufficiently given if and only if delivered in person, by email or by internationally recognized overnight courier service to the party to which it is directed at its physical or email address shown below or such other physical or email address as such Party shall have last given by such written notice to the other party in accordance with this Section:

if to Parent or (before the Effective Time) to Merger Sub or (after the Effective Time) to the Surviving Company:

Ligand Pharmaceuticals Incorporated

3911 Sorrento Valley Boulevard, Suite 110
San Diego, CA 92121
Attention: Charles Berkman, Senior Vice President
Email: cberkman@ligand.com

with a copy (which shall not constitute notice) to:
Ligand Pharmaceuticals Incorporated

3911 Sorrento Valley Boulevard, Suite 110
San Diego, CA 92121
Attention: General Counsel
Email: cberkman@ligand.com
if to the Company (before the Effective Time):

Taurus Biosciences, LLC
10929 Technology Place

San Diego, CA 92127
Attention: Vaughn Smider

Email: vaughn.smider@taurusbiosciences.com
with a copy (which shall not constitute notice) to:

Pillsbury Winthrop Shaw Pittman LLP
12255 El Camino Real, Suite 300
San Diego, CA 92130
Attention: Mike Hird
Email: mike.hird@pillsburylaw.com

if to a Member:

[to the address or email address of such Member as set forth on Exhibit A hereto]

if to the Restricted Person or to the Members' Representative:

Vaughn Smider
8205 Torrey Gardens Place
San Diego, CA 92129

Email: vaughn.smider@taurusbiosciences.com
with a copy (which shall not constitute notice) to:

Pillsbury Winthrop Shaw Pittman LLP
12255 El Camino Real, Suite 300
San Diego, CA 92130

Attention: Mike Hird
Email: mike.hird@pillsburylaw.com

If sent by email, the date on which such notice, request, approval or consent shall be deemed delivered is the date of confirmed transmission, if such notice, request, approval or consent is sent via email to such email address before 5:00 p.m. at the location of receipt on a Business Day, or the first Business Day after the date of transmission, if such notice, request, approval or consent is sent via email to such email address at or after 5:00 p.m. at the location of receipt on a Business Day or on a day that is not a Business Day. If sent by internationally recognized overnight courier, the date on which such notice, request, approval or consent shall be deemed delivered is the next Business Day after the date of deposit with such courier (by the courier's stated time for enabling next-business-day delivery), and if delivered after such stated time shall be deemed to be the second Business Day after the date of deposit.

Section 8.10 Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction. If the final judgment of a court (or arbitration forum) of competent jurisdiction declares that any term or provision hereof is invalid or unenforceable, the parties hereto agree that the court (or arbitration forum) making such determination shall have the power to limit the term or provision, to delete specific words or phrases or to replace any invalid or unenforceable term or provision with a term or provision that is valid and

enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision, and this Agreement shall be enforceable as so modified. In the event such court (or arbitration forum) does not exercise the power granted to it in the prior sentence, the parties hereto agree to negotiate in good faith to replace such invalid or unenforceable term or provision with a valid and enforceable term or provision that will achieve, to the extent possible, the economic, business and other purposes of such invalid or unenforceable term.

Section 8.11 Specific Performance. The parties hereto agree that irreparable damage would occur in the event any of the provisions of this Agreement were not to be performed in accordance with the terms hereof and that the parties shall be entitled to specific performance of the terms hereof and/or to temporary, preliminary and/or permanent injunctive relief, in addition to any other remedies at law or in equity. Each party agrees to waive any requirement for the posting of, or securing of, a bond in connection with any such remedy.

Section 8.12 Remedies. All rights and remedies of either party hereto are cumulative of each other and of every other right or remedy such party may otherwise have at law or in equity, and the exercise of one or more rights or remedies shall not prejudice or impair the concurrent or subsequent exercise of other rights or remedies.

Section 8.13 Construction.

a. For purposes of this Agreement, whenever the context requires: the singular number shall include the plural, and vice versa; the masculine gender shall include the feminine and neuter genders; the feminine gender shall include the masculine and neuter genders; and the neuter gender shall include the masculine and feminine genders.

b. The parties hereto agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in the construction or interpretation of this Agreement.

c. As used in this Agreement, the words “include” and “including,” and variations thereof, shall not be deemed to be terms of limitation, but rather shall be deemed to be followed by the words “without limitation.”

d. Except as otherwise indicated, all references in this Agreement to “Articles,” “Sections” and “Exhibits” are intended to refer to Articles, Sections or Exhibits to this Agreement, as the case may be.

e. All references in this Agreement to “$” are intended to refer to U.S. dollars.

f. Unless otherwise specifically provided for herein, the term “or” shall not be deemed to be exclusive.

g. The titles, captions or headings of the Sections herein are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.

[The remainder of this page has been left blank intentionally.]

IN WITNESS WHEREOF, Parent, Merger Sub, the Company, the Members, the Restricted Person and the Members' Representative have caused this Agreement and Plan of Merger to be executed as of the date first written above.

Ligand Pharmaceuticals Incorporated

By: /s/ Charles S. Berkman
Name: Charles S. Berkman
Title: SVP, General Counsel and Secretary

Taurus Acquisition Merger Sub, LLC

By: /s/ Charles S. Berkman
Name: Charles S. Berkman
Title: SVP, General Counsel and Secretary

Taurus Biosciences, LLC

By: /s/ Vaughn Smider
Name: Vaughn Smider
Title: Manager

MEMBERS:

/s/ Vaughn Smider
Vaughn Smider

Alexandra Wood America LLC

By: /s/ D. Asher Bistricer
Name and Title: D. Asher Bistricer ASO

Aperture Healthcare Ventures LLC

By: /s/ Justine Turner
Name and Title: Justine Turner Director

Maplebrook LLC

By: /s/ Ezra Friedberg
Name and Title: Ezra Friedberg Member

/s/ Michael Weiss
Michael Weiss

/s/ Kent Iverson
Kent Iverson

Applied Biomedical Science Institute

By: /s/ David Rabuka
Name and Title: David Rabuka Member

/s/ Ruiqi Huang
Ruiqi Huang

/s Gabriella Warner
Gabrielle Warner

/s/ Duncan McGregor
Duncan McGregor

/s/ Peter Slover
Peter Slover

/s/ Ronald Martell
Ronald Martell

/s/ Michael Gilman
Michael Gilman

/s/ Michael King
Michael King

/s/ Mike Hird
Mike Hird

/s/ David Sheehan
David Sheehan

/s/ Tom Boone
Tom Boone

/s/ Waithaka Mwangi
Waithaka Mwangi

/s/ Michael Criscitiello
Michael Criscitiello

/s/ Ian Wilson
Ian Wilson

/s/ Dennis Burton
Dennis Burton

/s/ Richard Lerner
Richard Lerner

AS ACCEPTED AND AGREED:

/s/ Vaughn Smider
Name: Vaughn Smider
As: The Restricted Person

/s/ Vaughn Smider
Name: Vaughn Smider
As: The Members' Representative

EXHIBIT A

COMPANY EQUITY INTERESTS

Owner (and address/email address)	Type of Interests [Units]	Number of Interests [Units]
Vaughn Smider 8205 Torrey Gardens Place San Diego, CA 92129 Email: vaughn.smider@taurusbiosciences.com	outstanding Units	92,500
Alexandra Wood America LLC Attn: Brenda Elston or Marc Bistricer 145 Adelaide St West #500 Toronto, Ontario, Canada M5H 4E5 Email: mjb@murchinsonltd.com belston@taliskercorp.com	outstanding Units	6,700
Aperture Healthcare Ventures LLC Attn: Avi Wachsman 970 Lawrence Avenue West Suite 904 Toronto, Ontario, Canada M6A 3B6 Email: avi@btcapital.ca	outstanding Units	6,700
Maplebrook LLC Attn: Ezra Friedberg 4680 Livingston Ave Bronx, NY 10471 Email: ezra@ezrafriedberg.com	outstanding Units	1,500
Michael Weiss 9 East 96th Street Apartment 8A New York, New York 10128 Email: weissweather@gmail.com	outstanding Units	5,276
Kent Iverson 455 Eastin Drive Sonoma, CA 95476 Email: ks_iverson@yahoo.com	outstanding Units	5,000
Applied Biomedical Science Institute Attn: Board of Directors 10929 Technology Place San Diego, CA 92127 Email: david.rabuka@gmail.com jwlarrick@gmail.com	outstanding Units	12,832
Ruiqi Huang 12609 Robison Blvd, Apt 204 Poway, CA 92064 Email: ruiqi.huang@absinstitute.org	outstanding Units	1,388
Gabrielle Warner 13592 Jadestone Way San Diego, CA 92130 Email: gabrielle.warner@absinstitute.org	outstanding Units	1,388
Duncan MacGregor	outstanding Units	1,388

Duncan McGregor 4862 Dixie Drive San Diego, CA 92109 Email: Duncan.mcgregor@absinstitute.org	outstanding Units	1,388
Peter Slover 9324 Fostoria Court San Diego, CA 92127 Email: peter.slover@absinstitute.org	outstanding Units	694
Ronald Martell 256 Casitas Ave. San Francisco, CA 9412 Email: Ronald.martell@gmail.com	outstanding Units	1,041
Michael Gilman 550 Chestnut St Waban MA 02468 Email: Michael.gilman@gmail.com	outstanding Units	694
Michael King 1340 Paine Road Hewlett Bay Park NY 11557 Email: mike@rexbiomed.com	outstanding Units	347
Mike Hird 1508 Rancho Encinitas Drive Encinitas, CA 92024 Email: mike.hird@pillsburylaw.com	outstanding Units	1,388
David Sheehan 17515 Valle Verde Rd. Poway, CA 92064 Email: dsheehan@nucleusbiologics.com	outstanding Units	694
Tom Boone 2715 Kelly Knoll Lane Newbury Park, CA, 91320 Email: tcboone28@verizon.net	outstanding Units	347
Waithaka Mwangi 4420 Grande Bluffs Ct. Manhattan, KS 66503. Email: wmwangi@vet.k-state.edu	outstanding Units	347
Michael Criscitiello 812 Pine Valley Drive College Station, TX 77845 Email: mcriscitiello@cvm.tamu.edu	outstanding Units	347
Ian Wilson 1025 Newkirk Drive La Jolla, CA 92037 Email: wilson@scripps.edu	outstanding Units	347
Dennis Burton 6044 Beaumont Ave La Jolla, CA 92037 Email: burton@scripps.edu	outstanding Units	347
Richard Lerner 7750 East Roseland Drive, La Jolla, CA 92037 Email: rlerner@scripps.edu	outstanding Units	347

TOTAL	**outstanding Units**	**141,612**

EXHIBIT B

PATENTS

OWNED:

Atty. Ref.	Country	Title	App No. Filing Date	Patent/Publication No. Filing Date	Status
20001.00	US	ANTI-DLL4 ANTIBODIES AND USES THEREOF	13/128,236 11-04-2009	9,403,904 08-02-2016	Issued
20001.30	US	COMBINATORIAL ANTIBODY LIBRARIES AND USES THEREOF	13/128,219 11-04-2009	9,221,902 12-29-2015	Issued
20001.02	US	COMBINATORIAL ANTIBODY LIBRARIES AND USES THEREOF	14/959,940 12-04-2015	10,774,138 09-15-2020	Allowed
20001.10	US	COMBINATORIAL ANTIBODY LIBRARIES AND USES THEREOF	17/002,749 08-25-2020		Pending
20001.51	Canada	COMBINATORIAL ANTIBODY LIBRARIES AND USES THEREOF	2,742,968 11-04-2009		Granted
20001.52	Europe	COMBINATORIAL ANTIBODY LIBRARIES AND USES THEREOF	09748671.6 11-04-2009	2356270 08-24-2016	Granted
20001.53	Japan	COMBINATORIAL ANTIBODY LIBRARIES AND USES THEREOF	2011-535649 11-04-2009	5882058 02-12-2016	Granted
20001.55	Switzerland	COMBINATORIAL ANTIBODY LIBRARIES AND USES THEREOF	09748671.6 11-04-2009	2356270 08-24-2016	Validated
20001.56	Germany	COMBINATORIAL ANTIBODY LIBRARIES AND USES THEREOF	09748671.6 11-04-2009	602009040618.3 08-24-2016	Validated
20001.57	Denmark	COMBINATORIAL ANTIBODY LIBRARIES AND USES THEREOF	09748671.6 11-04-2009	2356270 08-24-2016	Validated
20001.58	France	COMBINATORIAL ANTIBODY LIBRARIES AND USES THEREOF	09748671.6 11-04-2009	2356270 08-24-2016	Validated
20001.59	Britain	COMBINATORIAL ANTIBODY LIBRARIES AND USES THEREOF	09748671.6 11-04-2009	2356270 08-24-2016	Validated
20001.60	Netherlands	COMBINATORIAL ANTIBODY LIBRARIES AND USES THEREOF	09748671.6 11-04-2009	2356270 08-24-2016	Validated
20001.61	Norway	COMBINATORIAL ANTIBODY LIBRARIES AND USES THEREOF	09748671.6 11-04-2009	2356270 08-24-2016	Validated
20001.62	Sweden	COMBINATORIAL ANTIBODY	09748671.6	2356270	Validated

		LIBRARIES AND USES THEREOF	11-04-2009	08-24-2016	
20002.01	US	METHODS FOR AFFINITY MATURATION-BASED ANTIBODY OPTIMIZATION	14/692,646 04-21-2015	10,101,333 10-16-2018	Issued
20003.00	US	HUMANIZED ANTIBODIES WITH ULTRALONG COMPLEMENTARY DETERMINING REGIONS	14/905,765 07-18-2014	10,640,574 05-05-2020	Issued
20003.01	US	HUMANIZED ANTIBODIES WITH ULTRALONG COMPLEMENTARY DETERMINING REGIONS	16/831,508 03-26-2020		Pending
20003.41	Australia	HUMANIZED ANTIBODIES WITH ULTRALONG COMPLEMENTARY DETERMINING REGIONS	2014290361 07-18-2014	2014290361 07-30-2019	Granted
20003.42	Canada	HUMANIZED ANTIBODIES WITH ULTRALONG COMPLEMENTARY DETERMINING REGIONS	2,918,370 07-18-2014		Pending
20003.43	China	HUMANIZED ANTIBODIES WITH ULTRALONG COMPLEMENTARY DETERMINING REGIONS	201480051514.8 07-18-2014	ZL 201480051514.8 04-21-2020	Granted
20003.48	China	HUMANIZED ANTIBODIES WITH ULTRALONG COMPLEMENTARY DETERMINING REGIONS	202010240256.5 7-18-2014		Pending
20003.44	Europe	HUMANIZED ANTIBODIES WITH ULTRALONG COMPLEMENTARY DETERMINING REGIONS	14748405.9 07-18-2014		Pending
20003.45	Japan	HUMANIZED ANTIBODIES WITH ULTRALONG COMPLEMENTARY DETERMINING REGIONS	2016-527148 07-18-2014	6687520 04-06-2020	Granted
20003.47	Japan	HUMANIZED ANTIBODIES WITH ULTRALONG COMPLEMENTARY DETERMINING REGIONS	2020-066669 04-02-2020		Pending
30007.00	US	CHIMERIC CYTOKINE MODIFIED ANTIBODIES AND METHODS OF USE THEREOF (*)	62/925,740 10-24-2019		Pending

(*) Note: This is the Provisional IL-15 Patent that will be assigned to the Company by Applied Biomedical Science Institute pursuant to the terminal assignment contemplated by Section 2.6(a)(v) of the Agreement.

LICENSED (Scripps):

Atty. Ref.	Country	Title	App No. Filing Date	Publication/Patent No. Filing Date	Status
20005.01	US	HUMANIZED ANTIBODIES	15/801,251 01-09-2012	10,562,980 02-18-2020	Issued
20005.10	US	HUMANIZED ANTIBODIES	16/735,070 01-06-2020		Pending
20005.42	Australia	HUMANIZED ANTIBODIES	2017265152 01-09-2013		Pending
20005.45	Europe	HUMANIZED ANTIBODIES	13701317.3 01-09-2013	2802601 10-17-2019	Granted
20005.48	Japan	HUMANIZED ANTIBODIES	2019-206681 11-15-2019		Pending
20005.49	Europe	HUMANIZED ANTIBODIES WITH ULTRALONG CDR3S	19208487.9 11-12-2019		Pending
20005.50	Belgium	Humanized Antibodies	13701317.3 01-09-2013	2802601 11-13-2019	Validated
20005.51	Switzerland	Humanized Antibodies	13701317.3 01-09-2013	2802601 11-13-2019	Validated
20005.52	Germany	Humanized Antibodies	13701317.3 01-09-2013	2802601 11-13-2019	Validated
20005.53	France	Humanized Antibodies	13701317.3 01-09-2013	2802601 11-13-2019	Validated
20005.54	Britain	Humanized Antibodies	13701317.3 01-09-2013	2802601 11-13-2019	Validated
20005.55	Ireland	Humanized Antibodies	13701317.3 01-09-2013	2802601 11-13-2019	Validated
20005.56	Netherlands	Humanized Antibodies	13701317.3 01-09-2013	2802601 11-13-2019	Validated
20006.00	US	ULTRALONG COMPLEMENTARITY DETERMINING REGIONS AND USES THEREOF	13/737,910 01-09-2013	10,774,132 09-15-2020	Allowed
20006.10	US	ULTRALONG COMPLEMENTARITY DETERMINING REGIONS AND USES THEREOF	16/742,759 01-14-2020	US 2020-0181241 06-11-2020	Pending
20006.41	Australia	ULTRALONG COMPLEMENTARITY DETERMINING REGIONS AND	2013208003 01-09-2013	2013208003 03-29-2018	Granted

		USES THEREOF			
20006.45	Europe	ULTRALONG COMPLEMENTARITY DETERMINING REGIONS AND USES THEREOF	13735853.7 01-09-2013		Pending
20006.46	Japan	ULTRALONG COMPLEMENTARITY DETERMINING REGIONS AND USES THEREOF	2014-552273 01-09-2013	6684490 04-1-2020	Issued

EXHIBIT C

CVR AGREEMENT

CONTINGENT VALUE RIGHTS AGREEMENT

THIS CONTINGENT VALUE RIGHTS AGREEMENT , dated as of September 9, 2020 (this "***Agreement"***), is entered into by and between Ligand Pharmaceuticals Incorporated, a Delaware corporation ("***Parent***"), and Vaughn Smider, as Members' Representative (the " ***Members' Representative***").

Preamble

Parent, Taurus Acquisition Merger Sub, LLC, Taurus Biosciences, LLC (the " ***Company"***), the Members' Representative and other persons entered into an Agreement and Plan of Merger dated as of September 9, 2020 (the "***Merger Agreement***"), pursuant to which Taurus Acquisition Merger Sub, LLC is being merged with and into the Company (the "***Merger***"), with the Company surviving the Merger as a subsidiary of Parent (the "***Surviving Company***").

Pursuant to the Merger Agreement, Parent agreed to (subject to certain prerequisites as stated in the Merger Agreement) create and issue to the persons who as of immediately before the Effective Time were the Company's members of record, contingent value rights as hereinafter described.

The parties have done all things necessary to make the contingent value rights, when issued pursuant to the Merger Agreement and hereunder, the valid obligations of Parent and to make this Agreement a valid and binding agreement of Parent, in accordance with its terms.

NOW, THEREFORE, for and in consideration of the premises and the consummation of the transactions referred to above, it is mutually covenanted and agreed, for the benefit of the Holders (as hereinafter defined), as follows:

ARTICLE 1.

DEFINITIONS

Section 1.1 Definitions.

a. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed thereto in the Merger Agreement.

b. The following terms shall have the meanings ascribed to them as follows:

"**Acquiror**" means the "other Person" referred to in the definition of "Acquisition of Parent." [Note: for the avoidance of doubt, the term "Acquiror" can apply to successive "other Persons" in the event an Acquiror (which, per **Section 4.1**, is substituted herein for Parent) itself is subject to an "Acquisition of Parent."]

"Acquisition of Parent" means any consolidation of Parent (or any parent company of Parent) with any other Person or any merger (in which Parent (or any parent company of Parent) is de facto acquired) of Parent (or any parent company of Parent) with or into any other Person, or any conveyance, transfer or lease of the properties and assets of Parent (or any parent company of Parent) substantially as an entirety to any other Person. [Note: for the avoidance of doubt, an "Acquisition of Parent" can occur successively as an Acquiror (which, per **Section 4.1**, is substituted herein for Parent) can itself be subject to an "Acquisition of Parent."]

"**Antibody Campaign**" means an antibody discovery campaign conducted by Parent or any Affiliate (including the Company) with cows for the benefit of a Company Technology licensee (inclusive, without limitation, of antibody discovery campaigns for which Parent or any Affiliate (including the Company) uses Minotaur as a CRO for the benefit of a Company Technology licensee, but excluding Minotaur as a "Company Technology licensee," excluding antibody discovery campaigns for which Parent or any Affiliate (including the Company) uses Minotaur as a CRO for internal programs and excluding Minotaur campaigns for third parties) using the Company Technology and which (a) is structured to provide significant potential economic returns to Parent or any Affiliate (including the Company) (e.g., at least $10 million of development/clinical/regulatory milestone payments plus at least 3% running net sales royalties or payments, or as otherwise mutually agreed by Parent and Minotaur) and (b) successfully accomplishes the delivery of Taurus Antibody panels meeting the Company Technology licensee's bona fide specifications.

"**Applicable Law**" means all applicable statutes, ordinances, regulations, rules, or orders of any kind whatsoever of any governmental authority, all as amended from time to time, together with any rules, regulations, and compliance guidance promulgated thereunder, as well as foreign equivalents of any of the foregoing.

"**Application**" means the filing of a biologic license application, a new drug application, an abbreviated new drug application or a 505(b)(2) application, pursuant to and/or as defined in the United States Food, Drug, and Cosmetic Act and the regulations promulgated thereunder, or the filing of a similar application (i.e., an application which, if approved, would have the same kind of effect in such other country or multinational region as approval of such a United States application would have in the United States) with an equivalent regulatory body in another country or multinational region.

"**Company Technology**" means any Company Intellectual Property, together with any derivations, improvements and modifications thereto and any other intellectual property hereafter generated or acquired by Parent or any Affiliate (including the Company) from Minotaur - but excluding any technology that has nothing to do with genus-bos. (It is understood that the OmniCowChicken offering (i.e., a transgenic chicken animal (gallus gallus) that has some incorporated genetic material encoding components of bovine (bos taurus) antibodies) would be deemed to "have to do with genus-bos.")

"**CVR Payment Amount**" means, as applicable, a Milestone Payment Amount or a Revenue Sharing Payment Amount – reduced, in each case, by such deductions, withholdings and other reductions as are expressly permitted by this Agreement.

"**CVR Payment Date**" means, as applicable, a Revenue Sharing Payment Date or the 20th Business Day following a Milestone Event.

"**CVR Register**" has the meaning set forth in **Section 2.3(b)**.

"**CVR Registrar**" has the meaning set forth in **Section 2.3(**b).

"**CVRs**" means the Contingent Value Rights issued by Parent pursuant to the Merger Agreement and this Agreement. All the CVRs shall be considered as part of and shall act as one class only, for purposes of this Agreement.

"**Enforcement Action**" means a Legal Proceeding to enforce the Company Technology against infringement.

"**Holder**" means a Person in whose name a CVR is registered in the CVR Register.

"**Milestone Event**" means (i) each of the first five Antibody Campaigns (if so many) tangibly commenced before December 31, 2023, (ii) the commercial launch by Parent or any Affiliate (including the Company), before December 31, 2023, of the OmniCowChicken offering, or (iii) the first dosing, before December 31, 2024, of a human patient in an FDA-approved Phase I clinical trial with a Product. It is understood that in each case December 31, 2023 (or December 31, 2024, in the case of the first dosing of a human patient in an FDA-approved Phase I clinical trial with a Product) is a hard cutoff.

"**Milestone Payment Amount**" means $400,000 for each event specified in clause "(i)" of the definition of Milestone Event; $1,000,000 for the event specified in clause "(ii)" of the definition of Milestone Event; and $1,500,000 for the event specified in clause "(iii)" of the definition of Milestone Event.

"**Permitted Transfer**" means any transfer which is not in violation of applicable securities laws; provided, that the transfer must also be in at least one of the following categories for the transfer to be a Permitted Transfer: (i) the transfer of any or all of the CVRs (upon the death of the Holder) by will or intestacy; (ii) transfer by instrument to an inter vivos or testamentary trust in which the CVRs are to be passed to beneficiaries upon the death of the trustee; (iii) transfers made pursuant to a court order of a court of competent jurisdiction (such as in connection with divorce, bankruptcy or liquidation); (iv) if the Holder is a partnership or limited liability company, a distribution by the transferring partnership or limited liability company to its partners or members, as applicable; (v) a transfer made by operation of law (including a consolidation or merger) or in connection with the dissolution, liquidation or termination of any corporation, limited liability company, partnership or other entity; (vi) a transfer from a participant's account in a tax-qualified employee benefit plan to the participant or to such participant's account in a different tax-qualified employee benefit plan or to a tax-qualified individual retirement account for the benefit of such participant; (vii) a transfer from a participant in a tax-qualified employee benefit plan, who received the CVRs from such participant's account in such tax-qualified employee benefit plan, to such participant's account in a different tax-qualified employee benefit plan or to a tax-qualified individual retirement account for the benefit of such participant; or (viii) any transfer of a CVR by a venture capital firm, private equity firm, or other similarly-situated type of institutional investor that provides to Parent an opinion of legal counsel that such transfer can be effected pursuant to an applicable exemption from the registration requirements of the Securities Act of 1933 and other applicable securities laws that is reasonably acceptable to Parent.

"**Proceeds**" means all cash and the cash equivalent of all non-cash proceeds, where the cash equivalent of such non-cash proceeds is determined by an independent appraiser mutually selected by the Board of Directors of Parent and the Members' Representative in good faith. The determination made by such appraiser shall be final and binding upon all persons. Future streams of cash shall not be considered to be non-cash proceeds, but the actual cash payments thereunder shall be treated as cash proceeds if, as and when received.

"**Product**" means a product incorporating or intentionally delivering directly or indirectly (e.g., by injection of cDNA) (a) (i) one or more Taurus Antibodies or (ii) a cell expressing one or more proteins, each of which contains one or more Taurus Antibodies or (iii) a cell comprising a nucleic acid encoding one or more such proteins, each of which contains one or more Taurus Antibodies or (b) an antibody that is not a Taurus Antibody but that is developed or produced using the sequence of a Taurus Antibody(ies); or any product that could not practically have been developed or produced but for use of such Taurus Antibody(ies). By way of illustrative examples only, and without limiting the foregoing, it is

expressly agreed that Product includes a product incorporating or intentionally delivering directly or indirectly (x) a cell expressing a chimeric antigen receptor comprising a single-chain variable fragment derived or obtained from one or more Taurus Antibodies, or (y) a cell comprising a nucleic acid that encodes for such a chimeric antigen receptor.

"**Quarter**" means any full or partial calendar quarter during any Year.

"**Quarterly Report**" has the meaning set forth in **Section 2.4(c)**.

"**Revenue**" means all revenues and other assets received during any Quarter during any Year by Parent or any Affiliate of Parent from any non-Affiliate of Parent, from (a) milestone payments with respect to a particular Product for milestone events which on the applicable Product's development/commercialization timeline are at or after the Application time, or (b) the sale by any Person of Products (i.e., direct sales by Parent or any Affiliate of Parent, or receipt by Parent or any Affiliate of Parent of royalties or net sales payments) or (c) licensing or Product line sale transactions (or options therefor), with respect to a particular Product, entered into after the applicable Product's first Application. For avoidance of doubt: fees for services are not Revenue. The determination of Revenue shall be consistent with the factual and GAAP determinations with respect to same made in Parent's audited financial statements for the applicable Year and the payments made with respect to Revenue received in any Quarter during any Year shall be subject to adjustment based on the results of the audit following such Year, with any such adjustment to be reflected in the Revenue Sharing Payment to be made for the next-following Quarter(s). In addition, the aggregate Proceeds actually received by Parent or any Affiliate of Parent, at any time after the Effective Time, in connection with an Enforcement Action shall constitute Revenue for the purposes of this Agreement; provided, however, that the costs incurred by Parent or any Affiliate of Parent in pursuing the Enforcement Action at issue shall first be fully deducted from such aggregate Proceeds before any recognition of any such Revenue.

"**Revenue Sharing Amount**" means 25% of Revenue; provided, that the cumulative Revenue Sharing Amount shall not exceed $25,000,000.

"**Revenue Sharing Payment**" means the Revenue Sharing Amount for an applicable Quarter.

"**Revenue Sharing Payment Date**" means 45 days after the end of the Quarter during which a Revenue Sharing Payment is earned.

"**Taurus Antibody**" means a molecule or a gene encoding a molecule comprising or containing one or more immunoglobulin variable domains or parts of such domains, or any existing or future fragments, variants, fusion proteins, sequences, modifications or derivatives of (or in a series beginning with) such molecule or gene, discovered or generated by or for Parent or any Affiliate (including the Company) or any Company Technology licensee in connection with an antibody discovery campaign using the Company Technology.

"**Year**" means each full or partial calendar year.

c. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

i.the terms defined in this Article have the meanings assigned to them in this Article, and include the plural as well as the singular;

ii.all accounting terms used herein and not expressly defined herein shall have the meanings assigned to such terms in accordance with United States generally accepted accounting principles, as in effect on the date hereof;

iii.the words "herein," "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or other subdivision;

iv.unless the context otherwise requires, words describing the singular number shall include the plural and vice versa, words denoting any gender shall include all genders and words denoting natural Persons shall include corporations, partnerships and other Persons and vice versa; and

v.all references to "including" shall be deemed to mean including without limitation.

ARTICLE 2.

CONTINGENT VALUE RIGHTS

Section 2.1. Issuance of CVRs. The CVRs shall be issued pursuant to the Merger Agreement at the time and in the manner set forth in the Merger Agreement.

Section 2.2. Nontransferable. The CVRs are not capable of being and shall not be sold, assigned, transferred, pledged, encumbered or in any other manner transferred or disposed of, in whole or in part, other than through a Permitted Transfer or with the advance written consent of Parent.

Section 2.3. No Certificate; Registration; Registration of Transfer; Change of Address.

a. The CVRs shall be issued in book-entry form only and shall not be evidenced by a certificate or other instrument.

b. Parent shall keep a register (the "***CVR Register***") for the registration of CVRs. Parent shall be the initial CVR registrar and transfer agent ("***CVR Registrar***") for the purpose of registering CVRs and transfers of CVRs as herein provided.

c. Subject to the restriction on transferability set forth in **Section 2.2**, every request made to transfer a CVR must be in writing and accompanied by a written instrument or instruments of transfer and any other reasonably requested documentation in a form reasonably satisfactory to the CVR Registrar, duly executed by the registered Holder or Holders thereof or by the duly appointed legal representative thereof or by a duly authorized attorney. Upon receipt of such written request and materials, the CVR Registrar shall register the transfer of the CVRs in the CVR Register, any such registration not to be unreasonably withheld or delayed. All duly transferred CVRs registered in the CVR Register shall be the valid obligations of Parent, evidencing the same right and shall entitle the transferee to the same benefits and rights under this Agreement, as those previously held by the transferor. No transfer of a CVR shall be valid until registered in the CVR Register, and any transfer not duly registered in the CVR Register will be void ab initio. Any transfer or assignment of the CVRs shall be without charge (other than the cost of any transfer tax which shall be the responsibility of the transferor) to the Holder.

d. A Holder may make a written request to the CVR Registrar to change such Holder's address of record in the CVR Register. The written request must be duly executed by the Holder

and conform to such other reasonable requirements as the CVR Registrar may from time to time establish. Upon receipt of such proper written request, the CVR Registrar shall promptly record the change of address in the CVR Register.

Section 2.4. Payment Entitlements and Procedures.

a. Parent shall duly and promptly pay each CVR Payment Amount, if any, on or before the applicable CVR Payment Date. Any CVR Payment Amount which is paid after the date due shall include interest at the rate of 1.0% of the applicable payment per month (or portion thereof), or the maximum rate permitted under Applicable Law if less.

b. Promptly following the occurrence of a Milestone Event, but in no event later than five Business Days after the occurrence of a Milestone Event, Parent shall deliver to the Members' Representative a certificate certifying that the Holders are entitled to receive a Milestone Payment Amount (and setting forth such Milestone Payment Amount), and Parent shall thereafter provide the Members' Representative with such information (as pertains to the Members' Representative's responsibilities as Members' Representative) with respect to the Milestone Event at issue as the Members' Representative may reasonably request.

c. Revenue Sharing

i. Within 45 calendar days after the end of each Quarter of each Year, Parent shall deliver to the Members' Representative a report (a "***Quarterly Report***") setting forth: (A) the Revenue recognized during such Quarter and cumulatively during such Year and (B) the calculation of such Revenue in reasonable detail, and Parent shall thereafter provide the Members' Representative with such information (as pertains to the Members' Representative's responsibilities as Members' Representative) with respect to the Revenue at issue as the Members' Representative may reasonably request.

ii. No later than 60 days following the conclusion of each Year, Parent shall notify the Members' Representative of any necessary adjustment to true-up the aggregate amount of Revenue Sharing Payments actually paid by Parent for such Year and the aggregate amount of Revenue Sharing Payments owed by Parent for such Year as indicated by determinations reflected in Parent's annual audited financial statements. If the indicated adjustment is a negative amount (i.e., if Parent underpaid), Parent shall pay such amount on a dollar-for-dollar basis by the 75th day following the conclusion of the Year. If the indicated adjustment is a positive amount (i.e., if Parent overpaid), Parent shall recoup such amount on a dollar-for-dollar basis from the next payment(s) otherwise due to the Holders. Parent shall provide the Members' Representative with such information (as pertains to the Members' Representative's responsibilities as Members' Representative) with respect to the Revenue at issue as the Members' Representative may reasonably request.

d. Subject to any limitations expressly set forth herein and in the Merger Agreement, Parent shall be entitled to set off all Indemnification Amounts dollar-for-dollar against any amounts otherwise payable pursuant to this Agreement.

e. Parent shall be entitled to deduct and withhold, or cause to be deducted or withheld, from each CVR Payment Amount otherwise payable pursuant to this Agreement, such amounts as Parent is required to deduct and withhold with respect to the making of such payment under the Internal Revenue Code, or any provision of state, local or foreign tax law. To the extent that amounts are so withheld or paid over to or deposited with the relevant Governmental Entity, such withheld amounts

shall be treated for all purposes of this Agreement as having been paid to the Holder in respect of which such deduction and withholding was made.

f. An Acquisition of Parent (or an acquisition of any Subsidiary of Parent) shall not give the Holders the right to a CVR Payment Amount for such Acquisition of Parent (or acquisition of any Subsidiary of Parent) itself.

g. Notwithstanding the definition of "Revenue," any revenues and other assets received by an Acquiror or any Affiliate of an Acquiror (including by Parent as a post-Acquisition-of-Parent Affiliate of such Acquiror) in respect of any Product, which would otherwise count as "Revenues," shall not count as "Revenues" if there had been a bona fide licensing event or sale event from the Company or a Company Affiliate to such Acquiror with respect to such Product before occurrence of the Acquisition of Parent. Except as provided in the preceding sentence, all otherwise applicable pre-Acquisition-of-Parent arrangements shall be deemed to continue uninterrupted, mutatis mutandis.

h. Notwithstanding any provision herein to the contrary, in the event that any applicable or related transaction or arrangement by or on behalf of Parent or any Affiliate of Parent is conducted on other than a bona fide and arm's-length basis, the amount of any payment owed to the Holders as a result thereof or with respect thereto shall be recalculated assuming that such transaction or arrangement had been conducted on a bona fide and arm's-length basis. If Parent and the Members' Representative are unable to agree on such recalculation, then it shall be determined by an independent appraiser mutually selected by the Board of Directors of Parent and the Members' Representative in good faith. The determination made by such appraiser shall be final and binding upon all persons.

Section 2.5. No Voting, Dividends or Interest; No Equity or Ownership Interest in Parent.

a. The CVRs shall not have any voting or dividend rights, and (except as expressly set forth herein) interest shall not accrue on any amounts payable on the CVRs.

b. The CVRs shall not represent any equity or ownership interest in Parent (or in any constituent company to the Merger) or in the Company Technology. The rights of the holders of CVRs are limited to those expressly set forth in this Agreement, and such Holders' sole right to receive property hereunder is the right to receive cash from Parent in accordance with the terms hereof.

c. Each Holder acknowledges and agrees to the appointment and authority of the Members' Representative to act as the exclusive representative, agent and attorney-in-fact of such Holder and all Holders as set forth in this Agreement. Each Holder agrees that such Holder will not challenge or contest any action, inaction, determination or decision of the Members' Representative or the authority or power of the Members' Representative and will not threaten, bring, commence, institute, maintain, prosecute or voluntarily aid any action, which challenges the validity of or seeks to enjoin the operation of any provision of this Agreement, including without limitation, the provisions relating to the authority of the Members' Representative to act on behalf of such Holder and all Holders as set forth in this Agreement.

Section 2.6. Sole Discretion and Decision Making Authority; No Fiduciary Duty. Parent shall have sole discretion and decision making authority (a) over any continued operation of, development of or investment in the Company Technology, (b) over when (if ever) and whether to out-license, commercialize or monetize in any particular manner the Company Technology or any Products, (c) over when (if ever) and whether to pursue, or enter into, an agreement to dispose of and/or to out-license, commercialize or monetize in any

particular manner the Company Technology, including any Milestone Event, and upon what terms and conditions, and (d) when (if ever), whether and how to develop or launch the OmniCowChicken offering.

Section 2.7. Exculpation/Waiver and Indemnification.

a. No Holder, as a former member of the Company, has (and by acceptance of CVRs each Holder, as a former member of the Company, waives) any right of indemnification or contribution against the Company or any of its pre-Merger managers, directors or officers with respect to any breach by the Company or any of its pre-Merger managers, directors or officers or by Vaughn Smider or any other Holder of any of their respective representations, warranties, covenants or agreements in the Merger Agreement or any duty owed by any of them to such Holder (as a Holder or in a prior capacity as a member) or to the Holders generally (as Holders or in their prior capacity as members), whether by virtue of any equitable, fiduciary, contractual or statutory right of indemnity or otherwise, and all claims to the contrary are hereby waived and released.

b. It is understood and agreed that, notwithstanding anything in this Agreement to the contrary, CVR Payment Amounts otherwise payable as to any respective Holder are subject to reduction and/or setoff pursuant to the indemnification provisions of the Merger Agreement and all amounts paid to any respective Holder under this Agreement are further subject to the indemnification provisions of the Merger Agreement.

Section 2.8. Confidentiality; Communications; Examination Right.

a. Certificates or notices regarding Milestone Events and the Quarterly Reports and the contents thereof, and any discussions regarding the foregoing and/or the progress of the development of the Company Technology, shall be subject in all respects to the terms of the form of confidentiality/nonuse agreement attached hereto as Attachment A. (Such agreement need not be separately signed; Parent and the Members' Representative shall be bound by such terms by virtue of signing this Agreement. In addition, any successor Members' Representative's acceptance of such position shall constitute an agreement by such person to be bound by such terms, without any requirement to actually sign the form of confidentiality/nonuse agreement.)

b. Subject to **Section 2.8(a)**, upon the prior written request by the Members' Representative, Parent shall (i) meet at reasonable times during normal business hours with the Members' Representative to discuss the background or status of (A) any actual or potential Milestone Event or any Quarterly Report and/or (B) the planning for and/or progress of the development of the Company Technology, but Parent shall not be required to meet more frequently with respect to this subclause (B) than once every six months, and (ii) provide the Members' Representative with such information regarding the foregoing as the Members' Representative may reasonably request.

c. Parent agrees to maintain, for at least three years thereafter, all books and records relevant to the calculation of a Revenue Payment Amount and the amount of Revenue recognized during the applicable Quarter. Subject to reasonable advance written notice from the Members' Representative and prior execution and delivery by the Members' Representative and by an independent accounting firm of national reputation chosen by the Members' Representative of a reasonable and customary confidentiality/nonuse agreement, Parent shall permit the Members' Representative and such independent accounting firm, acting as agent of the Members' Representative, at the Members' Representative's cost, to have access during normal business hours to the books and records of Parent and its Affiliates (including, without limitation, the Surviving Company) as may be reasonably necessary to examine the

calculation of such Revenue Payment Amount or the calculation of the amount of Revenue recognized in the applicable Quarter, as applicable; provided, however, that if any such examination reveals an underpayment with respect to any Revenue Payment Amount of at least five percent, then Parent shall pay all related costs incurred by the Members' Representative (including the costs of the independent accounting firm).

ARTICLE 3.

AMENDMENTS

Section 3.1. Amendments With Consent of Members' Representative; Consent of Holders. Parent and the Members' Representative may enter into (in writing, but only in writing) one or more amendments hereto for the purpose of adding, eliminating or changing any provisions of this Agreement, even if such addition, elimination or change is in any way adverse to the interests of the Holders; provided that if such addition, elimination or change is in any way adverse to the interests of the holders of CVRs, it shall additionally require the consent, whether evidenced in writing or taken at a meeting of the applicable Holders, of the Holders of not less than a majority of the outstanding CVRs.

Section 3.2. Effect of Amendments. Upon the execution of any amendment under this **Article 3**, this Agreement shall be modified in accordance therewith, such amendment shall form a part of this Agreement for all purposes and every Holder shall be bound thereby.

ARTICLE 4.

CONSOLIDATION, MERGER, SALE OR CONVEYANCE

Section 4.1. Acquisition of Parent. Upon any Acquisition of Parent, the Acquiror shall succeed to, and be substituted for, and may exercise every right and power of, Parent under this Agreement with the same effect as if the Acquiror had been named as Parent herein, and shall be liable for the payment of the Milestone Payment Amounts and, except as carved out in **Section 2.4(g)**, Revenue Sharing Amounts and the performance of every duty and covenant of this Agreement on the part of Parent to be performed or observed. For avoidance of doubt: (i) an Acquisition of Parent can occur successively as an Acquiror (which, per **Section 4.1**, is substituted herein for Parent) can itself be subject to an Acquisition of Parent; and (ii) the term Acquiror can apply to successive "other Persons" in the event an Acquiror (which, per this Section, is substituted herein for Parent) itself is subject to an Acquisition of Parent.

ARTICLE 5.

OTHER PROVISIONS OF GENERAL APPLICATION

Section 5.1. Notices. Any request, demand, authorization, direction, notice, consent, waiver or other document provided or permitted by this Agreement shall be sufficient for every purpose hereunder if in writing and delivered personally, or sent by email or sent by certified or registered mail (return receipt requested and first-class postage prepaid) or sent by a nationally recognized overnight courier (with proof of service), addressed as follows, and shall be deemed to have been given upon receipt:

a. if to a Holder or any or all Holders or the Members' Representative, addressed to the Members' Representative at 8205 Torrey Gardens Place, San Diego, CA 92129, email at vaughn.smider@taurusbiosciences.com, or to the Members' Representative at any other address previously furnished in writing to Parent in accordance with this Section.

b. if to Parent, addressed to it at 3911 Sorrento Valley Boulevard, Suite 110, San Diego, CA 92121, Attention: Charles Berkman, email at cberkman@ligand.com, or at any other address previously furnished in writing to the Holders or the Members' Representative by Parent in accordance with this Section.

Section 5.2. Successors and Assigns. All covenants and agreements in this Agreement by Parent shall bind its successors and assigns, whether so expressed or not. All covenants and agreements in this Agreement by the Members' Representative shall bind his successors, whether so expressed or not. In the event the Members' Representative resigns, dies or is incapacitated, a successor Members' Representative shall be elected by a majority in interest of the Holders.

Section 5.3. Benefits of Agreement. Nothing in this Agreement, express or implied, shall give to any Person (other than the parties hereto and the Holders (each of whom is an intended third party beneficiary of this Agreement), and their permitted successors and assigns hereunder) any benefit or any legal or equitable right, remedy or claim under this Agreement or under any covenant or provision herein contained, all such covenants and provisions being for the sole benefit of the parties hereto and the Holders and their permitted successors and assigns. Despite having rights hereunder, the Holders shall have no remedies hereunder except indirectly through the Members' Representative. To the extent permitted by applicable Legal Requirements, it is expressly agreed that in no event shall any Holders (as opposed to the Members' Representative) or any former members of the Company (as opposed to the Members' Representative) have, after the Effective Time, any power or right to commence or join in any Legal Proceeding against Parent or the Company or any Affiliate of either of them based on or arising out of this Agreement or the Merger Agreement.

A decision, act, consent or instruction of the Members' Representative shall constitute a decision for all Holders, and shall be final, binding and conclusive upon the Holders. The Members' Representative will incur no liability of any kind with respect to any action or omission by the Members' Representative in connection with the Members' Representative's services pursuant to this Agreement, except in the event of liability directly resulting from the Members' Representative's fraud, gross negligence or willful misconduct.

Section 5.4. Governing Law. This Agreement and the CVRs, and all claims or causes of action (whether in contract, tort or statute) that may be based upon, arise out of or relate to this Agreement and the CVRs or the negotiation, execution or performance of this Agreement (including any claim or cause of action based upon, arising out of or related to any representation or warranty made in or in connection with this Agreement or as an inducement to enter into this Agreement), shall be governed by, construed in accordance with and enforced in accordance with the internal Applicable Law of the State of California, USA (including its statutes of limitations and of repose, and without giving effect to any conflicts of law principles that require the application of the law of a different state or country).

Section 5.5. Legal Holidays. In the event that a CVR Payment Date shall not be a Business Day, then, notwithstanding any provision of this Agreement to the contrary, any payment required to be made in respect of the CVRs on such date need not be made on such date, but may be made on the next succeeding Business Day with the same force and effect as if made on the CVR Payment Date.

Section 5.6. Severability. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Agreement, but this Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. Upon such determination that any term or other provision is invalid, illegal or unenforceable, the court or other tribunal making such determination is authorized and instructed to modify this Agreement so as to effect the original intent of the parties as closely as possible so that the transactions and agreements contemplated herein are consummated as originally contemplated to the fullest extent possible.

Section 5.7. Counterparts. This Agreement may be signed in counterparts (which may be effectively delivered by scan/email or other electronic means), each of which shall be deemed to constitute but one and the same instrument.

Section 5.8. Entire Agreement. This Agreement and the Merger Agreement represent the entire understanding of the parties hereto and thereto with reference to the CVRs; this Agreement supersedes any and all other oral or written agreements, commitments or understandings made with respect to the CVRs, except for the Merger Agreement. No party has made any promises, representations, warranties, covenants, or undertakings, other than those expressly set forth or referred to herein, to induce the other party to execute, deliver or authorize the execution or delivery of this Agreement, and each party acknowledges that it has not executed, delivered or authorized the execution or delivery of this Agreement in reliance upon any such promise, representation, or warranty, covenant or undertaking not contained herein. If and to the extent that any provision of this Agreement is inconsistent or conflicts with the Merger Agreement, this Agreement shall govern and be controlling.

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IN WITNESS WHEREOF, each of the parties has caused this Contingent Value Rights Agreement to be executed on its behalf by its duly authorized officers as of the day and year first above written.

LIGAND PHARMACEUTICALS INCORPORATED

By: /s/ Charles S. Berkman
Name: Charles S. Berkman
Title: SVP, General Counsel and Secretary

/s/ Vaughn Smider

Vaughn Smider, as Members' Representative

Attachment A: Confidentiality/Nonuse Agreement

ATTACHMENT A

Confidentiality/Nonuse Agreement

This Agreement shall constitute the confidentiality/nonuse agreement contemplated by **Section 2.8(a)** of the Contingent Value Rights Agreement dated September 9, 2020 between Ligand Pharmaceuticals Incorporated and Vaughn Smider as Members' Representative (the "CVR Agreement").

This Agreement shall take effect automatically and immediately upon the Effective Time of the Merger contemplated by the Agreement and Plan of Merger dated September 9, 2020 among Ligand Pharmaceuticals Incorporated, Taurus Acquisition Merger Sub, LLC, Taurus Biosciences, LLC, , the Members' Representative and other persons (the "Merger Agreement"). Accordingly, for purposes of this Agreement Ligand Pharmaceuticals Incorporated and/or Taurus Biosciences, LLC, which will become a Ligand subsidiary upon such Merger, and all other subsidiaries of Ligand, are referred to collectively as the "Company." "You" refers to the person who is the Members' Representative under the CVR Agreement. This is an agreement between the Company and you.

To the extent required by the CVR Agreement, and for you (as Members' Representative under the CVR Agreement) to use solely for the purposes specified in the CVR Agreement (the "Purpose"), and subject to all the terms and provisions of the CVR Agreement, the Company is prepared, as contemplated by the CVR Agreement, to make available to you from time to time certain information about the Company. You agree that any "Confidential Information" (as defined below), irrespective of the form of communication, which is furnished to you or to your Representatives now or in the future by or on behalf of the Company shall be governed by the following terms and conditions, and you further agree to treat any Confidential Information in accordance with the provisions of the CVR Agreement and this Agreement, and to take or abstain from taking certain other actions as hereinafter set forth. As used in this Agreement, your "Representatives" shall include your consultants, attorneys, accountants, advisors and agents.

The term "Confidential Information" shall mean any and all actual or projected financial, technical, commercial or other information, verbal, visual or written, disclosed to you or your Representatives, that relates to the Company (including information concerning any business or assets of any third party), and is not generally available to others. Confidential Information shall include any notes, analyses, compilations, studies, interpretations or other documents prepared by you or your Representatives based upon, containing or otherwise reflecting, in whole or in part, the Confidential Information described in the immediately preceding sentence. Confidential Information shall not include any information which (a) you can demonstrate was already known to you before such disclosure; (b) is now or hereafter becomes generally available to the public through no fault or omission by you or your Representatives; or (c) is or becomes available to you on a nonconfidential basis from a source (other than the Company) which, to the best of your knowledge, is not prohibited from so disclosing such information to you by a legal, contractual or fiduciary obligation.

You hereby agree, except as set forth below, that you and your Representatives shall use the Confidential Information solely for the Purpose and for no other purpose, that the Confidential Information will be kept confidential and that you and your Representatives will not disclose any of the Confidential Information in any manner whatsoever; provided, however, that any of the Confidential Information may be disclosed to your Representatives who need to know such information for the sole purpose of the Purpose, who are provided with a copy of this Agreement and who have executed and delivered a confidentiality agreement with you that would protect the Confidential Information of the

Company on terms no less restrictive than this Agreement or are otherwise obligated to maintain such confidentiality. In any event, you agree to undertake reasonable precautions to safeguard and protect the confidentiality of the Confidential Information, to accept responsibility for any breach of this Agreement by any of your Representatives, and at your sole expense to take all reasonable measures (including but not limited to court proceedings) to restrain your Representatives from prohibited or unauthorized disclosure or uses of the Confidential Information. You agree to immediately notify the Company upon discovery of any loss or unauthorized disclosure of the Confidential Information. Notwithstanding the foregoing, the obligations of nonuse and confidentiality set forth in this paragraph shall not apply to any legal proceeding between you, on the one hand, and the Company, on the other hand, that relates to the Merger Agreement, the CVR Agreement or this Agreement or the breach thereof or hereof; provided, that the Company shall be entitled to seek appropriate protective orders related to the disclosure of Confidential Information in any such legal proceeding.

In the event that you or any of your Representatives are requested or required (by oral questions, interrogatories, requests for information or documents in legal proceedings, subpoena, civil investigative demand or other similar process) to disclose any of the Confidential Information, you shall provide the Company with reasonably prompt written notice, if permitted by Applicable Law, of any such request or requirement so that the Company may seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement. If, in the absence of a protective order or other remedy or the receipt of a waiver by the Company, you or any of your Representatives are nonetheless legally compelled to disclose Confidential Information to any tribunal, you or your Representatives may, without liability hereunder, disclose to such tribunal only that portion of the Confidential Information as is legally required to be disclosed, provided that you exercise reasonable efforts, at the Company's sole cost and expense, to cooperate with the Company, if permitted by Applicable Law, to obtain an appropriate protective order or other reliable assurance that confidential treatment will be accorded the Confidential Information by such tribunal.

Upon the termination of all of the Members' Representative obligations under the CVR Agreement, if requested by the Company you will promptly return to the Company all physical originals and copies of the Confidential Information in your possession or in the possession of your Representatives, and you will deliver to the Company or destroy all other originals and copies (in every medium) of the Confidential Information in your possession or in the possession of your Representatives as well as of any notes, analyses, compilations, studies, interpretations or other documents prepared by you or your Representatives based upon, containing or otherwise reflecting, in whole or in part, the Confidential Information; and you shall provide the Company with a certificate of compliance with this sentence. Notwithstanding the return or destruction of the Confidential Information, you and your Representatives will continue to be bound by your/their obligations of confidentiality and nonuse and other obligations hereunder.

You acknowledge and agree that you are aware (and that your Representatives are aware or, upon receipt of any Confidential Information, will be advised by you) of the restrictions imposed by the United States federal securities laws and other applicable foreign and domestic laws on a person possessing material non-public information about a public company (inclusive of its subsidiaries) and that you and your Representatives will comply with such laws. Without limitation, you hereby agree that while in possession of material nonpublic information with respect to the Company, you shall not purchase or sell any securities of Ligand Pharmaceuticals Incorporated, or communicate such information to any third party, in violation of any such laws, and that you shall be responsible for any such violations by your Representatives to whom you have communicated such information.

Any and all proprietary rights, including but not limited to intellectual property rights, in and to the Confidential Information disclosed by the Company to you shall be and remain in the possession of the Company, and you shall have no right, title or interest in or to any of such Confidential Information. Nothing in or under this agreement shall be construed as the granting of a license by the Company to you.

This Agreement and the activities contemplated herein are not intended to and shall not be deemed to constitute a partnership, agency, employer-employee or joint venture relationship between the Company and you, nor entitle you to continuation of any such relationship which otherwise exists.

No amendment or waiver of any provision of this Agreement will be effective unless in writing.

It is understood and agreed that no failure or delay by the Company in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or future exercise thereof or the exercise of any other right, power or privilege hereunder.

It is further understood and agreed that money damages would not be a sufficient remedy for any breach of this Agreement by you or any of your Representatives and that the Company shall be entitled to equitable relief, including injunction and specific performance, as a remedy for any such breach. You agree to waive any requirement for the securing or posting of any bond in connection with such relief. Such remedies shall not be deemed to be the exclusive remedies for a breach by you of this Agreement but shall be in addition to all other remedies available at law or equity to the Company. In the event of any legal proceeding relating to this Agreement, the prevailing party shall be entitled to receive from the non-prevailing party the reasonable legal fees and expenses incurred by the prevailing party in connection with such legal proceeding, including any appeal therefrom.

This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, USA without regard to the choice-of-law principles thereof.

The illegality or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any legal and enforceable provisions hereof.

Your obligations of confidentiality and nonuse and other obligations hereunder shall survive any termination of your status as the Members' Representative, any termination of all of the Members' Representative obligations under the CVR Agreement, and any termination of the CVR Agreement.

Exhibit 10.4

COMMERCIAL LICENSE AGREEMENT

This Commercial License Agreement (this "Agreement") is entered into effective September 9, 2020 (the "Effective Date") by Taurus Biosciences, LLC, a Delaware limited liability company ("Taurus"), and Minotaur Therapeutics, Inc., a California corporation (inclusive of any and all current and future Controlled Affiliates, "Licensee"), on the other hand. Each Controlled Affiliate is also a party to this Agreement.

In consideration of the mutual covenants and promises set forth in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties, the parties agree as follows:

1. Definitions.

1.1 "Active Ingredient" means, with respect to a Product, an active pharmaceutical ingredient that an independent Third Party with sufficient experience and expertise in similar biologic products would reasonably determine has a material therapeutic effect. An "Other Active Ingredient" for an Antibody Product is an Active Ingredient that is separate from the effect of the relevant Taurus Antibody(ies). An "Other Active Ingredient" for an Other Licensed Product is a second Active Ingredient. Drug delivery vehicles, stabilizers, solvents, adjuvants and excipients shall not be deemed to be Active Ingredients and their presence shall not be deemed to create a Combination Product. For the avoidance of doubt, for determining whether a Combination Product exists the Other Active Ingredient and the relevant Product must be separate and distinct components of the Combination Product, and, in the case of an Antibody Product, the mere presence of an antibody fragment or region within such Antibody Product shall not alone be deemed to create a Combination Product unless such has a meaningful effect on the price of such Antibody Product.

1.2 "Affiliate" means, with respect to any party, any Person Controlling, Controlled by, or under common Control with such party, during and for such time as such Control exists.

1.3 "Antibody Product" means a product incorporating or intentionally delivering directly or indirectly (e.g., by injection of cDNA) (a) (i) one or more Taurus Antibodies or (ii) a cell expressing one or more proteins, each of which contains one or more Taurus Antibodies or (iii) a cell comprising a nucleic acid encoding one or more such proteins, each of which contains one or more Taurus Antibodies or (b) a Non-Taurus Antibody that is developed or produced using the sequence of a Taurus Antibody(ies); or any product that could not practically have been developed or produced but for use of such Taurus Antibody(ies). By way of illustrative examples only, and without limiting the foregoing, it is expressly agreed that Antibody Product includes a product incorporating or intentionally delivering directly or indirectly (x) a cell expressing a chimeric antigen receptor comprising a single-chain variable fragment derived or obtained from one or more Taurus Antibodies, or (y) a cell comprising a nucleic acid that encodes for such a chimeric antigen receptor.

1.4 "Applicable Law" means all applicable statutes, ordinances, regulations, rules, or orders of any kind whatsoever of any governmental authority, including the United States Federal Food, Drug, and Cosmetic Act, all as amended from time to time, together with any rules, regulations, and compliance guidance promulgated thereunder, as well as foreign equivalents of any of the foregoing.

1.5 "Assignment" means any purported assignment or transfer, directly or indirectly, of this Agreement or any purported sublicense, assignment or transfer, directly or indirectly, of the licenses granted in **Section 2.1** (other than any sublicense of the license granted in **Section 2.1(c)**), whether by way of merger, license

or sale of assets to which this Agreement relates, or otherwise. Without limitation, and for avoidance of doubt: for this purpose, a reverse triangular merger (or other merger) by which record or beneficial ownership of Licensee is acquired shall be deemed to constitute an Assignment, an issuance of securities pursuant to which any Person, other than Persons who as of the Effective Date Control Licensee, comes to Control Licensee shall be deemed to constitute an Assignment, and any transfer of outstanding securities or of rights in outstanding securities pursuant to which any Person, other than Persons who as of the Effective Date Control Licensee, comes to Control Licensee shall be deemed to constitute an Assignment.

1.6 "Bundled Combination" means a Product sold for a single price in combination with one or more services or with one or more products that are themselves not Mono Products or Combination Products.

1.7 "Combination Product" means a Product containing or consisting of one or more Mono Products, together with one or more Other Active Ingredients.

1.8 "Commercialization" or "Commercialize" means any and all activities undertaken for a particular Taurus Antibody and/or Product and that relate to use, making, having made, sale, distribution, marketing, promotion of sales, offer for sale, importing, exporting, and development of such Taurus Antibody and/or Product, and interacting with regulatory authorities in any jurisdiction regarding the foregoing.

1.9 "Confidential Information" has the meaning specified in **Section 5.1**.

1.10 "Control" means and shall refer to the ownership, directly or indirectly, of at least 50% of the voting securities or other ownership interest of the relevant entity or having the actual power, either directly or indirectly through one or more intermediaries, to elect the manager of (or a majority of the managing body of) or to direct the management and policies of the relevant entity (e.g., by contract or otherwise).

1.11 "Controlled Affiliate" means an Affiliate of Minotaur Therapeutics, Inc. which Minotaur Therapeutics, Inc. has actual authority to, by signing a contract (i.e., this Agreement) on behalf of such Affiliate, bind such Affiliate as a party to the contract. The Parties agree that if a Person is not a Controlled Affiliate on the date of this Agreement but thereafter becomes a Controlled Affiliate, such Person shall be deemed to have automatically become a party to this Agreement as a Controlled Affiliate without any need for any execution and delivery of a joinder or a counterpart signature page. Licensee shall notify Taurus whenever a Person hereafter becomes, or ceases to be, a Controlled Affiliate. In addition, if any Affiliate of Licensee which would not otherwise be deemed to be a Controlled Affiliate hereafter executes and delivers to Licensee and Taurus a joinder (in a form reasonably satisfactory to Licensee and Taurus) to this Agreement in which such Person expressly undertakes all the burdens and obligations of a Controlled Affiliate under this Agreement, such Person shall thereby be deemed to have become included within the definition of "Controlled Affiliate." The parties specially agree that for purposes of this Controlled Affiliate definition, any Person that would otherwise qualify as an Affiliate of a party will not be deemed to be, and will not be treated as, an Affiliate of such party if the sole basis for Affiliate status is that such Person is a portfolio company of a Person (the primary business of who/which is investing in securities, debt or other investment vehicles (e.g., venture capital firms or advisers)) who/which controls such party.

1.12 "Disclosing Party" has the meaning specified in **Section 5.1**.

1.13 "Effective Date" has the meaning specified in this Agreement's preamble.

1.14 "FDA" means the United States Food and Drug Administration, or any successor thereto.

1.15 "First Commercial Sale" means, with respect to a Product in a country, the first bona fide sale or other disposition for value of such Product in such country to a Third Party by Licensee, an Affiliate of Licensee, a Permittee or a Sublicensee following Regulatory Approval of such Product in such country (or, if earlier, upon the commencement of substantial sales in such country to Third Parties by Licensee, an Affiliate of Licensee, a Permittee or a Sublicensee), provided however, a First Commercial Sale shall not be deemed to be occasioned by "IND treatment sales," "expanded access programs," "compassionate use sales," "emergency use sales," or "named patient sales," of a Product in a country, nor by a sale of Products between Licensee, its Affiliates, Permittees and Sublicensees where the seller and buyer are Affiliates of each other.

1.16 "Genus-Bos Company Intellectual Property" means any and all of the following owned or in-licensed by Taurus in any jurisdiction throughout the world, to the extent directly related to genus-bos: (a) Patents; (b) scientific works of authorship and copyrights, and registrations and applications for registration thereof; (c) scientific trade secrets, know-how and technical information, including inventions, whether patentable or unpatentable, and documentation; (d) scientific computer software and firmware, including source code, object code, files, documentation and other materials related thereto; (e) proprietary scientific databases and data compilations; and (f) any other scientific intellectual property.

1.17 "Governmental Authorization" shall mean any permit, license, registration, qualification, certificate, clearance, variance, waiver, exemption, certificate of occupancy, exception, franchise, entitlement, consent, confirmation, order, approval or authorization granted by any Governmental Entity.

1.18 "Governmental Entity" shall mean any foreign, federal, state or local government or body or any agency, authority, subdivision or instrumentality of any of the foregoing, including any court, tribunal, department, bureau, administrative agency, commission or board, or any quasi-governmental or private body duly exercising any regulatory, taxing, inspecting or other governmental authority.

1.19 "Indemnified Party" has the meaning specified in **Section 7.3**.

1.20 "Indemnifying Party" has the meaning specified in **Section 7.3**.

1.21 "Knowledge of Licensee" shall mean the actual knowledge, after reasonable inquiry, of Vaughn Smider; provided, that reasonable inquiry is stipulated to exclude any search or other inquiry as to patents or patent applications.

1.22 "Licensee Indemnitee" has the meaning specified in **Section 7.1**.

1.23 "Licensee Material Adverse Effect" shall mean, in reference to any fact, circumstance, event, change or occurrence, any such fact, circumstance, event, change or occurrence that, individually or in the aggregate with all other facts, circumstances, events, changes or occurrences, has or would reasonably be expected to have a material adverse effect on the results of operations or financial condition of Licensee, other than changes, events, occurrences or effects arising out of, resulting from or attributable to (a) changes in conditions in the United States or global economy or capital or financial markets generally, including changes in interest or exchange rates, (b) conditions (or changes therein) in any industry or industries in which Licensee operates, (c) any change in Legal Requirements or GAAP or interpretation of any of the foregoing, (d) acts of war, sabotage or terrorism, or any escalation or worsening of any such acts of war, sabotage or terrorism

threatened or underway as of the date of this Agreement, or (e) pandemics, storms, earthquakes or other natural disasters; except, in the case of the foregoing clauses (a), (b), (c), (d) and (e), to the extent that any such condition has a materially disproportionate adverse effect on Licensee, relative to other companies of comparable size to Licensee operating in the industry in which Licensee operates.

1.24 "Legal Proceeding" shall mean any claim (presented formally to a judicial or quasi-judicial Governmental Entity), lawsuit, court action, suit, arbitration or other judicial or administrative proceeding.

1.25 "Legal Requirement" shall mean any foreign, federal, state or local law, statute, code, ordinance, regulation, order, judgment, writ, injunction, decision, ruling or decree promulgated by any Governmental Entity.

1.26 "Losses" has the meaning specified in **Section 7.1**.

1.27 "Master Services Agreement" means the Master Services Agreement of even date herewith between Taurus and Licensee, as it may hereafter be amended.

1.28 "Minotaur-Developed Technology" means any and all of the following ever owned by Licensee in any jurisdiction throughout the world, to the extent constituting or arising from anything invented, discovered, authored, or created by or for Licensee during the Term and which constitute or pertain to a long/ultra-long H3 platform: (a) Patents; (b) scientific works of authorship and copyrights, and registrations and applications for registration thereof; (c) scientific trade secrets, know-how and technical information, including inventions, whether patentable or unpatentable, and documentation; (d) scientific computer software and firmware, including source code, object code, files, documentation and other materials related thereto; (e) proprietary scientific databases and scientific data compilations; (f) any other scientific intellectual property; and (g) rights in any of the foregoing, including rights to sue or recover and retain Losses for past, present, and future infringement, dilution, misappropriation or other violation of any of the foregoing. Without limitation, it is understood that technology (i.e., of the categories set forth in the foregoing clauses (a)-(g)) to the extent pertaining to specific antibodies to specific targets would not "constitute or pertain to a long/ultra-long H3 platform" and therefore would not be "Minotaur-Developed Technology," where (i) a "specific antibody" refers to an antibody (including antibody fragments like scFv's, Fabs and the like) which can preferentially bind a target relative to other targets, such that a binding or other functional assay would define the specific antibody as a positive signal to a specific target whereas the specific antibody would have a negative signal toward other targets (with binding evaluated per industry practice, including via biochemical techniques such as ELISA, surface plasmon resonance, flow cytometry and the like), and (ii) a "specific target" refers to a target as to which a specific antibody has binding activity, where a specific target may include related targets such that a specific antibody has binding activity toward epitopes which are shared between targets.

1.29 "Mono Product" means a Product comprising or containing one or more Taurus Antibodies (if an Antibody Product) or one Active Ingredient (if an Other Licensed Product) and no Other Active Ingredient.

1.30 "Net Sales" means, on a Product-by-Product basis, the gross amount invoiced by Licensee, an Affiliate of Licensee, a non-Sublicensee Permittee or a Sublicensee (each, a "Selling Party"), or received by a Selling Party or its Affiliate despite the absence of an invoice, for disposition of a particular Product to a Person who is not an Affiliate of such Selling Party, less the following deductions (the "Permitted Deductions"):

i. Trade, cash and quantity discounts;

ii. Discounts, refunds, rebates actually taken, chargebacks, retroactive price adjustments, and any other allowances which effectively reduce the net selling price (other than such which have already diminished the gross amount invoiced), including Medicaid, institutional and governmental rebates (other than such which have already diminished the gross amount invoiced);

iii. Credits or allowances granted on returns or rejections of Product actually sold;

iv. Amounts invoiced for Product sales but actually written off in good faith as uncollectible (net of any recoveries on written-off debt);

v. Shipping, handling, freight, postage, insurance and transportation charges, but all only to the extent included as a separate line item in the gross amount invoiced;

vi. Any tax imposed on the production, sale, delivery or use of the Product, including import, export, sales, use, excise or value added taxes and customs and duties, but all only to the extent included as a separate line item (e.g., "taxes") in the gross amount invoiced; and

vii. Any credits or allowances given or made with respect to wastage replacement.

Such amounts shall be determined from the books and records of Licensee and its Affiliates and Permittees and Sublicensees, maintained in accordance with generally accepted accounting principles of the United States, consistently applied. With respect to Net Sales not denominated in United States Dollars, Licensee shall convert the Net Sales from the applicable foreign currency into United States Dollars at the exchange rate reported in The Wall Street Journal, Eastern United States Edition, for the last trading day of the applicable calendar quarter. Based on the resulting sales in United States Dollars, the then applicable Net Sales Payments shall be calculated.

Dispositions of Products between Selling Parties which are Affiliates of each other shall not be included in the calculation for Net Sales. On the other hand, if a unit of Product is sold by a Selling Party to a Selling Party buyer which is not an Affiliate of the first Selling Party (thereby generating Net Sales), resales of such unit of Product by such Selling Party buyer shall be deemed not to generate Net Sales.

Licensee agrees that it shall not, and it shall not permit any other Selling Party to, dispose of any Product for any consideration other than monetary consideration and on bona fide arm's length terms unless: (i) Licensee has obtained the express prior written consent of Taurus, such consent not to unreasonably be withheld, conditioned or delayed (and which consent shall describe in reasonable detail the basis for calculation of Net Sales based on such a transaction); or (ii) such dispositions are for "IND treatment sales," "expanded access programs," "compassionate use sales," "emergency use sales," "named patient sales" or other similar sales, or are used for clinical study or other research purposes or for

charitable donations in such country; or (iii) such dispositions are by way of samples provided as customary to business in the applicable country.

The Net Sales for Combination Products shall be calculated as follows:

(i) if the Selling Party or its Affiliate separately sells in such country or other jurisdiction, (a) a Mono Product containing as its sole active ingredient(s) the Taurus Antibody(ies) contained in such Combination Product, if an Antibody Product, or a single Active Ingredient, if an Other Licensed Product; and (b) products containing as their sole active ingredient(s) the Other Active Ingredient(s) in such Combination Product, then the Net Sales attributable to such Combination Product shall be calculated on a Product-by-Product basis and country-by-country basis by multiplying actual Net Sales of such Combination Product by the fraction A/(A+B) where: "A" is the Selling Party's (or its Affiliate's) average Net Sales price during the period to which the Net Sales calculation applies for the Mono Product in such country or other jurisdiction and "B" is the Selling Party's (or its Affiliate's) average Net Sales price during the period to which the Net Sales calculation applies in such country or other jurisdiction, for products that contain as their sole active ingredient(s) the Other Active Ingredient(s) with the equivalent dosage as in such Combination Product;

(ii) if the Selling Party or its Affiliate separately sells in such country or other jurisdiction such Mono Product but does not separately sell in such country or other jurisdiction products containing as their sole active ingredient(s) the Other Active Ingredient(s) in such Combination Product, the Net Sales attributable to such Combination Product shall be calculated by multiplying the Net Sales of such Combination Product by the fraction A/C where: "A" is the Selling Party's (or its Affiliate's) average Net Sales price during the period to which the Net Sales calculation applies for such Mono Product in such country or other jurisdiction, and "C" is the Selling Party's (or its Affiliate's) average Net Sales price in such country or other jurisdiction during the period to which the Net Sales calculation applies for such Combination Product;

(iii) if the Selling Party or its Affiliates do not separately sell in such country or other jurisdiction such a Mono Product but do separately sell products containing as their sole active ingredient(s) the Other Active Ingredient(s) contained in such Combination Product, the Net Sales attributable to such Combination Product shall be calculated by multiplying the Net Sales of such Combination Product by the fraction (D-E)/D where: "D" is the average Net Sales price during the period to which the Net Sales calculation applies for such Combination Product in such country or other jurisdiction and "E" is the average Net Sales price during the period to which the Net Sales calculation applies for products that contain as their sole active ingredient(s) the Other Active Ingredient(s) with the equivalent dosage as in such Combination Product; and

(iv) if the Selling Party or its Affiliates do not separately sell in such country or other jurisdiction either such a Mono Product or products containing as their sole active ingredient(s) the Other Active Ingredient(s) in such Combination Product, the Net Sales attributable to such Combination Product shall be determined by the parties in good faith based on the relative fair market value (whether or not hypothetical) of such a Mono Product and of a product containing as its sole active ingredient(s) such Other Active Ingredient(s). If the parties cannot agree on such relative value, such disagreement shall be referred to an independent expert in accordance with the provisions of Exhibit A.

In the event a Product is sold as the Product component of a Bundled Combination, the Net Sales for such Product shall be calculated in good faith by analogy to the most closely applicable of items (i)-(iv) above.

For avoidance of doubt: in the case where a Product is licensed or sublicensed, the licensee or sublicensee is a Permittee and therefore also a Selling Party.

1.31 "Net Sales Payment" and "Net Sales Payments," as used herein, mean periodic payments to Taurus in the nature of royalties, calculated as a percentage of Net Sales of Products; but the parties acknowledge and agree that these payments may or may not actually be royalties (such as might be charged in the event that a licensor's intellectual property covers, is incorporated into, or otherwise relates to a licensee's products) on Taurus intellectual property. Even if they are not such, they are nonetheless to constitute Net Sales Payments and to be understood to be (as a result of arm's-length negotiations), consideration defined and paid (over a defined period of time) for access to and the right to use the Genus-Bos Company Intellectual Property or Other Company Intellectual Property, as the case may be, subject to the limitations described herein and together with Licensee's other obligations hereunder.

1.32 "Net Sales Payment Term" means, on a Product-by-Product and country-by-country basis, the period ending upon the expiration of the last Valid Claim in such country as to such Product or a component thereof or a method used to produce it; or, in the scenario where there never is any Valid Claim as to (any of) such Product or a component thereof or a method used to produce it, the 12th anniversary of the First Commercial Sale of such Product in such country.

1.33 "Non-Taurus Antibody" means a molecule or a gene encoding a molecule comprising or containing one or more immunoglobulin variable domains or parts of such domains, or any existing or future fragments, variants, fusion proteins, modifications or derivatives of such molecule or gene, but all excluding any Taurus Antibody.

1.34 "Notice of Termination" has the meaning specified in **Section 8.3**.

1.35 "Other Company Intellectual Property" means any and all of the following owned or in-licensed by Taurus in any jurisdiction throughout the world, other than to the extent constituting Genus-Bos Company Intellectual Property: (a) Patents; (b) scientific works of authorship and copyrights, and registrations and applications for registration thereof; (c) scientific trade secrets, know-how and technical information, including inventions, whether patentable or unpatentable, and documentation; (d) scientific computer software and firmware, including source code, object code, files, documentation and other materials related thereto; (e) proprietary scientific databases and data compilations; and (f) any other scientific intellectual property. For avoidance of doubt: the first 15 items listed on Exhibit B to the Agreement and Plan of Merger of even date herewith among Ligand Pharmaceuticals Incorporated, Taurus and other persons are expected by the parties primarily to represent Other Company Intellectual Property (because they do not primarily represent Genus-Bos Company Intellectual Property) and the other items listed on such Exhibit B to such Agreement and Plan of Merger are expected by the parties primarily to represent Genus-Bos Company Intellectual Property. Without limiting the foregoing, the parties agree to explore in good faith the possibility of a Commercial Platform License and Services Agreement between Licensee, on the one hand, and Taurus' Affiliate Crystal Bioscience, Inc. (and/or other Affiliates of Taurus), on the other hand, for a license of "OmniAb" technology to Licensee on economic and other terms customary for such "OmniAb" license/service agreements; such a license could, if so negotiated, include the right to use (through Crystal Bioscience, Inc. as a CRO for Licensee) the OmniCowChicken (i.e., a transgenic chicken animal (gallus gallus) that has some incorporated genetic material encoding components of

bovine (bos taurus) antibodies) or any other non-genus-bos animal with genus-bos genes). It is expected that in the event of such a Commercial Platform License and Services Agreement, the "OmniAb" technology would not be designated as "Other Company Intellectual Property" for the purposes of this Agreement, and that as a result the economic and other provisions of this Agreement pertaining to "Other Company Intellectual Property" and "Other Licensed Products" would not apply thereto.

1.36 "Other Licensed Product" means any product or service the performance, manufacture, provision, use, sale, offer for sale or importation of which would, in the absence of the license granted by this Agreement with respect to the Other Company Intellectual Property, infringe any of the Other Company Intellectual Property; or any product or service that could not practically have been developed, produced or performed but for use of Other Company Intellectual Property.

1.37 "Patents" means any patent application or patent anywhere in the world, including all of the following categories of patents and patent applications, and their foreign equivalents: provisional, utility, divisional, continuation, continuation-in-part, and substitution applications; and utility, re-issue, re-examination, renewal and extended patents, and patents of addition, and any supplementary protection certificates, restoration of patent terms and other similar rights.

1.38 "Permitted Deductions" has the meaning specified in **Section 1.30**.

1.39 "Permittee" means a Person which Licensee directly or indirectly enables to make, as the seller, the first sale of units of Products to customers (which are not Affiliates of such Person). For example and without limitation, Permittees might include:

a. A Person which acquires Licensee and which, although formally maintaining the existence of Licensee as a subsidiary, causes Licensee to formally or informally acquiesce in the acquirer or an Affiliate of the acquirer acting (other than through and within the Licensee entity) as if it was the acquirer of or in-licensee of or holder of a right to Commercialize a Product, a Product program, a Taurus Antibody, any Genus-Bos Company Intellectual Property or any Other Company Intellectual Property even though the acquirer or Affiliate of the acquirer has not actually and formally so acquired or so in-licensed or been so granted such right;

b. A Person which acquires or licenses-in a Product program of Licensee or a Product;

c. A Person which acquires or licenses-in a Taurus Antibody program of Licensee or a Taurus Antibody or any Genus-Bos Company Intellectual Property;

d. A Sublicensee or (even if somehow not a Sublicensee) a Person which acquires or licenses-in an Other Licensed Product program of Licensee or Other Licensed Product or any Other Company Intellectual Property;

e. A Person to whom Licensee (or someone enabled by Licensee, which might without limitation include another Permittee) sells Taurus Antibodies to permit such Person to Commercialize such Taurus Antibodies or to Commercialize associated Antibody Products;

f. A Person to whom Licensee grants rights to Commercialize Taurus Antibodies, if such Person Commercializes Antibody Products with such Taurus Antibodies, or to Commercialize Antibody Products (or Other Licensed Products); provided that an organization providing

contract manufacturing services to Licensee, an Affiliate or a Permittee in relation to a Product shall not merely as a result thereof be considered a Permittee with respect to such Product; or

g. In the case where any Person such as in items (a)-(f) above sells Products to unaffiliated parties via such Person's Affiliate (e.g., a distribution arm), such Affiliate.

(So, for example, if Licensee licenses-out an Antibody Product program to X , X "sells" a unit of Product to X's distribution subsidiary Y, and Y sells the unit of Product to unaffiliated wholesaler Z, X is a Permittee because Licensee authorized X to make a first sale, Y is also a Permittee, the transfer from X to Y does not generate Net Sales, the transfer from Y to Z does generate Net Sales, and the transfer from Z to retail outlets and thence to end users does not generate Net Sales.)

It is acknowledged and agreed that, for example, if Licensee, its Affiliate or a Permittee manufactures Products itself (or has Product manufactured on its behalf by a contract manufacturing organization) and sells them to an unaffiliated distributor, wholesaler or reseller, such unaffiliated distributor, wholesaler or reseller is not thereby a Permittee (because the first sale of Products would be the sale by Licensee, such Affiliate or such Permittee to such unaffiliated distributor, wholesaler or reseller, rather than by such unaffiliated distributor, wholesaler or reseller to its own customers).

It is understood that although every Sublicensee is a Permittee, the provisions of this Agreement which are stated to be applicable to Permittees generally but which are stated in this Agreement not to be applicable to Sublicensees shall not be applicable to Sublicensees.

1.40 "Permittee-Enabling Agreement" has the meaning specified in **Section 3.1**.

1.41 "Person" means any person or entity or authority.

1.42 "Post-Taurus Patents" means Patents with respect to one or more particular Taurus Antibodies or Products.

1.43 "Preclosing-Program Partnering Income" means all Licensee revenue (all gross cash amounts and the cash fair market value (determined by independent appraisal) at the time of receipt of all non-cash considerations) in respect of Permittee-Enabling Agreements for Taurus Antibodies (or associated Antibody Products) that bind to IL-15, specifically including all upfront payments and development milestone payments, but specifically excluding all payments in the nature of royalties or bona fide post-First-Commercial-Sale commercialization milestone payments, all bona fide fees or payments for Licensee services and all payments for patent prosecution and maintenance.

1.44 "Product" means an Antibody Product or an Other Licensed Product. It is understood that although every Other Licensed Product is a Product, the provisions of this Agreement which are stated to be applicable to Products generally but which are stated in this Agreement not to be applicable to Other Licensed Products shall not be applicable to Other Licensed Products.

1.45 "Provisional IL-15 Patent" means United States provisional Patent No. 62/925,740 ("Chimeric Cytokine Modified Antibodies and Methods of Use Thereof").

1.46 "Receiving Party" has the meaning specified in **Section 5.1**.

1.47 "Scripps License" means the Exclusive License Agreement dated as of July 2, 2020 between Taurus and The Scripps Research Institute, as it may hereafter be amended.

1.48 "Selling Parties" has the meaning specified in **Section 1.30**.

1.49 "Sublicensee" means a sublicensee pursuant to **Section 2.1(c)** as to Other Company Intellectual Property.

1.50 "Taurus Antibody" means a molecule or a gene encoding a molecule comprising or containing one or more immunoglobulin variable domains or parts of such domains, or any existing or future fragments, variants, fusion proteins, sequences, modifications or derivatives of (or in a series beginning with) such molecule or gene, discovered or generated by or for Licensee (other than as a CRO for Taurus) in connection with an antibody discovery campaign using the Genus-Bos Company Intellectual Property.

1.51 "Taurus Indemnitee" has the meaning specified in **Section 7.2**.

1.52 "Taurus Patent" means a Patent included in the Genus-Bos Company Intellectual Property or the Other Company Intellectual Property.

1.53 "Term" has the meaning specified in **Section 8.1**.

1.54 "Third Party" means any Person other than (a) Taurus, (b) Licensee or (c) an Affiliate of Taurus or of Licensee.

1.55 "Third Party Claim" has the meaning specified in **Section 7.1**.

1.56 "Valid Claim" means, with respect to a particular Taurus Antibody or Product (or its use) in a particular jurisdiction, a claim of any issued Patent that has (a) not (i) expired, lapsed or been abandoned, revoked, cancelled, disavowed, dedicated to the public or disclaimed or (ii) been found (in a decision that is unappealed and no longer appealable) to be unpatentable, invalid or unenforceable by a court, national or regional patent office or other appropriate body that has competent jurisdiction in the subject country and (b) would be infringed by an unauthorized Person making, having made, selling, offering to sell, using or importing such Product (or a biosimilar version of such Product) in such jurisdiction. (It is understood that the relevant Patent need not be on a discovery or invention by Taurus or its personnel or Licensee or its personnel and need not be issued to Taurus or its personnel or Licensee or its personnel or the parties' Affiliates.)

2. License and Ownership.

2.1 License.

a. Subject to compliance with all of the terms and conditions of this Agreement and during the Term, Taurus hereby grants to Licensee (inclusive of Minotaur Therapeutics, Inc.'s Controlled Affiliates) a worldwide, non-assignable, non-sublicensable license under the Genus-Bos Company Intellectual Property to use the Genus-Bos Company Intellectual Property for generation of Taurus Antibodies with an eye to Antibody Products. As to the field of use consisting of generation of Taurus Antibodies that incorporate IL-15 or bind to Kv1.3, with an eye to associated Antibody Products, such license shall be exclusive as to Patents and non-exclusive as to Genus-Bos Company Intellectual Property other than Patents; as to the field of use consisting of generation of Taurus Antibodies that bind

to targets other than an IL-15 receptor or Kv1.3, with an eye to associated Antibody Products, such license shall be non-exclusive. For avoidance of doubt: the license granted in this **Section 2.1(a)** does not include any right to exploit the OmniCowChicken (i.e., a transgenic chicken animal (gallus gallus) that has some incorporated genetic material encoding components of bovine (bos taurus) antibodies) or any other non-genus-bos animal with genus-bos genes.

b. Notwithstanding **Section 2.1(a)** above and notwithstanding any provision in the Agreement to the contrary, no license is granted for the use of intellectual property within the Genus-Bos Company Intellectual Property for the purpose of generating, discovering, researching, developing, or making or having made Taurus Antibodies that specifically bind to any of the following therapeutic targets and a principal therapeutic mechanism of action of which is mediated as a result of such binding: H-Ras, K-Ras, N-Ras, USP7, USP46, USP12, USP9x or UAF1. If any of the targets specified in the preceding sentence hereafter becomes available to Taurus licensees generally, Taurus shall notify Licensee that such target has now become included in the license.

c. Subject to compliance with all of the terms and conditions of this Agreement and during the Term, Taurus hereby grants to Licensee (inclusive of Minotaur Therapeutics, Inc.'s Controlled Affiliates) a non-exclusive, worldwide, royalty-bearing license under the Other Company Intellectual Property to make, have made, provide, have provided, use, have used, sell, have sold, offer to sell and import Other Licensed Products. Licensee shall have the right to grant and authorize sublicenses to any party with respect to the rights conferred upon Licensee pursuant to this **Section 2.1(c)**, although any sublicense granted under this **Section 2.1(c)** shall be subject in all respects to the applicable provisions contained in this Agreement and, in the event of a conflict between this Agreement and the terms of any such sublicense, the terms of this Agreement shall control. Licensee shall forward to Taurus a copy of any and all fully executed sublicense agreements granted under this **Section 2.1(c)** within thirty (30) days of execution, provided that Licensee may redact from any such sublicense agreement any financial information and any sensitive or proprietary information that is not necessary to ascertain compliance with this **Section 2.1(c)**. Licensee shall at all times be and remain responsible for the compliance by any non-Sublicensee Permittee or Sublicensee with the terms and conditions of this Agreement which are expressly applicable to non-Sublicensee Permittees or Sublicensees, respectively, including the payment of all amounts that may become due hereunder as a result of any such non-Sublicensee Permittee's or Sublicensee's activities. Also, where Licensee has expressly agreed in this Agreement to "cause" its Permittee to do or not do a thing, Licensee is responsible and liable to Taurus if the Permittee fails-to-act/acts otherwise (inasmuch as Licensee will thereby have breached its agreement to cause the Permittee to do or not do the thing).

2.2 Provisional IL-15 Patent. Taurus shall forthwith make a quitclaim assignment to Licensee of the Provisional IL-15 Patent as well as any and all related rights, including as to (i) all patent applications filed either from the Provisional IL-15 Patent or from an application claiming priority from either of these, including divisionals, continuations, continuations-in-part, provisionals, converted provisionals and continued prosecution applications, (ii) any and all patents that issue from the foregoing patent applications, (iii) any and all extensions or restorations by existing or future extension or restoration mechanisms, including revalidations, reissues, re-examinations and extensions (including any supplementary protection certificates and the like) of the foregoing patents or patent applications, and (iv) all counterparts of any of the foregoing in any jurisdiction throughout the world.

2.3 Patents. As between the parties, Taurus shall have the sole responsibility and right (but not an obligation) to file, prosecute, maintain, defend and enforce Taurus Patents, in its sole discretion and at its

own expense and Licensee, its Affiliates and its Permittees shall have the sole responsibility and right (but not obligation) to file, prosecute, maintain, defend and enforce Post-Taurus Patents, in the sole discretion of Licensee/ its Affiliates/ its Permittees and at the expense of Licensee/ its Affiliates/ its Permittees. Provided, that if Taurus decides that it does not wish to continue to file, prosecute, maintain, defend and enforce, or otherwise decides to abandon, any Taurus Patent in any one or more jurisdictions, it shall give Licensee at least 30 calendar days advance written notice of such proposed abandonment. If during such 30 days Licensee requests Taurus to assign all rights in and to such Taurus Patent in such jurisdiction(s) to Licensee and delivers to Taurus a written undertaking by Licensee to file, prosecute, maintain, defend and enforce such Taurus Patent in such jurisdiction(s) at the sole expense of Licensee/ its Affiliates/ its Permittees, Taurus shall deliver a quitclaim assignment of such Taurus Patent in such jurisdiction(s) to Licensee.

2.4 Reservation of Rights. Except for the rights specifically and unambiguously granted in this Agreement, no right or license under any intellectual property owned or in-licensed by any of the parties is hereunder granted or implied. Nothing herein shall be construed to limit or restrict, in any manner, Taurus' ability to use or exploit, or allow any Person to use or exploit, the Genus-Bos Company Intellectual Property or the Other Company Intellectual Property, or any materials derived or developed therefrom (including antibodies or pharmaceutical products), outside the express scope of this Agreement. Accordingly, and without limitation, Licensee understands and agrees that Taurus' and its other licensees' work may, in certain instances, result in the production of similar or identical antibodies to the Taurus Antibodies or similar products as the Other Licensed Products. Furthermore, Licensee has no target exclusivity rights as it relates to any Genus-Bos Company Intellectual Property.

2.5 Future-Created Target Exclusivity. Taurus shall not hereafter establish any target exclusivity for its own account for any target unless such exclusivity applies (at least prospectively) as to all Taurus licensees and does not apply to any Licensee campaign or post-campaign program which was ongoing at the time the target exclusivity was established. Taurus shall not hereafter establish any target exclusivity for any non-Licensee Taurus licensee for any target unless such exclusivity applies (at least prospectively) as to all other Taurus licensees and does not apply to any Licensee campaign or post-campaign program which was ongoing at the time the target exclusivity was established.

2.6 Ownership. Licensee agrees that Taurus owns and shall own any and all Minotaur-Developed Technology and all intellectual property rights therein. Licensee hereby makes (and agrees also to hereafter make) all assignments necessary to accomplish the foregoing ownership and agrees to forthwith technology-transfer to Taurus, without charge, any existing or future Minotaur-Developed Technology. It is understood that Minotaur-Developed Technology, owned by Taurus, is included within the **Section 2.1(a)** license (subject to the exclusion, from Taurus' license grant, in the last sentence of **Section 2.1(a)**). It is further understood that the Provisional IL-15 Patent and its foreign equivalents, and utility, divisional, continuation, continuation-in-part, and substitution applications thereon, and utility, re-issue, re-examination, renewal and extended patents, and patents of addition, and any supplementary protection certificates, restoration of patent terms and other similar rights thereon, do not constitute Minotaur-Developed Technology for the purposes of this Section. Notwithstanding any provision in this Agreement to the contrary: (i) the provisions of this **Section 2.6** shall not be binding on any Person other than the actual Licensee hereunder and its Controlled Affiliates; except (ii) in the case of a bona fide arm's-length Assignment of Licensee which is not structured to formally maintain the existence of Licensee as a subsidiary (e.g., a direct merger, or an asset sale), then even when (as required by Section 10.13) the acquirer agrees to assume all covenants, agreements, obligations, liabilities and duties of Licensee under this Agreement, it is expressly agreed this Section 2.6 shall thereafter apply to all pre-Assignment Minotaur-Developed Technology (of Minotaur Therapeutics, Inc. and its Controlled Affiliates) and all intellectual property rights therein, but shall not apply to any pre-Assignment technology of the acquirer or its other Affiliates or any intellectual property of the acquirer or its other Affiliates associated with such pre-Assignment technology

of the acquirer or its other Affiliates and shall not apply to any post-Assignment technology or any intellectual property of the acquirer or its other Affiliates associated with such post-Assignment technology.

3. Commercialization and Covenants.

3.1 Commercialization. Licensee is authorized to, and covenants and agrees to use its commercially reasonable efforts to, bring about ultimately (with the protection of Taurus' interests intact) the development of Antibody Products, the obtaining of regulatory approval for Antibody Products and the manufacturing, commercialization and sale of units of Antibody Products and to generate Net Sales therefrom, source and, when relevant, enter into agreements to authorize Permittees and/or to license Post-Taurus Patents to commercial third parties (in each case, and inclusive of agreements and arrangements which grant such Person an option or right to become a Permittee with respect to one or more specific Taurus Antibodies to specific targets or with respect to one or more specific Antibody Products and/or to obtain a license to Post-Taurus Patents with respect to one or more specific Taurus Antibodies to specific targets or with respect to one or more specific Antibody Products, or any equivalent arrangement, a "Permittee-Enabling Agreement"; it being understood that any such an agreement or arrangement with respect to an Other Licensed Product would also be within the defined term "Permittee-Enabling Agreement"). Licensee is authorized to bring about ultimately (with the protection of Taurus' interests intact) the development of Other Licensed Products, the obtaining of regulatory approval for Other Licensed Products and the manufacturing, commercialization and sale of units of Other Licensed Products and the generation of Net Sales therefrom, including by entering into Permittee-Enabling Agreements therefor. It is understood, however, that Licensee shall also itself have the right to (for and on its own account) directly research, develop, obtain regulatory approval for, make, have made, use, sell, offer for sale, distribute, promote, import, export, and (subject to this **Section 3.1** and **Section 3.3**) out-license or otherwise commercially exploit units of Taurus Antibodies or Products directly, as well as to (for and on its own account) directly file, prosecute, maintain, defend and enforce any and all Post-Taurus Patents for each particular Taurus Antibody and/or Product. Licensee covenants and agrees not to enter into any Permittee-Enabling Agreement which purports to grant a Permittee rights as to all Taurus Antibodies/ Antibody Products or as to a set of Taurus Antibodies/ Antibody Products that is not bona fide specific, except as part of a bona fide partnership, collaboration or co-research or co-development arrangement expressly permitted pursuant to the provisions of **Section 3.5**.

3.2 Allocation of Responsibility. As among the parties, Licensee owns all right, title and interest in and to any and all Taurus Antibodies and any related Antibody Products, and all intellectual property rights related thereto, including each Post-Taurus Patent covering or claiming any of the foregoing. As among the parties, but subject to all provisions of this **Article 3**, Licensee has the sole responsibility to research, develop, obtain regulatory approval for and Commercialize each Taurus Antibody and/or Product, and to file, prosecute, maintain, defend and enforce any and all Post-Taurus Patents for each particular Taurus Antibody and/or Product. As among the parties, Licensee is responsible for its own expenses and risks.

3.3 Permittees. Licensee shall have the right to enable Permittees (including, as applicable, Sublicensees), consistent with **Section 3.1**; provided, however, that enabling one or more Permittees does not relieve Licensee of any of its obligations hereunder and provided, further, that Licensee agrees not to enable any Permittee unless Licensee binds such Person in writing to terms no less protective of Taurus than those expressly set forth herein for Permittees (including conformity with **Section 4.5(d)**, and also including the obligation to bind in writing the next Person in the chain of Permittees to such terms no less protective of Taurus than those expressly set forth herein for Permittees). Such writing shall name Taurus as an express third-party beneficiary thereof, and Licensee shall (or shall cause the other enabling Person to) reasonably promptly deliver to Taurus a true and complete copy of such writing, provided that Licensee (or such other enabling Person) may redact from such writing any financial information and any sensitive or proprietary information that is not necessary to

ascertain compliance with this **Section 3.3**. For the avoidance of doubt, it is not required that a Permittee pay Net Sales Payments directly to Taurus. Licensee shall ensure that all of its Permittees comply with the applicable terms and conditions of this Agreement. Licensee is responsible and liable to Taurus for all actions and omissions of Permittees that would be a breach of any obligations of Permittees expressly contemplated under this Agreement (and, where Licensee has expressly agreed in this Agreement to "cause" its Permittee to do or not do a thing, Licensee is responsible and liable to Taurus if the Permittee fails-to-act/acts otherwise (inasmuch as Licensee will thereby have breached its agreement to cause the Permittee to do or not do the thing)), and Taurus shall have the right to proceed directly against Licensee without any obligation to first proceed against any such Permittee.

3.4 Affiliates. Minotaur Therapeutics, Inc. shall ensure that all of its Controlled Affiliates comply with the obligations, limitations, restrictions and conditions and other terms and conditions of this Agreement (as if applicable to them as parties hereto). In addition, Minotaur Therapeutics, Inc. is responsible and liable to Taurus for all actions and omissions of Minotaur Therapeutics, Inc.'s Controlled Affiliates that would be a breach of any of Minotaur Therapeutics, Inc.'s obligations under this Agreement if such action were done or omitted by Minotaur Therapeutics, Inc. hereunder. The foregoing sentence is not in derogation of Taurus' right to proceed directly against any Controlled Affiliate for any breach by the Controlled Affiliate of its own obligations under this Agreement.

3.5 Restrictive Covenant. Licensee covenants not to, during the Term, use or allow a Permittee to use any Genus-Bos Company Intellectual Property to offer antibody discovery, generation, research or development services through any means (including through performing generation/discovery research/development as a CRO) where the subject or objective of such services is a long/ultralong H3 antibody; provided, however, that this covenant shall not apply to any of the following: (i) services for or on behalf of or at the express request of Taurus or any of its Affiliates; (ii) services for or on behalf of Licensee or any of its Affiliates; (iii) any arrangement in which Licensee or any of its Affiliates performs such services as part of a broader bona fide partnership, collaboration or co-research or co-development arrangement associated with one or more antibodies already identified prior to Licensee or any of its Affiliates joining such bona fide partnership, collaboration or co-research or co-development arrangement; and (iv) provision of such services as part of a partnership, collaboration or co-research or co-development arrangement where Taurus has consented to Licensee or any of its Affiliates providing such services (which consent will be assumed, for this purpose, if Taurus has not responded within 45 days after Licensee's request for such consent so long as such request includes disclosure by Licensee of the proposed terms for such arrangement).

4. Financial Terms.

4.1 Contribution to Capital. In partial consideration of the licenses and rights granted to Taurus under this Agreement, Taurus shall make non-creditable contributions in cash to the capital of Licensee as follows (which shall aggregate $2,500,000):

a. $500,000 within 10 days after the Effective Date;

b. $1,000,000 on the first business day following January 1, 2021; and

c. $1,000,000 on the first business day following January 1, 2022.

4.2 Net Sales Payments.

a. Net Sales Payments. In further consideration of the rights granted to Licensee hereunder, and in addition to all other amounts payable pursuant to this Agreement, Licensee shall make Net Sales Payments to Taurus, on a Product-by-Product basis, on a calendar quarterly basis, in an amount equal to 3% of worldwide Net Sales (regardless of whether such Net Sales, or any portion thereof, are attributable to the Scripps License – although, for the avoidance of doubt, Taurus shall be responsible for all payments required to be made under the Scripps License).

b. Calculation Clarifications. For the purposes of **Section 4.2(a)**, (i) the "Net Sales" amount attributable to sales (of a particular Product) made in a country after the expiration of the Net Sales Payment Term for such Product in such country shall be deemed to be zero; and (ii) Net Sales of Combination Products and Bundled Combinations shall be calculated pursuant to **Section 1.30**.

4.3 Partnering Revenue for IL-15 Program. In further consideration of the rights granted to Licensee hereunder, and in addition to all other amounts payable pursuant to this Agreement, Licensee shall pay to Taurus, on a calendar quarterly basis, an amount equal to 10% of worldwide Preclosing-Program Partnering Income (regardless of whether such Preclosing-Program Partnering Income, or any portion thereof, is attributable to the Scripps License – although, for the avoidance of doubt, Taurus shall be responsible for all payments required to be made under the Scripps License).

4.4 Reports. Licensee agrees to, within 25 calendar days after the conclusion of the calendar quarter in which the First Commercial Sale (anywhere) of any Product occurs (or, if earlier, the conclusion of the first calendar quarter in which any receipt of Preclosing-Program Partnering Income occurs) and after the conclusion of each successive calendar quarter until the end of the first full calendar quarter after the end of the last to expire Net Sales Payment Term, deliver to Taurus a verbal or written non-binding initial estimate of Net Sales and Net Sales Payments due to Taurus (including a breakdown of how much of such Net Sales and Net Sales Payments is and how much is not attributable to the Scripps License) and of Preclosing-Program Partnering Income sharing due to Taurus (including a breakdown of how much of such Preclosing-Program Partnering Income is and how much is not attributable to the Scripps License), followed by, within 35 calendar days following the conclusion of the calendar quarter in which the First Commercial Sale (anywhere) of any Product occurs (or, if earlier, the conclusion of the first calendar quarter in which any receipt of Preclosing-Program Partnering Income occurs) and after the conclusion of each successive calendar quarter until the end of the first full calendar quarter after the end of the last to expire Net Sales Payment Term, a final written Net Sales Payments and Preclosing-Program Partnering Income sharing report. Each final written Net Sales Payments and Preclosing-Program Partnering Income sharing report shall be accompanied by the Net Sales Payments and Preclosing-Program Partnering Income sharing due, shall be in a form reasonably acceptable to Taurus, and shall set forth, on a Product-by-Product and country-by-country basis, Net Sales for such calendar quarter, including identification of each Selling Party (and the Net Sales applicable to each), the gross amounts invoiced (or otherwise charged) and the aggregate amounts for each respective Permitted Deductions category, and a breakdown of how much of such Net Sales and Net Sales Payments is and how much is not attributable to the Scripps License, as well as Preclosing-Program Partnering Income sharing for such calendar quarter, including a breakdown of how much of such Preclosing-Program Partnering Income is and how much is not attributable to the Scripps License. (It is understood that even if Licensee fails to provide a final written Net Sales Payment and Preclosing-Program Partnering Income sharing report as to a calendar quarter, the Net Sales Payment and Preclosing-Program Partnering Income sharing are nonetheless due 35 calendar days following the conclusion of the calendar quarter.)

4.5 Records.

a. Maintenance. Licensee agrees to keep (and Licensee agrees to cause its Permittees, Affiliates and Sublicensees to keep) complete and accurate books and records pertaining to

such Person's Commercialization activities related to the Taurus Antibodies, Antibody Products and Other Licensed Products (including sales of Products) for a period of at least three years after the relevant payment is owed to Taurus pursuant to this Agreement. Without limitation, it is required that such books and records be in sufficient detail to identify Licensee's Permittees (and whether the Permittee is a Sublicensee) and confirm the accuracy of Net Sales Payment calculations made hereunder. The record-keeping obligations and inspection rights in this **Section 4.5** supplement, and do not replace or supersede, any similar rights or obligations hereunder.

b. Annual Report. Within 45 days after each anniversary of the Effective Date, Licensee shall deliver to Taurus a written report, in a form reasonably acceptable to Taurus, detailing the progress of Licensee's (and its Affiliates' and any relevant Third Parties') research, development, and Commercialization activities related to Genus-Bos Company Intellectual Property, Taurus Antibodies, Antibody Products and Other Licensed Products, during the previous 12-month period, together with the outlook as to such research, development, and Commercialization activities for the upcoming 12-month period. Such report shall, at a minimum: (i) identify each Permittee of each respective Taurus Antibody and Product, (ii) include an itemized calculation of all Net Sales (if any) and Preclosing-Program Partnering Income (if any) during such previous 12-month period, on a Product-by-Product and country-by-country basis, including identification of each Selling Party (and the Net Sales applicable to each), the gross amounts invoiced (or otherwise charged) and the aggregate dollar amounts for each respective Permitted Deductions category, and (iii) provide good faith projections of Net Sales Payments and Preclosing-Program Partnering Income sharing payments for the upcoming 12-month period.

c. Disclosure of Post-Taurus Patents. On an annual basis no later than February 14, Licensee shall deliver to Taurus written notice of the filing of any Post-Taurus Patent application filed during the preceding calendar year in any jurisdiction covering the composition of matter of or use of any Taurus Antibody or Product and the applicable patent application number.

d. Records Examination ("Audit").

i. Licensee agrees to (and agrees to cause each Affiliate of Licensee to) upon written request of Taurus permit its books and records to be examined no more than once per calendar year by an independent certified public accountant from a nationally or regionally recognized accounting firm selected by Taurus to verify the accuracy of the Net Sales Payments under **Section 4.2** and the Preclosing-Program Partnering Income sharing payments under **Section 4.3**, upon written notice given at least seven days in advance. Any such examiner shall enter into a reasonable and customary confidentiality agreement before commencing any such examination and shall not disclose Licensee's Confidential Information to Taurus, except as is required to verify the accuracy of the Net Sales Payments. Such examination is to be made during normal business hours and may cover: (i) the books and records for sales made (and corresponding Permitted Deductions) in any calendar year ending not more than three years before the date of such request, and (ii) only those periods that have not been subject to a prior examination. Such examination shall be at the expense of Taurus, except in the event that the results of the examination reveal an underpayment of Net Sales Payments by Licensee of 5% or more over the period being examined, in which case the reasonable costs and expenses of such examination shall be paid (or reimbursed to Taurus, if such amounts have already been paid) by Licensee. If the examination establishes that Licensee underpaid any amounts due hereunder, then Licensee agrees to pay to Taurus such deficiency within 20 days after Licensee's receipt of a written report thereof, including interest thereon at the rate set forth in **Section 4.8**, and, if applicable pursuant to the previous

sentence, the costs and expenses of the examination. The results of any such examination shall be Licensee's Confidential Information.

ii.Licensee specifically agrees to cause the applicable non-Sublicensee Permittee or the applicable Sublicensee to upon written request of Taurus permit its books and records to be examined no more than once per calendar year by an independent certified public accountant from a nationally or regionally recognized accounting firm selected by on behalf of Taurus to verify the accuracy of the Net Sales Payments under **Section 4.2** and the Preclosing-Program Partnering Income sharing payments under **Section 4.3**, upon written notice given at least seven days in advance. Any such examiner shall enter into a reasonable and customary confidentiality agreement before commencing any such examination and shall not disclose the non-Sublicensee Permittee's or the Sublicensee's Confidential Information to Taurus, except as is required to verify the accuracy of the Net Sales Payments. Such examination is to be made during normal business hours and may cover: (i) the books and records for sales made (and corresponding Permitted Deductions) in any calendar year ending not more than three years before the date of such request, and (ii) only those periods that have not been subject to a prior examination. Such examination shall be at the expense of Taurus, except in the event that the results of the examination reveal an underpayment of Net Sales Payments and Preclosing-Program Partnering Income sharing payments by Licensee of 5% or more over the period being examined, in which case the reasonable costs and expenses of such examination shall be paid (or reimbursed to Taurus, if such amounts have already been paid) by Licensee. If the examination establishes that Licensee underpaid any amounts due hereunder, then Licensee agrees to pay to Taurus such deficiency within 20 days after Licensee's receipt of a written report thereof, including interest thereon at the rate set forth in **Section 4.8**, and, if applicable pursuant to the previous sentence, the costs and expenses of the examination.

4.6 Method of Payment. All payments due to Taurus under this Agreement shall be paid in United States Dollars by wire transfer to a bank in the United States designated in writing by Taurus. All references to "dollars" or "$" herein shall refer to United States Dollars. All amounts paid hereunder are non-refundable and non-creditable.

4.7 Taxes. Any amounts payable by Licensee to Taurus hereunder are exclusive of and shall not be reduced on account of any taxes unless required by Applicable Law. Licensee agrees to deduct and withhold from any such payments due hereunder any taxes that it is required by Applicable Law to withhold, and agrees to then remit the remaining payment (net of tax withheld) to Taurus, pay the amounts of such withheld taxes to the proper governmental authority in a timely manner, promptly notify Taurus of the amount and recipient of the payment to the governmental authority, and promptly thereafter transmit to Taurus official receipts issued by the appropriate taxing authority and/or an official tax certificate, or such other evidence as is available to Licensee and which Taurus may reasonably request, to establish that such taxes have been withheld and paid. Notwithstanding the foregoing, the parties agree to cooperate with one another and use reasonable efforts to avoid or reduce tax withholding or similar obligations in respect of Net Sales Payments and other payments by Licensee to Taurus under this Agreement. If Taurus is entitled under any applicable tax treaty to a reduction of rate of, or the elimination of, or recovery of, applicable withholding tax, then it may deliver to Licensee or the appropriate governmental authority the prescribed forms necessary to reduce the applicable rate of withholding or to relieve Licensee of its obligation to withhold tax. In such case Licensee agrees to apply the reduced rate of withholding, or not withhold, as the case may be. Each party agrees to provide the other party(ies) with reasonable assistance to enable the recovery, as permitted by Applicable Law, of withholding taxes, value added taxes, or similar obligations resulting from payments made under this Agreement, such recovery to be for the benefit of the party from whose payment tax was withheld.

4.8 Late Payments. Accrual and payment of interest shall not be deemed to excuse or cure breaches of contract arising from late payment or nonpayment. Cumulative with and not exclusive of any and all other available remedies, payments that are not made when due hereunder shall (except for any portions thereof which are subject to a good faith dispute) accrue interest, from due date until paid, at the lower of 1.0% per month or the highest rate permitted under Applicable Law.

5. Confidentiality.

5.1 Definition. Licensee and Taurus each recognize that during the Term and for the period in which payments may be due pursuant to **Section 4.2** and/or **Section 4.3**, or in which such payments may be subject to examination pursuant to **Section 4.5(d)**, a party (the "Disclosing Party") may from time to time elect to or may be required by express provisions of this Agreement to provide its Confidential Information (as defined herein) to the other party to this Agreement (the "Receiving Party"). It shall be deemed for purposes hereof that the Disclosing Party's Confidential Information is highly valuable, and that untoward disclosure of or use of such Confidential Information would be highly prejudicial to the Disclosing Party. The disclosure and use of Confidential Information shall be governed by the provisions of this **Article 5**. For purposes of this Agreement, "Confidential Information" means all information disclosed by the Disclosing Party to the Receiving Party during the Term and which reasonably ought to have been understood to be confidential and/or non-public information at the time disclosed to the Receiving Party, or which is designated in writing by the Disclosing Party as "Confidential" (or equivalent), or which when disclosed orally or visually to the Receiving Party is declared to be confidential by the Disclosing Party and is so confirmed in a writing delivered to the Receiving Party within 30 days after such oral or visual disclosure. Moreover, and notwithstanding anything to the contrary, (a) except to the extent licensed back to Licensee as set forth herein, the Minotaur-Developed Technology, and all intellectual property rights therein, are Confidential Information of Taurus and are deemed disclosed by Taurus as the Disclosing Party (and it is expressly agreed that the exceptions in **Sections 5.3(b)** and **5.3(d)** do not apply to them); (b) the terms of this Agreement are Confidential Information of Taurus and are deemed disclosed by Taurus as the Disclosing Party (and it is expressly agreed that the exceptions in **Sections 5.3(b)** and **5.3(d)** do not apply to them); and (c) the sequence information (whether as to amino acid sequence or nucleic acid sequence) with respect to each Taurus Antibody is Confidential Information of Licensee and is deemed disclosed by Licensee as the Disclosing Party (and it is expressly agreed that the exceptions in **Sections 5.3(b)** and **5.3(d)** do not apply to it).

a. Third Party Information. The parties acknowledge that the defined term "Confidential Information" (of a Disclosing Party) shall include not only the Disclosing Party's own Confidential Information but also Confidential Information of an Affiliate or of a Third Party which is in the possession of such Disclosing Party.

5.2 Obligations. Each party agrees to take such action to preserve the confidentiality of the other party's Confidential Information as it would customarily take to preserve the confidentiality of its own similar Confidential Information (but in no event less than a reasonable standard of care). No party shall use Confidential Information of the other party except as expressly allowed by and for the purposes of this Agreement. Each party agrees and acknowledges that it may disclose the other party's Confidential Information to its own (or its Controlled Affiliates') managers, directors, officers, employees, consultants, Third Party service providers, attorneys, accountants, bankers, lenders, agents, Permittees (including Sublicensees) or collaborators, but in each case only if and to the extent necessary to carry out the party's responsibilities under this Agreement or in accordance with the exercise or enforcement of the party's rights under this Agreement, and such disclosure shall be limited to the maximum extent possible consistent with such responsibilities and rights. Except as set forth in the foregoing sentence, no party shall disclose Confidential Information of an other party to any Person without the other party's prior written consent, except that a party may, to the extent necessary, disclose the terms

and existence of this Agreement to its actual and bona fide potential investors, acquirers, lenders, Permittees (including Sublicensees) or collaborators on a confidential basis in connection with an actual or potential investment, acquisition, license or collaboration (as applicable). In all events, however, any and all disclosure shall be pursuant to the terms of a written non-disclosure/nonuse agreement with terms and conditions at least as protective of the Confidential Information as those set forth in this **Article 5** (or, in the case of attorneys, to a duty and obligation of nondisclosure/nonuse pursuant to the applicable rules of the profession). The Receiving Party which disclosed Confidential Information of the other to any Third Party (or to any Affiliate or other Person) shall be responsible and liable to the Disclosing Party for any disclosure or use or other actions and omissions by such Third Party/Affiliate/other Person (or its disclosees) which would be a breach of any of the Receiving Party's obligations under this Agreement if such act were done or omitted by the Receiving Party itself.

5.3 Exceptions. The obligations under this **Article 5** shall not apply to any information, or portion thereof, to the extent the Receiving Party can demonstrate by competent evidence that such information:

a. is (at the time of disclosure) or becomes (after the time of disclosure) generally known to the public through no fault of and or without violation of any duty of confidentiality of the Receiving Party or its disclosees;

b. was at the time of disclosure already in the Receiving Party's possession with no duty of confidentiality, and such prior possession can be demonstrated by the Receiving Party's competent, contemporaneous written evidence;

c. is rightfully received by the Receiving Party on a non-confidential basis from a Third Party who is entitled to disclose it without breaching any confidentiality obligation (directly or indirectly) to the Disclosing Party and who, to the Receiving Party's best knowledge, did not obtain such information, directly or indirectly, from the Disclosing Party; or

d. is independently developed by or for the Receiving Party, in either case solely by personnel without any access to or use of the Confidential Information provided by the Disclosing Party, as shown by Receiving Party's contemporaneous written records.

5.4 Disclosure Pursuant to Law or Order. The Receiving Party may disclose Confidential Information of the Disclosing Party pursuant to a requirement to so disclose under Applicable Law or a valid order of a court or arbitration tribunal, provided that the Receiving Party: (a) provides the Disclosing Party with prompt notice of such disclosure requirement if legally permitted, (b) affords the Disclosing Party an opportunity to oppose or limit, or secure confidential treatment for such required disclosure (and reasonably cooperates with such effort) and (c) taking into account the results of all efforts contemplated by subsection (b) above, discloses only that portion of the Confidential Information that the Receiving Party is legally required to disclose. For the avoidance of doubt, the Confidential Information disclosed pursuant to said Applicable Law or legal process remains confidential unless and until it falls under one of the exceptions set forth in **Sections 5.3(a)-(d)**.

In addition, the Receiving Party may disclose the Confidential Information of the Disclosing Party to the extent (and solely to the extent) that such disclosure is reasonably necessary to allow the Receiving Party to enforce its rights hereunder, subject to principles equivalent to those in the preceding paragraph of this **Section 5.4**.

5.5 Defend Trade Secrets Act / Whistleblowing. Pursuant to the United States Defend Trade Secrets Act of 2016, it is confirmed and agreed that no party shall have, and each party acknowledges that it shall not have, criminal or civil liability under any federal or state trade secret law for the disclosure of a trade secret that is made (a) in confidence to a federal, state or local government official, either directly or indirectly, or to an

attorney, solely for the purpose of reporting or investigating a suspected violation of law or (b) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. In addition, if such party files a lawsuit for retaliation by an other party for reporting a suspected violation of law, then such party may disclose the trade secret to its attorney and may use the trade secret information in the court proceeding if such party (x) files any document containing the trade secret under seal and (y) does not disclose the trade secret, except pursuant to court order.

5.6 Public Announcements.

a. The parties shall mutually agree on a press release to be issued announcing execution of this Agreement. No party shall make any subsequent public announcement concerning this Agreement or the terms hereof not previously made public without the prior written approval of the other party with regard to the form, content, and precise timing of such announcement, except as may be required to be made by a party (or its parent company) in order to comply with Applicable Law, court orders, or tax or securities filings, any of which disclosures shall be made in accordance with the other applicable requirements of this **Article 5**. Such approval shall not be unreasonably withheld, conditioned or delayed by such other party. Before any such public announcement, the party wishing to make the announcement shall submit a draft of the proposed announcement to the other party sufficiently in advance of the scheduled disclosure to afford such other party a reasonable opportunity to review and comment upon the proposed text and the timing of such disclosure, and the announcing party shall consider all reasonable comments of the other party regarding such disclosure.

b. Notwithstanding the above, once a public disclosure has been made without violation of this **Section 5.6**, a party shall be free to disclose to Third Parties any information contained in said public disclosure, without further pre-review or pre-approval, so long as such public disclosure does not indicate that such information remains true and correct if in fact it is no longer true and correct.

6. Representations and Warranties; Disclaimer.

6.1 Representations and Warranties of Each Party. Each party represents and warrants to the other parties that:

a. it is a limited liability company or corporation, as applicable, duly organized, validly existing, and in good standing under the laws of Delaware (or, in the case of Licensee, under the laws of California);

b. it has full power and authority to execute, deliver, and perform under each of this Agreement and the Master Services Agreement, and has taken all action required by Applicable Law and its organizational documents to authorize the execution and delivery of this Agreement and the Master Services Agreement and the consummation of the transactions contemplated by this Agreement and the Master Services Agreement;

c. each of this Agreement and the Master Services Agreement has been duly authorized, executed and delivered by such party and constitutes a legal, valid and binding obligation of such party enforceable against such party in accordance with its terms except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, receivership, moratorium, fraudulent

transfer, or other similar laws affecting the rights and remedies of creditors generally and by general principles of equity;

d. all consents, approvals and authorizations from all governmental authorities or other Third Parties required to be obtained by such party in connection with the execution and delivery of this Agreement and/or the Master Services Agreement have been obtained;

e. the execution and delivery of this Agreement and the Master Services Agreement and all other instruments and documents required to be executed pursuant to this Agreement and/or the Master Services Agreement do not, and the consummation of the transactions contemplated hereby and the party's due performance of its obligations hereunder would not (i) conflict with or result in a breach of any provision of its organizational documents, (ii) result in a breach of any agreement to which it is a party that would impair the performance of its obligations hereunder, or (iii) violate any Applicable Law; and

f. no Person has or will have, as a result of the transactions contemplated by this Agreement and/or the Master Services Agreement, any right, interest or valid claim against or upon such party for any commission, fee or other compensation as a finder or broker because of any act by such party or its Affiliates or agents.

6.2 Representations and Warranties of Licensee. Licensee hereby represents and warrants to Taurus as follows, with each of such representations and warranties being deemed to be independently given on and as of the Effective Date, on and as of the date Parent's **Section 4.1(b)** contribution is received by Licensee and on and as of the date Parent's **Section 4.1(c)** contribution is received by Licensee:

a. Compliance. Licensee has at all times complied in all material respects with all covenants and obligations in this Agreement and all covenants and obligations in the Master Services Agreement.

b. Changes. Since its formation, (i) except for actions taken in connection with this Agreement and the Master Services Agreement, Licensee has conducted its business in all material respects in the ordinary course, and (ii) there has not been any Licensee Material Adverse Effect or any change, event, development, condition, occurrence or effect that has had or would reasonably be expected to have, individually or in the aggregate, a Licensee Material Adverse Effect.

c. Legal Proceedings. There is no pending or, to the Knowledge of Licensee, threatened material Legal Proceeding by or against Licensee or relating to Licensee or its properties or assets, nor is there any injunction, order, judgment, ruling or decree imposed upon Licensee, in each case, by or before any Governmental Entity.

d. Compliance with Legal Requirements; Governmental Authorizations. Licensee is in compliance in all material respects with all Legal Requirements applicable to Licensee. Licensee holds all Governmental Authorizations necessary for the lawful conduct of its business, and all such Governmental Authorizations are valid and in full force and effect. Licensee is in compliance with the terms of all Governmental Authorizations.

e. Environmental Matters.

i.Licensee is and always has been in compliance with (i) all applicable Legal Requirements concerning pollution or protection of the environment, including all those relating to

the presence, use, production, generation, handling, transportation, treatment, storage, disposal, distribution, labeling, testing, processing, discharge, release, threatened release, control or cleanup of any hazardous materials, substances or wastes ("Environmental Laws"), and (ii) any Governmental Authorizations required, issued, held or obtained under Environmental Laws for the operations of Licensee.

ii. There has been no violation of, and Licensee has never received any written notice or report regarding any actual or alleged violation of, any Environmental Law or any liabilities of Licensee arising under Environmental Laws. No event has occurred, and no circumstance exists, at any location or in connection with the business or assets of Licensee, in each case that to the Knowledge of Licensee could reasonably be expected to (with or without notice or lapse of time): (i) materially prevent, hinder or limit continued compliance with Environmental Laws; (ii) give rise to any investigatory, monitoring, remedial or corrective action obligations pursuant to Environmental Laws, which obligations are or would be material; or (iii) result in the imposition of any material Liability or costs pursuant to any Environmental Law.

f. Ordinary Course.

i. Licensee has since its formation conducted its business in the ordinary course of its business and not otherwise.

ii. Licensee has at all times exercised commercially reasonable efforts to (i) maintain its books and records (including both detailed and summary records of scientific data) in any and all tangible and intangible media, in accordance with commercially reasonable practices, and (ii) cause its consultants and counterparties to maintain books and records pertaining to Licensee matters (including both detailed and summary records of scientific data) in any and all tangible and intangible media, in accordance with commercially reasonable practices; and it and they have not destroyed any of such books and records.

g. Disclosure. No representation or warranty of Licensee in this Agreement contains any material untrue statement or omits to state a material fact necessary to make the statements herein or therein, in light of the circumstances in which they were made, not misleading.

6.3 Disclaimer. Notwithstanding the representations and warranties set forth in this **Article 6**, Licensee acknowledges and accepts the risks inherent in antibody discovery campaigns and post-campaign programs and in attempting to develop and Commercialize any pharmaceutical product. There is no implied representation that any antibody discovery campaign or post-campaign program will generate or discover any desirable Taurus Antibodies or will otherwise be successful or that any Products can be successfully developed or Commercialized. LICENSEE ALONE ASSUMES THE ENTIRE RISK AND RESPONSIBILITY FOR THE PATENTABILITY, SAFETY, EFFICACY, PERFORMANCE, DESIGN, MARKETABILITY, TITLE AND QUALITY OF ALL TAURUS ANTIBODIES AND PRODUCTS, INCLUDING WHETHER SUCH TAURUS ANTIBODIES AND PRODUCTS INFRINGE ANY THIRD PARTY RIGHTS. The express warranties set forth in this **Article 6** are provided in lieu of, and EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT, NO PARTY PROVIDES, ANY WARRANTIES, WHETHER WRITTEN OR ORAL, EXPRESS OR IMPLIED, AND EACH PARTY (FOR ITSELF AND ITS LICENSORS) DISCLAIMS ALL OTHER WARRANTIES, WHETHER WRITTEN OR ORAL, EXPRESS AND IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT AND FITNESS FOR A PARTICULAR PURPOSE.

Subject to **Section 10.10**, each party's representations and/or warranties under this Agreement are solely for the benefit of the other party and may be asserted only by the other party and not by any Affiliate, non-Sublicensee Permittee, Sublicensee or Third Party (including any customer of the other party, its Affiliates or Permittees). Each party shall be solely responsible for all representations and warranties that it, its Affiliates, non-Sublicensee Permittees or Sublicensees make to any customer (or other Third Party), Affiliates, non-Sublicensee Permittees or Sublicensees. Except as expressly provided in this **Article 6**, ANYTHING PROVIDED BY OR ON BEHALF OF TAURUS PURSUANT TO THIS AGREEMENT IS PROVIDED "AS IS."

7. Indemnification.

7.1 Indemnification of Licensee. Subject to **Section 7.3** below, Taurus agrees to indemnify, hold harmless and defend Licensee and its Affiliates, and each of their respective managers, directors, officers, licensees, employees and agents (each a "Licensee Indemnitee") from and against any and all losses, damages, liabilities, judgments, settlements, penalties, fines, costs and expenses (including the reasonable fees, costs and expenses of attorneys and other professionals) (collectively, "Losses") payable to Third Parties, incurred by Licensee Indemnitees in connection with any and all suits, actions, investigations, claims or demands of a Third Party (collectively, "Third Party Claims") relating to or arising from (a) Taurus' breach of this Agreement, including any of its covenants, representations and warranties set forth herein; (b) any breach or violation of any Applicable Law by Taurus or its managers, officers, directors, employees or agents, in connection with the activities contemplated by this Agreement; or (c) the grossly negligent or willful misconduct of Taurus or its managers, officers, directors, employees or agents; and for each of subsections (a)-(c), all except to the extent that such Losses are primarily caused by a Licensee Indemnitee's breach of Applicable Law, breach of this Agreement, gross negligence or willful misconduct.

7.2 Indemnification of Taurus. Subject to **Section 7.3** below, Licensee agrees to indemnify, hold harmless and defend Taurus and its Affiliates, and each of their respective managers, directors, officers, licensors, employees and agents (each a "Taurus Indemnitee") from and against all Losses payable to Third Parties, incurred by Taurus Indemnitees arising out of or resulting from Third Party Claims relating to or arising from (a) the research and development of Taurus Antibodies by Licensee or its Permittees or Sublicensees or other Licensee-authorized Persons; (b) the transactions in which, by license or assignment, etc., a Permittee becomes a Permittee; (c) manufacture, use, handling, promotion, marketing, distribution, importation, sale or offering for sale of Products by Licensee or its Permittees or Sublicensees or other Licensee-authorized Persons; (d) injuries or death to humans resulting from the use of any Taurus Antibody (or associated Product) manufactured or sold by Licensee or its Permittees or Sublicensees or other Licensee-authorized Persons, including claims based on negligence, warranty, strict liability or any other theory of product liability or a violation of Applicable Law; (e) Licensee's breach of this Agreement, including any of its covenants, representations and warranties set forth herein; (f) any breach or violation of any Applicable Law by Licensee or any of Licensee's managers, officers, directors, employees or agents, in connection with the activities contemplated by this Agreement, or (g) the grossly negligent or willful misconduct of Licensee or any of Licensee's managers, officers, directors, employees or agents; and for each of subsections (a)-(g), all except to the extent that such Losses are primarily caused by a Taurus Indemnitee's breach of Applicable Law, breach of this Agreement, gross negligence or willful misconduct.

7.3 Indemnification Procedure. The party or other Indemnitee intending to claim indemnification under this **Article 7** (an "Indemnified Party") shall promptly notify the opposed party (Licensee or Taurus, as the case may be) (the " Indemnifying Party") of any Third Party Claim in respect of which the Indemnified Party intends to claim such indemnification (provided, that no delay or deficiency on the part of the Indemnified Party in so notifying the Indemnifying Party will relieve the Indemnifying Party of any liability or obligation under this Agreement except to the extent the Indemnifying Party has suffered actual prejudice directly

caused by the delay or other deficiency), and (unless the Indemnified Party reasonably determines, and notifies the Indemnifying Party of such determination, that the Indemnifying Party lacks the financial wherewithal to properly conduct such defense) the Indemnifying Party shall assume the defense thereof (with counsel selected by the Indemnifying Party and reasonably satisfactory to the Indemnified Party) whether or not such Third Party Claim is rightfully brought; provided, however, that an Indemnified Party shall have the right to retain its own counsel and participate in the defense thereof, with the fees and expenses to be paid at such Indemnified Party's own expense (unless the Indemnifying Party does not assume the defense or unless a representation of both the Indemnified Party and the Indemnifying Party by the same counsel would be inappropriate due to the actual or potential differing interests between them, in which case the reasonable fees and expenses of counsel retained by the Indemnified Party shall be paid by the Indemnifying Party). Provided, that in no event shall the Indemnifying Party be required to pay for more than one separate counsel no matter the number or circumstances of all Indemnified Parties. If the Indemnifying Party shall fail to assume in a timely manner the defense of and reasonably defend such Third Party Claim (or if the Indemnified Party reasonably determines, and notifies the Indemnifying Party of such determination, that the Indemnifying Party lacks the financial wherewithal to properly conduct such defense), the Indemnified Party shall have the right to retain or assume control of such defense and the Indemnifying Party shall pay (as incurred and on demand) the reasonable fees and expenses of counsel retained by the Indemnified Party and all other reasonable expenses of investigation and litigation. The Indemnifying Party shall not be liable for the indemnification of any Third Party Claim settled (or resolved by consent to the entry of judgment) by the Indemnified Party without the written consent of the Indemnifying Party, unless (in the scenario where the Indemnifying Party shall fail to assume in a timely manner the defense of and reasonably defend such Third Party Claim or in the scenario where the Indemnified Party reasonably determines, and notifies the Indemnifying Party of such determination, that the Indemnifying Party lacks the financial wherewithal to properly conduct such defense) the Indemnifying Party's written consent is unreasonably withheld, conditioned or delayed. Also, if the Indemnifying Party shall control the defense of any such Third Party Claim, the Indemnifying Party shall have the right to settle such Third Party Claim; provided, that the Indemnifying Party agrees to obtain the prior written consent (which shall not be unreasonably withheld, conditioned or delayed) of the Indemnified Party before entering into any settlement of (or resolving by consent to the entry of judgment upon) such Third Party Claim unless (A) there is no finding or admission of any violation of Applicable Law or any violation of the rights of any Person by an Indemnified Party, no requirement that the Indemnified Party admit fault or culpability, and no adverse effect on any other claims that may be made by or against the Indemnified Party and (B) the sole relief provided is monetary damages that are paid in full by the Indemnifying Party and such settlement does not require the Indemnified Party to take (or refrain from taking) any action.

Regardless of who controls the defense, the other parties hereto agree to reasonably cooperate in the defense as may be requested. Without limitation, each party hereto which is not the Indemnifying Party and (if different) the Indemnified Party, and their respective managers, directors, officers, advisers, agents and employees, shall cooperate fully with the Indemnifying Party and its legal representatives in the investigation and defense of any Third Party Claim.

7.4 Expenses. As the parties intend complete indemnification, all reasonable costs and expenses of enforcing any provision of this **Article 7** shall also be reimbursed by the Indemnifying Party.

7.5 Insurance. Each party agrees to have and maintain such types and amounts of liability insurance as is normal and customary in the industry generally for parties similarly situated, and agrees to upon request provide any other party with a copy of its policies of insurance in that regard, along with any amendments and revisions thereto, and agrees to comply with any reasonable request to have the (requesting) party named as an additional insured thereon.

8. Term and Termination.

8.1 Term. The term of this Agreement shall commence on the Effective Date and shall continue until terminated as provided herein (the "Term").

8.2 Termination for Breach. If a party should materially violate or materially fail to perform any material term or covenant of this Agreement, then the other party (Licensee or Taurus, as the case may be) may give written notice of such default to such party. If such party should fail to cure such default within 30 days (or 10 days with respect to any payment obligation not otherwise subject to a good faith dispute) after such notice, the other party (Licensee or Taurus, as the case may be) shall have the right to (in addition to and not in lieu of all other available rights and remedies) terminate this Agreement by giving a second written notice (a "Notice of Termination") to such party. If Notice of Termination is given to such party, this Agreement shall automatically terminate on the effective date of such Notice of Termination. Notwithstanding the foregoing, if the breach, by its nature, is incurable, the non-breaching party may terminate this Agreement immediately upon written notice to the breaching party. The parties agree that any failure by Licensee to pay when due (subject to the 10-day cure period) and as required 100% of any amount of money owing from Licensee to Taurus as is not disputed in good faith by Licensee (or, if some portion of the amount of money owing from Licensee to Taurus is not disputed in good faith by Licensee and the remaining portion is disputed in good faith by Licensee, 100% of the portion which is not disputed in good faith by Licensee) shall conclusively be deemed to constitute a "material" breach under this Agreement.

8.3 Termination for Bankruptcy, Etc. Licensee may, to the extent permitted by Applicable Law, terminate this Agreement immediately upon written notice to Taurus if Taurus files in any court or agency pursuant to any Applicable Law, a petition in bankruptcy or insolvency or for reorganization or for an arrangement or for the appointment of a receiver or trustee of Taurus or of its assets, or if Taurus is served with an involuntary petition against it, filed in any proceeding of such sort, and such petition is not dismissed within 60 days after the filing thereof, or if Taurus overtly proposes to dissolve or liquidate, or if Taurus makes an assignment for the benefit of its creditors. Taurus may, to the extent permitted by Applicable Law, terminate this Agreement immediately upon written notice to Licensee if Licensee files in any court or agency pursuant to any Applicable Law, a petition in bankruptcy or insolvency or for reorganization or for an arrangement or for the appointment of a receiver or trustee of Licensee or of its assets, or if Licensee is served with an involuntary petition against it, filed in any proceeding of such sort, and such petition is not dismissed within 60 days after the filing thereof, or if Licensee overtly proposes to dissolve or liquidate, or if Licensee makes an assignment for the benefit of its creditors.

8.4 Termination for IP Challenge. Taurus may, but shall not be required to, terminate this Agreement with immediate effect upon written notice to Licensee if Licensee directly or indirectly challenges in a legal or administrative proceeding the patentability, enforceability or validity of any claim of any Taurus Patent (a "Challenge"); provided that this provision shall not apply to the extent that such a provision is prohibited by Applicable Law or to the extent a Challenge is commenced by a Third Party that after the Effective Date acquires (or acquires the business assets of) or is acquired by (or its business assets are acquired by) Licensee, whether by stock purchase, merger, asset purchase, or otherwise, provided that all activities toward such challenge commenced before and not in anticipation of the closing of such acquisition. If, upon a Challenge, at least one claim of a Taurus Patent, which Taurus Patent is subject to the Challenge, survives the Challenge not being found invalid or unenforceable, then (a) Licensee agrees to pay all costs and expenses incurred by Taurus or any Affiliate of Taurus (including actual attorneys' fees) in connection with defending the Challenge and (b) if a termination of this Agreement has not been effectuated the **Section 4.2** Net Sales Payment rate for each Product shall be increased to 8% of Net Sales thereafter for the remainder of the applicable Net Sales Payment Term.

8.5 Termination for Convenience. Licensee may terminate the Agreement at its election upon 30 days' notice at any time after the fourth anniversary of the date of this Agreement.

8.6 Effect of Termination.

a. Upon termination of this Agreement for any reason, all rights and licenses granted to Licensee hereunder (other than those provisions that expressly survive such termination) shall terminate; provided however, that subject to Licensee's continuation of timely payments of Net Sales Payments and other amounts set forth in **Sections 4.2** through **4.8** as provided herein, Licensee (subject to **Section 3.1**) and its Permittees may after such termination of this Agreement research, develop, seek regulatory approval for, manufacture, sell and Commercialize any Taurus Antibodies generated during the Term or related Products. The following provisions shall survive termination of this Agreement: **2.1(b)**, **2.3** (first sentence only), **2.6** (first sentence only – and only to the extent such Minotaur-Developed Technology had been invented, discovered, authored or created before termination but had not been assigned and technology-transferred before termination), **6.3**, **8.4(a)** (as to Challenges which were initiated before such termination), **8.4(b)** and **8.6**, and **Article 4** (until all then-existing and future-arising payment obligations with respect to any Taurus Antibodies generated during the Term or related Products are satisfied) and **Articles 3**, **5**, **7**, **9** and **10**. All previously accrued liabilities, whether or not for breach, shall also survive termination of this Agreement.

b. Within 10 days after the effective date of termination of this Agreement, Licensee shall pay to Taurus all still-unpaid amounts that have accrued pursuant to **Article 4** and/or **Article 7** on or before the effective date of termination. For the sake of clarity, Licensee shall make any payments pursuant to **Article 4** and **Article 7**, which had not accrued by the effective date of termination, in accordance with the terms thereof. Upon termination of this Agreement, each Receiving Party, upon the Disclosing Party's request, shall promptly return or destroy (at the Disclosing Party's discretion) all the Confidential Information in its possession or control as Receiving Party, including all documents and materials in its possession or control (in whatever media) which constitute or contain copies, embodiments, reflections, analyses, notes, modifications, derivatives, analogs or extracts of such Confidential Information, except for (i) such electronic copies that exist as part of the Receiving Party's computer systems, network storage systems and electronic backup systems, (ii) one archival copy solely to be able to monitor its obligations that survive under this Agreement and for facilitating exercise or enforcement of a party's rights hereunder that survive termination of this Agreement, (iii) any archival copy that the Receiving Party determines, acting reasonably, is required by Applicable Law, and (iv) with respect to Licensee, such copies as are reasonably necessary to carry out the activities contemplated in the first sentence of **Section 8.6(a)** (provided that when such necessity has ended, such copies shall also be destroyed)

9. Limitation of Liability. Except with respect to: (a) a party's indemnification obligations as set forth in **Article 7**, (b) breach of **Article 5**, or (c) intentional misconduct or willful and knowing breach, in no event shall a party or its managers, directors, officers, employees, consultants or agents be responsible or liable in connection with this Agreement for any indirect, special, punitive, incidental or consequential damages or lost profits, lost savings, lost business or interruption of business to any other party or its licensees, agents, or any other individual or entity regardless of the form of action or legal theory and whether in contract, tort, strict liability or otherwise, and regardless of whether the Person may have been advised of the possibility of such damage. Except with respect to: (a) a party's indemnification obligations as set forth in **Article 7**, (b) payment obligations under **Article 4**, (c) breach of **Article 5**, or (d) intentional misconduct or willful and knowing breach, in no event shall a party's total aggregate

liability to any other party in connection with this Agreement or with the business contemplated hereby exceed $150,000.

10. General Provisions.

10.1 Relationship of Parties. Each of the parties hereto is an independent contractor and nothing in this Agreement is intended or shall be deemed to constitute a partnership, agency, employer-employee or joint venture relationship between or among any of the parties. No party shall have the right to, and each party agrees not to purport to, incur any debts or make any commitments or contracts for an other party (except Minotaur Therapeutics, Inc. has the right to and may make commitments or contracts for its Controlled Affiliates). Without limitation, no party shall (and with respect to Licensee, Licensee agrees to ensure that its Permittees and Sublicensees do not) make any statements, representations or warranties or accept any liabilities or responsibilities whatsoever on behalf of an other party or its Affiliates or its or their managers, directors, officers, employees, consultants and agents that are inconsistent with any disclaimer or limitation in **Section 6.3** or **Article 9**.

10.2 Compliance with Law. Each party agrees that in the exercise of its rights and performance of its obligations under this Agreement (expressly including, in the case of Licensee, the development, study, manufacture, handling, marketing, sale, distribution and use of Products), it shall (and with respect to Licensee, Licensee agrees to ensure that its Permittees and Sublicensees shall) comply in all material respects with all Applicable Law, including import/export restrictions, laws, rules and regulations governing use and patent, copyright and trade secret protection. Each party shall, at its own expense, procure all governmental licenses and pay all fees and other charges required thereby.

10.3 Arbitration**.**

a. Procedure. Any and all any disputes, controversies or claims between or among the parties (whether based on contract, tort or otherwise) arising out of or relating to this Agreement shall be exclusively and finally resolved by binding arbitration (using the English language) in accordance with the commercial arbitration rules and administration rules of JAMS then in effect, in San Diego, California, USA. The arbitration shall be conducted by an arbitrator reasonably knowledgeable about the pharmaceutical/biotechnology industry and acceptable to Taurus and Licensee. If Taurus and Licensee cannot agree on a single arbitrator within 30 days after a demand for arbitration has been made, Taurus shall appoint an arbitrator, Licensee shall appoint an arbitrator, the two arbitrators shall appoint a third arbitrator, and the three arbitrators shall hear and decide the issue in controversy. If a party fails to appoint an arbitrator within 45 days after service of the demand for arbitration, then the arbitrator appointed by the other party shall arbitrate any controversy in accordance with this **Section 10.3(a)**. Except as to the selection of arbitrators, the arbitration proceedings shall be conducted promptly and in accordance with the commercial arbitration rules of JAMS then in effect. The expenses of any arbitration, including the reasonable attorney fees and expenses of the prevailing party, shall be awarded by the arbitrator(s) to the prevailing party against the other party.

b. Confidentiality of Proceedings. All arbitration proceedings hereunder shall be confidential, and the arbitrator(s) shall issue appropriate protective orders to safeguard each party's Confidential Information. Except as required by Applicable Law, no party shall make (or instruct the arbitrator(s) to make) any public announcement with respect to the proceedings or decision of the arbitrator(s) without prior written consent of the other party(ies) hereto.

c. Equitable Relief. Each party recognizes that the covenants and agreements herein and their continued performance as set forth in this Agreement are necessary and critical to protect the legitimate interests of the other parties, that each other party would not have entered into this Agreement in the absence of such covenants and agreements and the assurance of continued performance as set forth in this Agreement, and that a party's breach or threatened breach of such covenants and agreements (including **Article 5**) may cause an other party irreparable harm and significant injury, the amount of which will be extremely difficult to estimate and ascertain, thus potentially making any remedy at law or in damages inadequate. Therefore, each party confirms and agrees that, notwithstanding **Section 10.3(a)**, any other party shall be entitled to seek (from the arbitrator(s) and/or from any court of competent jurisdiction) on an interim or permanent basis an order for specific performance, an order restraining any breach or threatened breach (of **Article 5** and/or of any or all other provisions of this Agreement), and any other equitable relief (including temporary, preliminary and/or permanent injunctive relief), all without need to post any bond or other security, and (except as provided in **Article 9**) in addition to and not exclusive of any other remedy available to such other party at law or in equity.

d. Courts. No party shall commence any court proceeding or action against the other to resolve any dispute, except to enforce an arbitral award rendered pursuant to this **Section 10.3** or for equitable relief. For all purposes of this Agreement (but subject to the preceding sentence), the parties hereby irrevocably consent to personal jurisdiction and venue in the state and federal courts located in San Diego County, California, USA, and irrevocably agree to service of process issued or authorized by any such court in any such action or proceeding. The parties hereby irrevocably waive any objection which they may now have or hereafter have to the laying of venue in the federal or state courts located in San Diego County, California, USA in any such action or proceeding, and hereby irrevocably waive and agree not to plead or claim in any such court that any such action or proceeding brought in any such court has been brought in an inconvenient forum. Notwithstanding anything in this **Section 10.3**, a party may seek to enforce an arbitral award or pursue equitable relief at any time in any court of competent jurisdiction.

e. Binding Effect. The provisions of this **Section 10.3** shall survive any termination of this Agreement, and shall be severable and binding on the parties hereto, notwithstanding that any other provision of this Agreement may be held or declared to be invalid, illegal or unenforceable.

10.4 Costs and Expenses. Except as otherwise expressly provided in this Agreement, each party agrees to bear all costs and expenses associated with the performance of such party's obligations under this Agreement.

10.5 Further Assurances. The parties hereby covenant and agree without the necessity of any further consideration, to execute, acknowledge and deliver any and all such other documents and instruments and take any such other action as may be reasonably necessary or appropriate to carry out the intent and purposes of this Agreement.

10.6 Force Majeure. No party shall be liable or in breach for failure to perform, or delay in the performance of, its obligations under this Agreement when such failure or delay is caused by an event of force majeure. The corresponding obligations of an other party shall be suspended to the same extent. For purposes of this Agreement, an event of force majeure means any event or circumstance beyond the reasonable control of the affected party and not reasonably preventable using industry standard practices, including war, insurrection, act of terrorism, riot, fire, flood or other unusual weather condition, explosion, act of God, peril of the sea, sabotage, embargo, act of governmental authority, compliance with governmental order on national defense requirements,

or inability due to general industry-wide shortages to obtain fuel, power, raw materials, labor or transportation facilities. If, due to any event of force majeure, a party shall be unable to fulfill its obligations under this Agreement, the affected party agrees to immediately notify the other parties of such inability and of the period during which such inability is expected to continue, agrees to use reasonable commercial efforts to cure and remedy such non-performance and the time for performance shall be extended for a number of days equal to the duration of the force majeure, and the parties shall meet promptly to determine an equitable solution to the effects of such event. For the avoidance of doubt: failure to perform, or delay in the performance of, payment obligations can be excused by force majeure only if force majeure disrupts the channel for payments (e.g., an earthquake); not being able to make a payment due to having financial difficulties or having other obligations to meet does not qualify as force majeure whatever the reason for such inability (regardless of whether or not due to "circumstance beyond the reasonable control of the affected party and not reasonably preventable using industry standard practices").

10.7 Notices. Any notice, report, request, approval or consent required or permitted to be given under this Agreement shall be in writing and shall be addressed as follows:

If to Taurus, to:

Taurus Biosciences, LLC
c/o Ligand Pharmaceuticals Incorporated
3911 Sorrento Valley Boulevard, Suite 110
San Diego, California 92121
USA
Attention: Senior Vice President and General Counsel
Email: cberkman@ligand.com

If to Licensee (including any Controlled Affiliate), to:

Minotaur Therapeutics, Inc.
10929 Technology Place
San Diego, CA 92127
Attention: Vaughn Smider
Email: vaughn.smider@taurusbiosciences.com

or, in each case, to the most recent address, specified by written notice, given to the sender pursuant to this Section.

Any such written notice, report, request, approval or consent shall be deemed to have been given on the earliest of (a) actual receipt, or (b) if personally delivered to the party to whom notice is to be given, the date of delivery, or (c) if sent by email, the date of transmission, if sent to such email address before 5:00 p.m. at the location of receipt on a business day, or the first business day after the date of transmission, if sent to such email address at or after 5:00 p.m. at the location of receipt on a business day or on a day that is not a business day, or (d) if sent by overnight courier and addressed as set forth above, the next business day after the date of deposit with such courier (by the courier's stated time for enabling next-business-day delivery), or if deposited after such stated time shall be deemed to be the second business day after the date of deposit, or (e) if sent in the United States by United States certified mail, return receipt requested, postage prepaid and addressed as set forth above, on the fifth business day after such mailing.

10.8 Governing Law. This Agreement, and all claims or causes of action (whether in contract, tort or statute) that may be based upon, arise out of or relate to this Agreement or the negotiation, execution or performance of this Agreement (including any claim or cause of action based upon, arising out of or related to any representation or warranty made in or in connection with this Agreement or as an inducement to enter into this Agreement), shall be governed by, construed in accordance with and enforced in accordance with the internal Applicable Law of the State of California, USA (including its statutes of limitations and of repose, and without giving effect to any conflicts of law principles that require the application of the law of a different state or country).

10.9 Entire Agreement; Amendment . This Agreement (inclusive of any Exhibits attached hereto) contains the entire agreement of the parties relating to the subject matter hereof and supersedes any and all prior or contemporaneous agreements, written or oral, between or among the parties relating to the subject matter hereof. Notwithstanding the foregoing, no party (nor any other Person) shall be relieved from any liability for any past breach of any such prior written agreements or from any express indemnification obligation thereunder. No party has made any promises, representations, warranties, covenants, or undertakings, other than those expressly set forth or referred to herein, to induce any other party to execute, deliver or authorize the execution or delivery of this Agreement, and each party acknowledges that it has not executed, delivered or authorized the execution or delivery of this Agreement in reliance upon any such promise, representation, or warranty, covenant or undertaking not contained herein. This Agreement may not be amended unless agreed to in writing by all parties.

10.10 Binding Effect. This Agreement shall be binding upon, and the rights and obligations hereof shall apply to Taurus and Licensee and any successor(s) and permitted assigns. The name of a party appearing herein shall be deemed to include the names of such party's successors and permitted assigns to the extent necessary to carry out the intent of this Agreement.

10.11 Waiver. The privileges, powers, options and rights of a party under this Agreement may be exercised from time to time, singularly or in combination, and the exercise of one or more such privileges, powers, options or rights shall not be deemed to be a waiver of any one or more of the others. No waiver in connection with this Agreement shall be deemed to have been made by a party unless such waiver is addressed in writing and signed by an authorized representative of that party. The failure of a party to enforce or insist upon the strict performance of any of the terms, provisions or conditions of this Agreement, or to exercise any option, privilege, power or right contained in this Agreement (and/or any delay in doing any of the foregoing things), shall not be construed as a waiver or relinquishment for the future of any such term, provision, condition or option, privilege, power or right or the waiver or relinquishment of any other term, provision, condition or option, privilege, power or right.

10.12 Severability. This Agreement is severable. When possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under Applicable Law; but if any provision of this Agreement is determined by a final and binding court or arbitration judgment (for which no further appeal is possible) to be invalid, illegal or unenforceable to any extent, such provision shall not be affected or impaired up to the limits of such invalidity, illegality or unenforceability; the validity, legality and enforceability of the remaining provisions of this Agreement shall not be affected or impaired in any way; the affected provision shall (if at all possible) be construed as if it had been written in such a way as to both be valid, legal and enforceable and to achieve, to the greatest lawful extent, the evident economic, business and other purposes of such invalid, illegal or unenforceable provision (or portion of provision); and the parties agree to negotiate in good faith to replace such invalid, illegal and unenforceable provision (or portion of provision) with a valid, legal and enforceable provision that achieves, to the greatest lawful extent under this Agreement, the economic, business and other purposes of such invalid, illegal or unenforceable provision (or portion of provision).

10.13 Assignment. Neither party may effect an Assignment without the prior written consent of the other party; provided, that no such consent shall be required in the case of an Assignment (i) by Taurus in connection with Taurus (or the transgenic animal platform business of which it is a part) being acquired or (ii) by Licensee in connection with Licensee (or the business of Licensee to which this Agreement relates) being acquired. In the case of an Assignment of Licensee which is not structured to formally maintain the existence of Licensee as a subsidiary (e.g., a direct merger, or an asset sale), Licensee shall not proceed with the Assignment unless and until Licensee first causes the acquirer to deliver to Taurus a writing (identifying Taurus as the direct beneficiary or as an express third-party beneficiary) wherein the acquirer agrees to assume all covenants, agreements, obligations, liabilities and duties of Licensee under this Agreement.

10.14 No Implied License. No right or license is granted to any party hereunder by implication, estoppel, or otherwise to any know-how, Patent or other intellectual property right now or hereafter owned or controlled by another party or Person, except by an express license granted hereunder.

10.15 Third-Party Beneficiaries. Except for the rights of Indemnified Parties pursuant to **Article 7** hereof, the terms and provisions of this Agreement are intended solely for the benefit of each party hereto and their respective successors or permitted assigns and it is not the intention of the parties to confer third-party beneficiary rights upon any other Person, including Permittees. Except as otherwise expressly provided herein, the enforcement of any obligation of Taurus under this Agreement shall only be pursued by (i) Minotaur Therapeutics, Inc., (ii) in the case of a bona fide arm's-length Assignment of Licensee which is not structured to formally maintain the existence of Licensee as a subsidiary (e.g., a direct merger, or an asset sale), the acquirer when (as required by Section 10.13) such acquirer agrees to assume all covenants, agreements, obligations, liabilities and duties of Licensee under this Agreement, (iii) a Controlled Affiliate (if the obligation being enforced was owed to such Controlled Affiliate) or (iv) a Licensee Indemnitee, and not by any Permittees or Sublicensees (except in the capacity of a Licensee Indemnitee as such).

10.16 Remedies Cumulative; Right of Set-Off. Except as provided in **Article 9** and **Section 10.3**, any enumeration of a party's rights and remedies in this Agreement is not intended to be exclusive, and a party's rights and remedies are intended to be cumulative to the extent permitted by Applicable Law and include any rights and remedies authorized in law or in equity. Notwithstanding anything to the contrary in this Agreement, Licensee shall not have a right to set-off any Net Sales Payments or other amounts due under this Agreement against any damages incurred by Licensee for a breach by Taurus of this Agreement, except against Taurus for any damages finally awarded against Taurus under **Section 10.3** in a decision which can no longer possibly be the subject of any appeal.

10.17 Interpretation. The language used in this Agreement is the language chosen by the parties to express their mutual intent, and no provision of this Agreement shall be interpreted for or against a party because that party or its attorney drafted the provision.

10.18 Construction. Any reference in this Agreement to an Exhibit, Article, Section, subsection, paragraph or clause shall be deemed to be a reference to an Exhibit, Article, Section, subsection, paragraph or clause of or to, as the case may be, this Agreement, unless otherwise indicated. Unless the context of this Agreement otherwise requires, (a) words of any gender include each other gender, (b) words such as "herein", "hereof", and "hereunder" refer to this Agreement as a whole and not merely to the particular provision in which such words appear, (c) words using the singular shall include the plural, and vice versa, (d) the words "include," "includes" and "including" shall be deemed to be followed by the phrase "but not limited to", "without limitation", "inter alia" or words of similar import, (e) any definition of or reference to any agreement, instrument, or other document herein will be construed as referring to such agreement, instrument, or other document as from time to time amended, supplemented, or otherwise modified (subject to any restrictions on such amendments,

supplements or modifications set forth herein) and (f) references to any specific law, rule or regulation, or section or other division thereof, will be deemed to include the then-current amendments thereto or any replacement or successor law, rule or regulation thereof. Unless otherwise expressly provided herein, anything subject to Taurus' approval or consent herein is subject to such approval or consent in Taurus' sole and unfettered discretion.

10.19 Counterparts. This Agreement may be executed and delivered in counterparts (portable document format (.pdf) file with electronic transmission included), each of which shall constitute an original document, but all of which shall constitute one and the same instrument.

[*The remainder of this page has been left blank intentionally. The signature page follows.*]

IN WITNESS WHEREOF, the parties hereto have caused this Commercial License Agreement to be executed and delivered so as to be effective on the date first set forth above (the Effective Date). By its signature below, Minotaur Therapeutics, Inc. is signing on its own behalf in order to bind itself and also on behalf of its current and future Controlled Affiliates (if any) in order to bind them.

Taurus Biosciences, LLC

By: /s/ Vaughn Smider
Name: Vaughn Smider
Title: President

Minotaur Therapeutics, Inc. (on its own behalf
and on behalf of its current and future
Controlled Affiliates, if any)

By: /s/ Vaughn Smider

Name: Vaughn Smider
Title: President

Exhibit A

Appointment of Expert

If any party wishes to appoint an independent expert (the "Expert") to determine any matter pursuant to **Section 1.30** (or if the parties mutually agree in writing to appoint an Expert to determine any other matter pursuant to this Agreement in lieu of **Section 10.3** arbitration), the following procedures will apply:

The party wishing to appoint the Expert (the "Appointing Party") will serve a written notice on the opposed other party(ies) (collectively referred to in the singular as the "Responding Party"). The written notice will specify the clause pursuant to which the appointment is to be made and will contain reasonable details of the matter(s) which the Appointing Party wishes to refer to the Expert for determination. The parties shall within 30 days following the date of the Appointing Party's written notice use all reasonable efforts to agree who is to be appointed as the Expert to determine the relevant matter(s). The Expert shall be neutral and independent of each party and all of each party's respective Affiliates and shall have significant experience and expertise in the substantive area in question. If the parties are unable to agree upon the identity of the Expert within that timescale, the Expert shall be appointed by the ICC International Centre for ADR in accordance with the terms of this Exhibit A and the Rules for the Appointment of Experts and Neutrals of the International Chamber of Commerce.

Each party will within 30 days following appointment of the Expert, prepare and submit to the Expert and the opposed other party(ies) a detailed written statement setting out its position on the matter(s) in question and including any proposals which it may wish to make for settlement or resolution of the relevant matter.

Each party will have 14 days following receipt of the opposed other party(ies)'s written statement to respond in writing thereto. Any such response will be submitted to the opposed other party(ies) and the Expert.

The Expert will if he/she deems appropriate be entitled to seek clarification from the parties as to any of the statements or proposals made by any party in its written statement or responses. Each party will on request make available all information in its possession and shall give such assistance to the Expert as may be reasonably necessary to permit the Expert to make his/ her determination.

The Expert will issue his/her decision on the matter(s) referred to him/ her in writing as soon as reasonably possible, but at latest within three months following the date of his/ her appointment. The Expert's decision shall (except in the case of manifest error) be final and binding on the parties.

The Expert will at all times act as an independent and impartial expert and not as an arbitrator.

The Expert's charges will be borne as he/she determines in his/her written decision.